CATCH 22 CHARITY LIMITED

England & Wales · Charity number 1124127

Details

Other names	RAINER CRIME CONCERN
Status	Registered
Legal form	Charitable company
Company number	06577534
Registered	2008-05-19
Register	View on the Charity Commission register

Contact

Address	Catch22 Charity Ltd 27 Pear Tree Street London EC1V 3AG
Phone	02073364800
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Website	www.catch-22.org.uk

Activities

Objects: TO PROMOTE OPPORTUNITIES FOR THE DEVELOPMENT, EDUCATION AND SUPPORT OF YOUNG PEOPLE IN NEED TO LEAD PURPOSEFUL, STABLE AND FULFILLED LIVES AND TO PROMOTE SAFER, CRIME FREE COMMUNITIES FOR THE BENEFIT OF THE PUBLIC.

Activities: To promote opportunities for the development,education and support of young people in need to lead purposeful, stable and fulfilled lives and to promote safer, crime free communities for the benefit of the public.Catch22 is a social business, a not for profit business with a social mission, working with over 33,000 people acrossevery stage of the social welfare cycle.

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Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** Education/training, The Prevention Or Relief Of Poverty, Accommodation/housing, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Children/young People, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£51,098,000	£85,463,000	£20,519,000	996
2023-08-31	£53,489,000	£56,933,000	£52,896,000	1120
2022-08-31	£54,791,000	£56,536,000	£55,222,000	1042
2021-08-31	£65,166,000	£54,731,000	£48,661,000	953
2020-08-31	£53,204,000	£46,722,000	£37,352,000	967

Trustees

Name	Role	Appointed
Caroline Artis	Chair	2021-02-24
Benoit Salama		2023-02-01
Claire Starza-Allen		2020-09-16
Dr Emer Sutherland		2024-12-11
Jeff Jacobs		2020-07-01
Jonathan Thomas		2022-01-20
Matthew Halstead		2020-09-16
NATASHA FINLAYSON		2023-02-27
Ufuoma Sobowale		2023-02-01

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CATCH 22 CHARITY LIMITED

England & Wales - Charity number 1124127

Accounts

catch 22

CATCH 22 CHARITY LIMITED

Trustees' Report and Financial Statements

FOR THE YEAR ENDED 31 AUGUST 2024

Company number: 06577534
Registered charity number: 1124127



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"While the success stories of the people we've supported are remarkable, it is sobering to realise just how badly the services we, and others working in similar spaces, are needed."



Welcome to Catch22's latest Social Impact Review – a showcase of both the breadth and depth of our activity over the last 12 months.

We have supported hundreds of young people who are victims of exploitation, helping them get their lives back on track. We've helped thousands of ex-offenders rebuild their networks and regain control of their finances. We've raised awareness amongst Newham residents about the importance of health screening, and we've given hundreds of people furthest from the job market secure sustainable employment.

We have strengthened our network of local authority leaving care teams to improve outcomes of care experienced young people, enhancing this with an expanded employability programme in the North West solely focussed on care leavers. Our schools and colleges continue to flourish, with all our provision now being rated 'good' by our regulators. And we are continuing to support innovation

– with our Good Tech Ventures programme opening up opportunities for new business support for effective delivery of public services.

While the success stories of the people we've supported are remarkable, it is sobering to realise just how badly the services we, and others working in similar spaces, are needed.

In particular, there appears no let up in the numbers of young people affected by violence. Indeed this year, we welcomed the charity Redthread into the Catch22 family through a merger. Redthread do brilliant work, supporting young victims of violence in hospital settings – including Emergency Departments and Major Trauma Centres. While mergers are never straightforward, we're grateful to the Redthread Board, leadership and staff who have been so proactive in wanting the merger to work in order to ensure the future of Redthread services. With their areas of delivery complementing the work already done by Catch22 in the sphere of child exploitation, we're looking forward to building on and delivering even more impactful work in this space.

I hope you enjoy reading this review as much as I did. Thank you to all the colleagues who make Catch22 the compassionate, collaborative, empowering and curious organisation that is it. I look forward to seeing what the next year has in store.

Terry Duddy, Chair



“None of this would be possible without our excellent colleagues and our broad network of partners.”



I wrote at the start of last year’s Review, that the need for organisations like ours to demonstrate the impact and value for money of what we do has never been more important.

I’m proud to say that we are making great strides in this respect; our Evidence and Insight team is now fully embedded across the organisation, and we are getting better at demonstrating how all of our models and approaches are delivering incredible outcomes for our service users.

We are also gaining traction with policymakers. Catch22’s Public Service Reform agenda is deeply embedded in our history and is central to our mission moving forward. It remains a key areas of focus; taking the learning from our frontline delivery and the experience of practitioners and the people we work with, to drive meaningful policy change has to be at the heart of any public service agenda. There are examples in this Review of how we’re starting to see this cut through with politicians, in particular the renewed focus on tackling youth violence and reforming Job Centre Plus.

But above all, Catch22 is delivery organisation. High quality delivery is at the heart of what we do. You’ll read in this Review that in the last year, many of our service and programmes have won awards, been recognised and accredited as industry-leading and have been rated highly by regulators. This is testament to the hard work of Catch22 colleagues and partners, alongside our constant desire to improve. I hope after reading this Review you feel inspired and enthused about what we do. None of this would be possible without our excellent colleagues and our broad network of partners. Thank you to you all.

Naomi Hulston, CEO


SEP
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BER

Catch22 Manifesto sets out challenge to policymakers

Reimagining public services: 22 ways to build resilience and aspiration is a set of 22 policy asks that we want any new government to adopt in order to improve the lives of the people we work with.

Based on the insights and experience of Catch22 colleagues, the policy asks cover five key areas:

- Renew focus on adolescents.
- Ensure job opportunities are open to all.
- Invest in the skills of the future.
- Place rehabilitation and victims' rights at the heart of the criminal justice system.
- Introduce a national offer for young people leaving care to end the postcode lottery.

Over the coming months, we will be working with other organisations to ensure out policy asks are read by the right people.

TikTok Creative Academy inspires thousands of young creatives

Our groundbreaking TikTok Creative Academy employability programme supports young people furthest from the job market into opportunities in the cultural and creative industries. This year we established a series of successful events which inspired over a 1000 young people to receive support from successful creatives as well as network with organisations such as The V&A Museum, UNESCO and BBC.

The programme has seen coverage in various news outlets, national newspapers, and regional press sources. Notably, several MPs and Metro Mayors have directly acknowledged the impact of TikTok Creative Academy and we've shared program insights with policymakers across a range of forums.






OCT
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GoodTech Ventures launches

Catch22 has a rich history of supporting ventures and start-ups access the right support to give them the best chance of success.

This year, through funding from the Greater London Authority and UfI VocTech Trust, we're helping impact-led founders and leaders at early-stage tech ventures to design, build and deploy game-changing digital technologies into social and public service delivery.

GoodTechVentures

Energise employability programme launches to kickstart sustainable careers

More than 1,000 people with barriers to work will benefit from a pilot pre-employment programme delivered by Catch22 which supports people aged 18+ into energy transition careers.

The programme, funded by Shell UK, will initially run in London, Liverpool, Manchester and Norfolk. All participants receive:

- One-to-One support for a dedicated Catch22 career coach
- Access to training funds for specific energy transition roles
- Access to employers with energy transition job opportunities
- In-work support

Energise forms part of a growing portfolio of programmes to support those furthest from the job market into 'green' jobs, including:

- Green Spark: funded by the City & Guilds Foundation, this bursary programme helps people facing barriers to work develop the skills, confidence and knowledge to find jobs in the green energy industry.
- Grid for Good: funded by National Grid.

ENERGISE
Powering Sustainable Careers

John Lewis partners with Catch22 to support care experienced young people in Manchester into work

Career Hive, a three-year programmed delivered by Catch22, will support local care experience young people to access training and education opportunities, employment guidance and wrap-around wellbeing support.

The programme is built around the core mission of building strong and trusted relationships with each young person. Crucially, the programme will coordinate and advocate for all their support needs with key stakeholders involved in their lives – most notably their Local Authority Personal Advisor and their employer.

"The John Lewis Foundation is proud to be funding Career Hive, Catch22's project supporting care experienced young people in Manchester to move into long term sustainable employment.

"Our long-term ambition is to become the employer of choice for people who are care experienced. Through our Building Happier Futures programme, we're focused on amplifying their voices, changing public perceptions, donating both time and money, and crucially – improving access to jobs and education."

Nicola Waller, John Lewis Foundation Trustee.


NOV
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BER

Include Norfolk's Cloud 22 wins Digital Innovation Award at CYP Now Awards

Developed during the Covid-19 pandemic, Cloud 22 is a fully online and remote school for students aged 14-16 years old. It was created to deliver a complete and comprehensive curriculum, comprising live lessons and pastoral support, to those hard-to-reach learners who are persistent non-attenders and simply cannot engage in an on-site environment. 24 students are now benefiting from it – and the innovation was recognised through a prestigious CYP Now Award.

The National leaving Care Benchmarking Forum was also shortlisted for its Cost of Living campaign work and LGE for the Youth Justice Award.



Hundreds of Catch22 colleagues gather for annual Townhall events

More than 350 Catch22 colleagues came together in Manchester, London and Bristol to take part in workshops on topics including employee experience, social value, quality and impact and sustainability. There were Q&A sessions with our Chief Officers Group and a chance to meet colleagues from across different services.

"The day offered a great opportunity to see colleagues as well as engage with services that are outside of 'everyday' working life. I felt that the event reaffirmed the need for joined-up cross collaborative thinking which I will take back to my role."



Herts Beacon scoops Outstanding Third Sector Initiative award

Our Hertfordshire Beacon Victim Care service for winning the Tackling Economic Crime Awards (TECAs) for Outstanding Third Sector Initiative! The award was in recognition of the great work done by our Romance Fraud Peer Support Group, which provides a safe space for victims of romance fraud to come together and collectively cope and heal from the profound impact of this crime.




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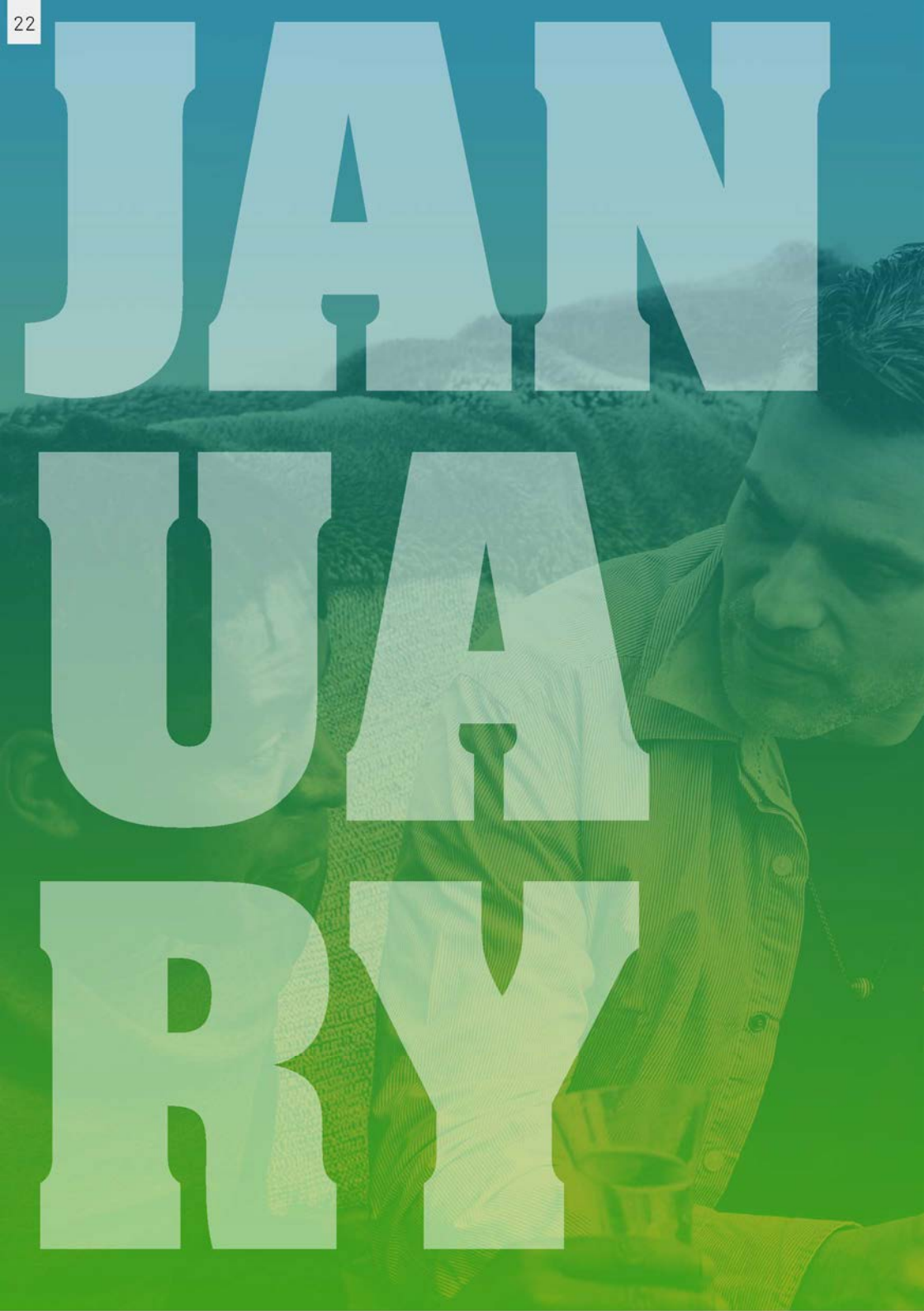
Royal visit for thriving Include London school

Our Patron, HRH Princess Anne, toured our Include London school – speaking to staff and pupils and congratulating them on their achievements. She was presented by a painting created by one of our students and unveiled a plaque marking the visit.

The schools received a monitoring visit from Ofsted a month earlier, resulting in all Independent School Standards being met.



JANUARY



New Path to Progress tool launches, capturing impact of employability support

Recognising the rise in people facing challenges with their mental health and wellbeing, we've developed our employability programmes to not only help people secure jobs, but also boost confidence, motivation and improve mental health and wellbeing. Our in-house tool, Path to Progress, sees participants assess their progress across several key areas – and the results are striking:

43% said they had the skills and experience to confidently enter the job market before working with us, compared to **70%** after

47% said they had the ability to identify appropriate jobs before working with us, compared to **80%** after

69% said they were motivated to enter the job market before working with us, compared to **90%** after

37% said they were confident they'd be successful in a job interview before working with us, compared to **71%** after.

Only **17%** said they were facing challenges with their mental health and wellbeing after working with us – compared to **20%** before.

Catch22 students contribute to vaping policy debate

Catch22 is committed to our Public Service Reform agenda; taking the insights from our delivery and the experience of our service users to drive policy change.

Students from our Links Media College created an anti-vaping campaign in partnership with Newham Council and Change, Grow, Live, which they presented MPs Lyn Brown and Stephen Timms. The key calls from the campaign – including noting the impact on mental health of vaping - were woven into Lyn's speech as part of the debate on the Tobacco and Vaping Bill in Parliament. Students were also invited to Parliament to see the debate in action.

"It fully stops children from vaping, then I think it's good because it will reduce health issues and it will overall make the up-and-coming generation better: more healthy and more disciplined."

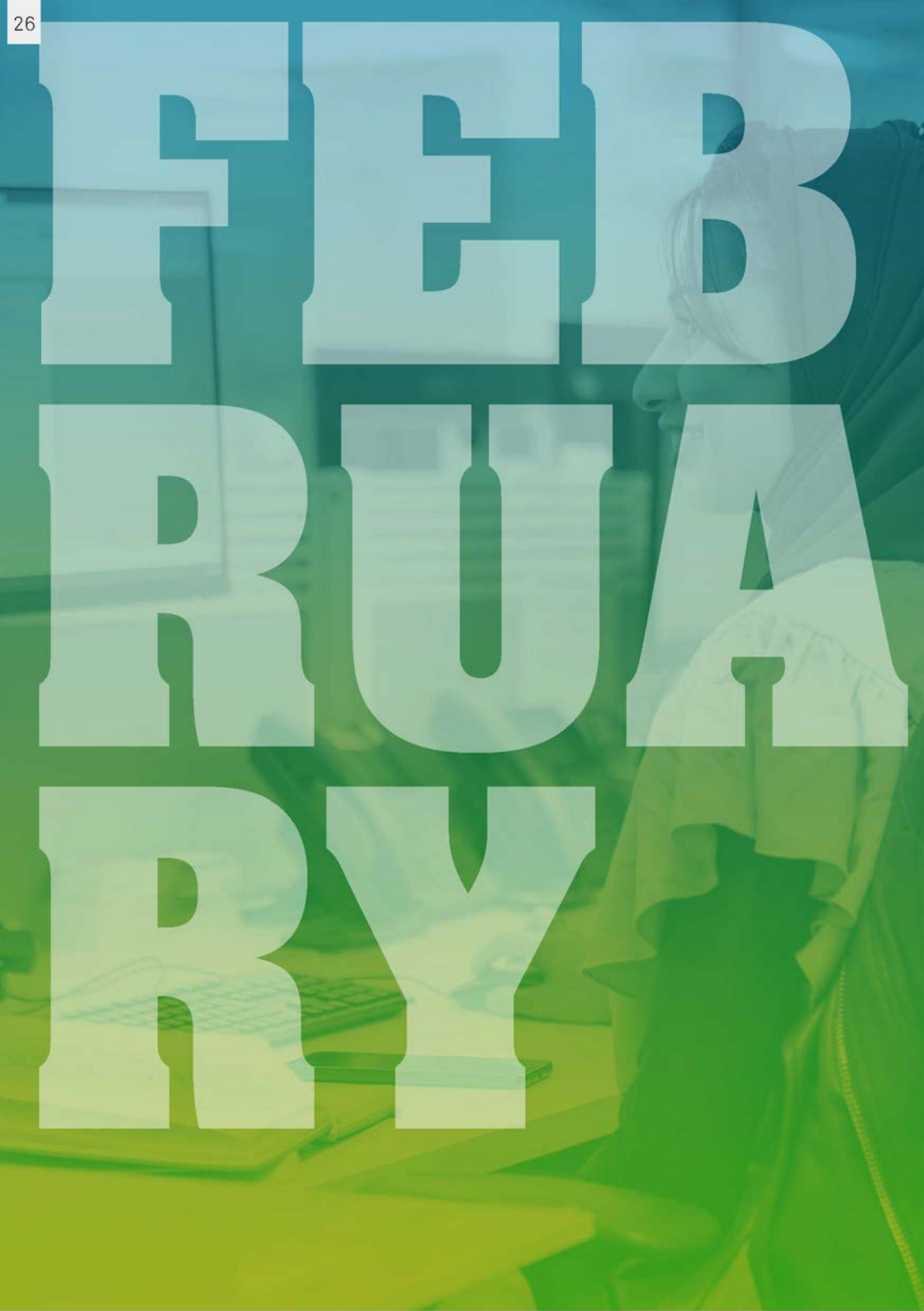
Links Media College Student, January 2024

Breaking down barriers for young men accessing mental health support

The Hive is Catch22's Camden-based mental health drop-in service, providing a wealth of support for young people in the Borough in a youth hub setting. According to a recent report, latest figures for prevalence of mental health disorders in Camden for 17–19-year-olds was 23% - an estimated 2110 young people.

This month at the Hive we launched the Link Up Project, which aimed to increase the number of young men accessing the service.

The project has achieved remarkable success, contributing to a 320% increase in the number of men accessing The Hive's services. Over 150 young men aged 16 to 24 have participated in the Link Up project, engaging in 75 group work sessions focused on critical topics such as masculinity, identity, and healthy relationships.


FEB
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Range of support for ex-offenders gains royal seal of approval

Our Patron, Princess Anne, visited Community Links this month, to hear the range of support services for people leaving prison that we deliver from the Hub.



Catch22 delivers Community Rehabilitative Services across London, London, West Mercia, Avon and Somerset, Dorset, Thames Valley, Hampshire and Isle of Wight, Devon and Cornwall, Wiltshire and Gloucestershire

HRH spoke to colleagues from our Personal Wellbeing, Finance Benefit and Debt and Dependency and Recovery services about how our interventions are changing lives and heard from service users about the challenges they face.

Care experienced young people drive policy change

Giving young people a voice in shaping policy development was high on the agenda again this month, as our Young People Benchmarking Forum member, Reece, spoke at the All Party Parliamentary Group for care experienced children and young people. Reece brought the views of 56 care experienced young people and really drove the conversation around the need for clarity around where the responsibility for corporate parenting lies and the need for public bodies to be held accountable.

Reece's contribution was informed by our annual 'In Their Own Words', which saw 290 people, including Department for Education officials, hear from our young care experienced members on their key priorities for action.

"The event was an amazing opportunity to take the views of young people and what they said regarding corporate parenting to a group of MPs"

Reece, YPBMF member

Catch22 supports care experienced young people across our services, from providing direct support through Lighthouse, our employability programmes CLIC (supported by Barclays) and Career Hive (supported by John Lewis), to supporting Local Authorities through the National Leaving Care Benchmarking Forum and ensuring our schools, colleges and emotional wellbeing services have dedicated care experience pathways.



MARCH



Partnering for Social Impact

Working with partners is at the heart of our approach to delivering impactful programmes and services. Whether it's about social impact, social value or philanthropy, we've got a strong track record of working with corporate partners to deliver impactful programmes.

Image previewThis month, we brought together more than 60 guests from business, the third sector and the public sector in an action-packed afternoon at Microsoft's Regent Street Store, exploring how partnerships can deliver meaningful social change and how that change can be measured effectively.



Guest speakers included Claire Dove CBE, Crown Representative VCSE at the Cabinet Office, Charles Eales from Microsoft UK, Catch22 Chair Terry Duddy and our colleagues from partners Salesforce, Shell UK, Deloitte and National Grid participated in our discussion panels and led workshops. The highlight was a superb panel of our programme participants, who spoke about the positive impact our programmes and services have had on their lives.

Throughout the year, Catch22 colleagues took part in a number of social impact and social value panels and discussions, including the launch of the Institute of Social Value. We've been about to share our experience and insight into the link between social business, social impact and social value.

Chief Social Worker praises our 'inspiring' children's home

Isabelle Trowler, the Chief Social Worker for Children and Families, visited Lighthouse Pedagogy Trust's Treehouse children's home this month.

Speaking to staff and children, she praised the home as 'inspiring' – and heard from colleagues about the reforms needed in the children's social care sector.

We are excited about our future plans with Lighthouse, with home two in development and home three planned to follow, we are broadening our experience and insight, while addressing system-wide issues such as talent attraction and management.

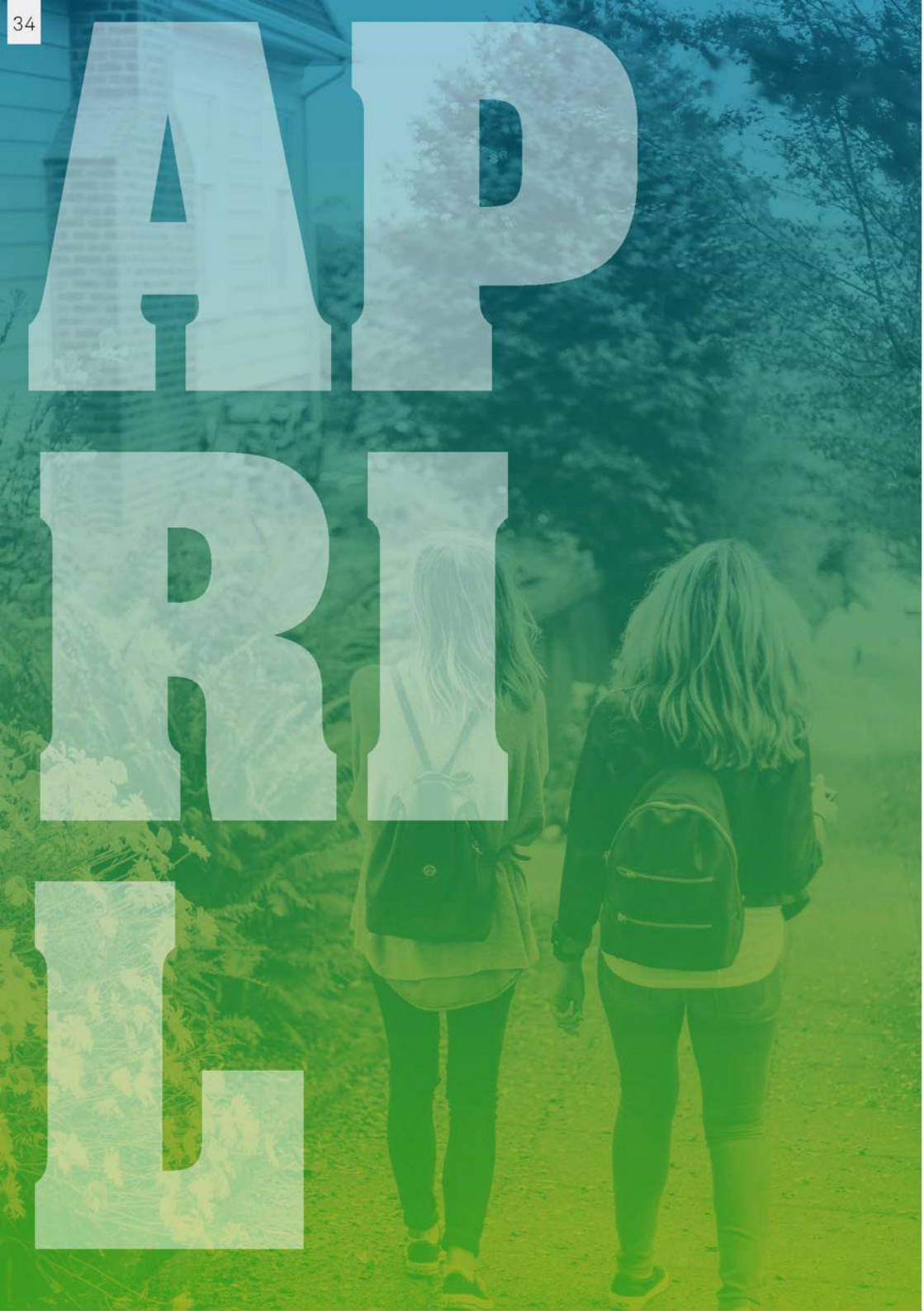


Pioneering Traphouse resource brings County Lines risks to life

Catch22 delivers the National County Lines Support and Rescue Service, supporting hundred of children and young people a year who fall victim to criminal exploitation. Developed by our Greater Manchester County Lines team, in partnership with Programme Challenger and the Greater Manchester Fire brigade, Traphouse is an educational resource to create awareness about exploitation and the dangers of county lines. The team uses a real life street building to recreate a trap house and paint a true picture of county line exploitation.

The team has presented the scenario to over 600 children from local schools and it's been nominated for 'Project of the Year' by the fire brigade.

APRIL



Awards success for Catch22 Employability

Naomi Hulston, Catch22 CEO and Christina Hicks, Assistant Director for Employability at Catch22 accept award for Partner of the YearCatch22's employability hub won Partner of the Year and Innovator of the Year (with Salesforce) for our Digital Leap Programme at this year's Movement to Work awards.

We're also delighted that our partnership with Salesforce was extended this year. Our new 2 year programme – The Digital Skills Academy- will work predominately with schools and colleges to support young people facing disadvantage and those unable to attend mainstream education, equipping them with digital skills for work.

More than 60,000 people in the UK are currently in AI-related roles, with many more AI focused jobs extending across various other industries. Through the Digital Skills Academy, we're making sure those at risk of falling behind with AI skills are well equipped for the future job market.



Huge uptake in colleagues choosing flexible working

Employee experience is incredibly important at Catch22, which is why we're committed to promoting flexible working wherever possible.

We currently have 151 different working patterns across the business, with nearly a third of our workforce choosing to work less than full time.




MAY

Colleague achievements celebrated at #CelebratingourPeople Awards and InspirEd

Our annual InspirEd conference saw more than 500 staff take part in a combination of online and in-person workshops and sessions, sharing learning and collaborating across programmes and services.

99% of colleagues enjoyed the event to some extent, with **82%** enjoying it "a lot".

Colleagues commented on the **passion and knowledge** of their colleagues, and the way that the events enabled them to connect with each other

The week culminated in our Staff Awards where colleagues across the organisation were recognised for their incredible work positively changing the lives of others.

A huge thank you to our partners Barclays who hosted us in their 30th floor events space in Canary Wharf!



Mayor of Greater Manchester and HRH Princess Anne visit Great Manchester Victims' service

We're growing our portfolio of services to support victims of crime, which includes a service in London for Young Londoners, as well as our Leicestershire and Hertfordshire services.

In Great Manchester, our victims service works closely with Greater Manchester Combined Authority (GMCA) and Greater Manchester Police (GMP) to ensure support is available across a wide range of crime types, and that the most vulnerable victims are identified and receive an enhanced service.

During her visit, HRH The Princess Royal met with stakeholders from GMCA and GMP, including the Mayor of Greater Manchester, Andy Burnham. GMCA and GMP shared their expertise, demonstrating the importance of collaboration and a close working partnership in delivering a holistic victim support service that meets the needs of all those across Greater Manchester.

Using the insights from our service delivery, we worked to influence the Victims and Prisoners Bill (not Act), to strengthen its focus on the importance of the voice of victims and their care.






JUNE

New Family friendly policies prove popular

This month, we introduced significant changes to our family arrangements, offering more favourable pay provisions and making the arrangements more extensive and inclusive.

These enhancements were made in direct response to employee feedback, recognising the importance of supporting our people to be present for the key moments that matter in their home lives.

- 10 colleagues have utilised the carers' leave paid entitlement.
- We're also starting to see people access the new fertility entitlements, highlighting the importance of this support.

Norfolk student bags prestigious sailing award

A student at our Include Norfolk secondary school won £1000 worth of sailing experiences, after being named his club's Top Sailer of the month, three months, and six months, all at once! He completed a 7-day voyage with a group of other young people where he went from not knowing anything about boats to receiving his Competent Crew certificate. For a young person who struggles with self-confidence and anxiety this was an incredible achievement.

Finance Benefit and Debt service shortlisted for sector award

Catch22's Finance, Benefit and Debt (FBD) service was shortlisted as one of the top seven for the Robin Corbett Awards, which celebrate organisations and programmes that support re-integration and rehabilitation for people leaving prison into the community.

Our Finance, Benefit and Debt provides support including:

- budgeting and managing money day-to-day,
- support requesting debt write-off,
- tackling digital poverty,
- gaining ID and birth certificates, and
- opening bank accounts.

"Since I've got my benefits sorted, I just want to focus on moving onto the next thing to sort my life out. I've not felt like contacting my old negative friends, who always cause me trouble."
Service user

JULY



Switching the narrative on online harms

As part of our Public Service Reform agenda, we're committed to sharing the learnings from our programmes to inform practice and improve outcomes for the people we work with. Our highly successful Social Switch Project, funded by London Violence Reduction Unit, hosted its first Online Harms Forum this month. Featuring a talk by high profile online harms survivor Georgia Harrison, and discussions led by the MET police and The Breck Foundation, the event provide hugely popular.

The Social Switch project has so far:

- Delivered **900 training sessions** for practitioners and caregivers
- Supported **350 participants annually** through digital bootcamps in coding and marketing
- Launched a **new initiative for care-experienced young people** seeking NHS careers



GoodTech Ventures unveils promising new talent in latest accelerator cohort

Catch22 has a long history of support start-ups and new ventures who are looking to improve and accelerate more effective public service delivery. A further 10 ventures were selected this month for the second cohort to take part in the GoodTech Ventures Accelerator – an accelerator programme supporting impact-led start-ups. The programme is delivered by Catch22 in partnership with Social Tech Trust and Unity Ventures, with funding and support from Ufi VocTech Trust, Microsoft, and the UK government through the UK Shared Prosperity Fund.

The new ventures include:

- **Socialheads** provides streamlined digital tools that allows social workers to engage with young people in their care.
- **Voda** is the LGBTQIA+ mental health app dedicated to providing culturally competent, affirming mental health support.
- **Autsera** builds smart gamified assessment and early interventional apps for neurodivergent children.




AU
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Young people affected by violence a key priority as Redthread merges into Catch22

This month, Redthread – a charity delivering transformative youth work in hospitals and health settings – merged into Catch22. We're confident that as a result of this partnership, we can achieve even greater impact for young people. Although we will work together as one organisation, Redthread will maintain its existing brand and identity with which medical professionals, stakeholders and service users have built so much familiarity and trust.

You can read more about Redthread in the 'Focus on...' section later in this Review.



Employability programmes achieve Matrix accreditation

This month our Employability Programmes were awarded the matrix Standard accreditation for their information, advice and guidance services. This prestigious accreditation recognises our commitment to providing high-quality support to individuals looking to improve their skills and find employment.

"We're thrilled to have achieved Matrix accreditation as it demonstrates not only the quality of the IAG provision we offer at Catch22, but also the passion and dedication of the staff who offer employability support to those that need it most."

Christina Hicks, Director of Employability

Community Links' place-based support showcased

The value of place-based support was the topic for discussion when DWP Minister Stephen Timms, newly elected MP for West Ham and Beckton James Asser and GLA member Unmesh Desai, visited Community Links this month. They heard about the range of services delivered out of Community Links, including:

- The County Lines support and rescue team
- Housing, benefit, and debt advice services
- Health advice service
- oCultural programmes
- Links Media College
- Our unique justice pilot in Newham supporting people transitioning from youth to adult services
- Our employability and ESOL (English for Speakers of Other Languages) services, including our Refugee Employability Programme



Redthread.

In August this year, Redthread mer our successful Young People, Fami

Redthread is a multi award-winning charity with over 20 years experience of delivering pioneering youth work in hospitals and other health settings. Redthread currently works across 10 hospitals in London, and Birmingham with 11-25 year olds who are affected by grooming, sexual and criminal exploitation, violence, emotional and physical harm, mental health issues, domestic violence and modern slavery.

Redthread also trains NHS staff so they are able to identify and better support children and young people affected by violence in health settings.

Over the last year, Redthread has continued to raise the profile of its youth violence intervention work through policy and public affairs activity and media engagement. This includes:

- Jess Philips MP visited the Redthread Youth Violence Intervention Programme (YVIP) embedded at the Heartlands Hospital A&E in Birmingham.
- Channel 4 News put the spotlight on Redthread's groundbreaking Young Women's Service. Embedded in four London A&Es, it is one of the very few services that provides long-term and tailored support to match the needs of girls and young women affected by violence and exploitation.
- Keith Fraser, Chair of the Youth Justice Board, visited the Redthread service at St George's Hospital in London.
- The Youth Justice policy team of the Ministry of Justice visited the Redthread service at University Hospital Lewisham in London.

ged with Catch22 to become part of lies and Communities Hub.

- Having shadowed our embedded Redthread youth work team at St Mary's Hospital in London, The Observer published an excellent article on the importance of trusted relationships and holistic support to help young victims of violence and exploitation find a positive way forward.

"We've worked closely with Redthread for a long time and know how well respected they are within the sector and how impactful – and much needed – their services are. The number of young people affected by violence continues to rise and there are many who are reliant on the vital support that Redthread provides.

"We're excited about Redthread becoming part of Catch22 and using our collective strength to support even more vulnerable children and young people. The motivation for merging is to make sure this vital work doesn't stop; and it is that motivation that will ensure it's a success."

Naomi Hulston, Catch22 CEO

GoodTechVentures

At GoodTech Ventures, we're helpi stage tech-for-good ventures scal

We believe that digital technologies can accelerate the shift towards a stronger society where everyone has a good place to live, a purpose and good people around them.

That's why we're building a community of innovators, changemakers, and mission-driven organisations to support impact-led tech ventures. We help ventures design, build, and scale transformative digital solutions that improve public services and create a more inclusive, resilient society.

From employment and training to social care and justice, we work alongside founders to embed tech where it matters most, solving big social challenges and shaping the future of public service delivery.

Highlights

- 3 accelerator programmes launched with 33 Tech-for-good ventures supported
- Community of over 900+ impact focused individuals (500% increase from Jan 2024)
- £83,000.00 in grants awarded to impact founders
- Supported diverse founders on our three cohorts: 63% Women-led ventures, 37% BAME-led ventures, 27% Disabled-led ventures.
- Socialheads to develop first pilot with Catch22's 'The Hive'
- aught by Humans collaborating with Catch22 to develop digital skills of the workforce
- Nominated for 'Best New Community' in the 2025 CMX Awards.

ng founders and leaders of early-e-up their impact.

The introduction to major corporations have been exceptionally productive. These connections are paving the way for some exciting announcements in the near future.

Tom Barltrop, co founder of SuperFi

Particularly the 'Founder sales' - so eye opening to know exactly what goes into getting customers over the line, and just how much of it is an art vs science.

Chloe Coleman, CEO of Vouch Safe

Acquiring the knowledge and practical training for different aspects of my business. The advisors, team and cohort members have been so supportive and helpful.

Ishan Jha, Founder of Travelhands



FINANCIAL HIGHLIGHTS

Catch22's financial position continues to be strong with both Restricted and Unrestricted Reserves increasing during the financial year, further improving the overall strength in the balance sheet.

During the year our strategy to divest from the activities of the Catch22 Multi Academies Trust (MAT) was completed with all remaining academies successfully transferred to other trusts. Whilst this has led to a significant reduction in Restricted Fixed Asset Funds the nature of the restrictions on these assets means that there has been no impact on the underlying financial strength of the charitable group.

The closure of the MAT has also led to an overall reduction in income, but we are pleased that this has been partially offset by growth in our Employability and Skills, Justice and other Education activities. We remain committed to delivering Education but will do so through independent schools operated in the parent charity, rather than through the academy structure.

Donations and legacies increased over this period mainly due to a donation from a private individual to acquire our third children's home. With the first children's home operating successfully throughout the year, we plan to complete the purchase of our second home in Spring 2025, funded by loans from social investors, and will look to acquire the third home funded by the donation in the next financial year.

Grants fell during the year, partly due to the closure of the MAT and due to the timing of funding from corporate funders. Whilst we have seen corporate funders being slightly more cautious in their approach to funding voluntary programmes, we have not seen an overall downward trend and have successfully renewed a high percentage of the existing arrangements.

Although Income from Charitable Activities fell by £2.4m this was due to an £7.4m fall in income from the MAT, as all academies were transferred to new trusts by 1 April 2024. Income grew in Employability and Skills by £2.1m mainly due to two new programmes, a pilot pre-employment programme funded by Shell UK that supports people aged 18 plus on their journey into energy transition careers; and a UK Government funded Refugee Employability Programme. We also expanded Study Programme places in our colleges. Justice income grew by £2.2m, due to the opening of a new Victims Service in Greater Manchester and working with increased numbers in our Commissioned Rehabilitative Services. Education income, excluding the MAT, grew by £1.0m through increased funding and delivery of additional places in our four independent schools. We continue to have high success rates across our activity in retaining contracts when they are recommissioned.

Trading income fell following the closure in the previous financial year of our event management and hire trading company, Community Links Trading Ltd t/a Links Events Solutions, which was not able to recover from the impact on the events industry of the Covid-19 pandemic.

Support costs have increased due to continued investment in our corporate services in line with our business strategy to ensure that we have a corporate function that efficiently enables our operational hubs to excel. We remain conscious of the balance between the need for services to be effective whilst being efficient to ensure that we maximise the use of funding from front-line delivery. We continue to invest in technology to help us achieve those aims.

Jobs22, our joint venture with the Angus Knight Group, continues to perform well, and we received dividends of almost

£1.0m during the financial year. In December 2024 we decided that it was the right time to exit this venture and sold our remaining shares in Jobs22 to the Angus Knight Group, which will allow us to invest the proceeds in Catch22's activities.

The value of our investment portfolio increased significantly during the year, and we remain confident that the investment strategies adopted by our investment managers will deliver the total returns target of the portfolio over the medium to long term.

At the end of the financial year Catch22 became the sole member of Redthread Youth Limited. Redthread provide transformative youth work in hospitals and other health services to children and young people affected by violence and exploitation. The merger will allow us to use our collective strength to support even more vulnerable children and young people and we have already seen some success in expanding this work building on Redthread's credibility in this area.

FUTURE PLANS

Our current business strategy ends in 2025, and we are committed to ending it on a high, with a focus on delivering demonstrable value and impact; continuing to be financially stable and sustainable; and being an organisation that is a great, safe place to work.

We are currently developing our strategy for 2025-30, but our immediate priorities are to complete the successful integration of Redthread into Catch22 and to build on their success, ensure our existing services deliver great quality and impact and grow them where possible and look for other opportunities to grow and diversify including through mergers and acquisitions. We continue to believe that diversified income streams and scale are key to continuing success, and we will look to further develop relationships with corporate partners to help us deliver our public sector reform objectives whilst helping them to deliver social value.

SUMMARY OF FINANCIAL RESULTS

The group's financial performance for the year to 31 August 2024 is set out in the Statement of Financial Activities.

Movements in the Restricted Pension Funds and Restricted Fixed Asset Funds relate to the operations of the Catch22 Multi Academies Trust (MAT). The underlying financial performance of the group is therefore better represented by the movements on Restricted Funds, increase of £0.3m (2023: decrease of £2.9m) and Unrestricted Funds, increase of £1.0m (2023: increase of £0.2m).

Restricted Funds, mainly relate to grants received from corporate partners to deliver specific projects which by their nature are subject to variation year-on-year, and the day-to-day operations of the MAT. The operations of the MAT resulted in a decrease in Restricted Funds of £0.2m during the year (2023: £0.9m), due to increased funding pressure

in the education sector and additional costs incurred on school improvement and costs relating to the transfer of the academies. Excluding the operations of the MAT Restricted Funds increased by £0.5m (2023: decrease of £2.0m). In the previous year the decrease related to expenditure on projects where the funding was received in the previous year. For one project in particular, funding of £2.8m was received during the year ended 31 August 2022, of which over £1.2m was spent during the financial year ended 31 August 2023.

The increase in Unrestricted Funds is after exceptional expenditure of £0.1m (2023: £0.1m). The exceptional expenditure during the year related to restructuring of the group's support services following the transfer of the MAT academies.

The group's consolidated balance sheet remains strong, with Restricted Reserves of £3.7m (2023: £3.3m) and Unrestricted Reserves of £17.0m (2023: £15.9m). These reserves continue to provide a solid base for the future of the organisation and the trustees have designated some of these reserves for future projects, the value of Designated Reserves at the year-end was £1.1m (2023: £1.3m). The trustees continue to place importance on a strong balance sheet to protect the group from continued inflationary pressure and ongoing economic uncertainty which will inevitably lead to pressure on public finances; whilst driving increased demand for our services.

The group's cash position remains strong with cash at bank and in hand of £4.8m (2023: £7.7m). The MAT accounted for £1.1m of this decrease, some of the rest is due to payment terms on new programmes; we are seeing reductions in the amounts corporate partners are prepared to pay in advance and public sector commissioners moving to quarterly in arrears payment terms. The group is not using any of its overdraft or working capital facilities.

The group continues to take a 'balanced portfolio' approach across its diversified income streams, with some services contributing a greater amount to the cost of support services than others. However, we continually review the financial viability of all our services, paying particular attention to those that consume a disproportionate amount of resources from our support services or require significant additional support to maintain or improve quality. Where it is not financially viable for the group to continue to deliver services, we continue to be proactive in taking measures to restructure them to ensure their future viability, or reluctantly close them or transfer them to other providers where necessary.

INCOME

Total income for the year to 31 August 2024 was

£51.1m

compared with

£53.5m

for the previous year.



Donations, legacies, and grants fell slightly to 8% of income excluding the 'one off' amount of £0.9m relating to Redthread acquisition (2023: 9%). Included with Restricted Donations is £1.2m from a private donor that will be used to acquire our third children's home.

Income from charitable activities fell to £45.3m (2023: £47.8m). Across activities other than Education income grew by £3.9m due to new the expansion of existing programmes and new programmes in Employability and Skills and Justice. Education income fell by £6.4m, but excluding the MAT grew by £1.0m, from increased pupil numbers.

Trading income fell to £193k (2023: £351k) due to the closure of Community Links Trading during the previous financial year.

Investments income was £383k (2023: £404k), broadly in line with the previous year.





EXPENDITURE

Total expenditure for the year the year to 31 August 2024 was £85.5m, compared with £56.9m for the previous financial year, however this includes an exceptional amount of £33.6m relating to a loss on disposal of long leasehold land and buildings because of the transfer of the MAT academies. Excluding this one-off exceptional cost expenditure is £51.9m. Restricted expenditure can include expenditure on grants received in previous years, but otherwise expenditure broadly correlates with changes in income received to deliver services.

SUPPORT COSTS

Support costs increased by 11% during the year to £6.0m (2023: £5.4m), partly due to inflationary pressure but also some continued strengthening of the support teams and technology infrastructure. Support costs are 12% of income (2023: 10%) and our aim over the medium term is for them to be no more than 10% of income.

Our business plan sets out that our corporate functions have an important role to play as an 'integrator' and that they will play a stronger role in delivering our operational activities going forward. During the year we carried out a review, with some external professional support secured through our relationship with The Social Business Trust, of the quality, capacity and structure of our corporate services and have introduced a new operating model and new technology enabled ways of working, which will require some ongoing investment in the next financial year. Our aim is to enhance our support functions to ensure that they efficiently enable Catch22's operational hubs to excel.

NET GAINS/LOSS ON INVESTMENT ASSETS

The net gain on investments during the year was £1.0m (2023: £0.3m) and at 31 August 2024, after withdrawals, the portfolio was valued at £11.8m (2023: £10.9m), in addition, income earned from the portfolio was £0.2m (2023: £0.2m).

The trustees are satisfied with this investment performance, given the context of the performance of global markets. During the year, half of the portfolio was put under management by another financial institution, both to mitigate risk and maximise opportunities for returns. The portfolios are diversified both in terms of asset classes and global markets and are invested with a focus on sustainability.

INVESTMENTS

All investments were acquired within the Trustees' powers. The portfolio is held in general funds and is managed in accordance with an Investment Policy, which sets out the objectives of the fund, considers risk and liquidity requirements and sets out how the fund should be managed including the Board's expectations around ethical and sustainable investment. The objective of the general fund is to provide a regular flow of income to support the daily activity of Catch22 and in addition, to achieve a level of capital growth which will preserve the real value of the fund over time and provide a capital fund for investment in approved development projects within Catch22.

Our investment portfolio is managed by firms of professional investment managers. The Trustees consider the performance of those managers and the investment portfolios they manage to be satisfactory and that our underlying investments are sound.

RESERVES

The Finance Growth and External Audit Committee, on behalf of the Trustees, conducts an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items.

The level of Free Reserves that should be maintained by the organisation is determined by balancing two competing objectives. On the one hand ensuring we have maximum and prompt use of resources to deliver real impact for service users and realise our reform ambitions and, on the other hand, ensuring we have adequate resources to continue to deliver our services through periods of financial challenge and uncertainty, and can be here for our beneficiaries over the medium and long term.

The trustees assess the risks that the charity is exposed to on a regular basis and determine a range for Free Reserves considering these risks. The principal risks include:

- an unexpected change in the level of our income;
- the need to maintain services over the short term if funding streams reduce;
- the likelihood of unexpected expenditure; and
- working capital requirements.

In determining the Free Reserves trustees also consider future plans for Catch22 and the need to protect vulnerable participants staff and volunteers in the unlikely event of unplanned closure of some of its services.

Whilst this process cannot come up with a precise figure for Free Reserves, after taking these factors into consideration the trustees believe that the appropriate level for Free Reserves is between £3.7m and £5.9m for the group.

Free Reserves are those that are freely available at the trustees' discretion to help manage financial variability i.e., Unrestricted Reserves excluding fixed assets and bank borrowing secured against those fixed assets.

At 31 August 2024 the group's total reserves amounted to £20.5m (2023: £52.8m) of which £3.6m was restricted (2023: £37.0m) and £17.0m was unrestricted (2023: £15.9m). Of the unrestricted amount trustees have committed £1.1m (2023: £1.3m) over the next 2/3 years to support the delivery of the organisation's business strategy. These designated reserves will fund projects to support the use of data and analytics to evidence and improve impact; improve the environmental sustainability of the organisation; grow its reach to more participants; develop and capture the social value delivered by the organisation; ensure the organisation's support services are fit for purpose; refurbish some of its delivery premises; provide additional facilities in our education sites; and allow innovation in delivery to increase impact and deliver our public service reform objectives.

Of the remaining unrestricted reserves £10.0m (2023: £9.0m) is deemed to be Free Reserves. This is above the policy range (£3.7m to £5.9m) set by the trustees, but they continue to consider it prudent, given the current inflationary pressure in the economy, the continuing impact of cost-of-living on our staff and service users and the impact of current economic uncertainty on future public spending to hold free reserves more than the current maximum amount set out under the reserves policy, whilst they explore further ways to invest the reserves to improve impact, the organisation's infrastructure and financial sustainability.

FINANCIAL RISKS

Liquidity risk

The group's objective is to maintain a balance between cash balances and long-term investments. The group's policy on liquidity risk is to ensure there are sufficient cash balances to meet the day-to-day needs of the organisation while investing surplus balances in fixed asset investments.

Market risk

The group's exposure to market risk arises primarily from the group's fixed asset investments. The group's policy is to utilise the services of professional investment managers to manage the fixed asset investments. Performance of these investments and therefore the investment managers is reviewed every month by the senior management team. The Finance, Growth and External Audit Committee have been appointed by the Board to oversee the performance of our investment managers.

Credit risk

The group is mainly exposed to credit risk in relation to money due from commissioners in relation to its delivery of services. The vast majority of these commissioners have proved to be extremely credit worthy. Nevertheless, we operate a proactive credit control system designed to ensure payment is received quickly and that problems are identified as early as possible, and the appropriate action is taken. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Foreign exchange risk

The group does not have any significant exposure to foreign exchange risk.

Other risks

The impact of increasing inflation has been considered on the group's future plans and budgeting processes, and the potential impact of this coupled with restrictions on future government spending, will continue to be a risk into the year-ending 31 August 2025 and beyond.

STRUCTURE, GOVERNANCE AND MANAGEMENT

FORMATION AND STRUCTURE OF THE CHARITY

Catch22 was incorporated as a Company Limited by Guarantee on 28 April 2008. It was registered as a charity on 19 May 2008.

Its objectives, as stated in its memorandum of association, are: 'to promote opportunities for the development, education and support of young people in need to lead purposeful, stable and fulfilled lives and to promote safer, crime free communities for the benefit of the public.'

We have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2). In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set, taking account of the available guidance on public benefit.

The trustees are satisfied that Catch22 has aims and objectives and carries out activities that are for the public benefit in that the support provided to individuals, families and communities directly benefits each of those groups and therefore the wider public.

Catch22 is the sole trustee of The Royal Philanthropic Society incorporating the Rainer Foundation and is the sole member of The Crime Concern Trust Limited. Both are charities. The Rainer Foundation has released its permanent endowment and is now dormant. Crime Concern is also now dormant.

Catch22 holds 100% of the share capital of Catch22 Social Enterprise Limited – dormant.

Catch22 owns 100% of Pupil Parent Partnership Limited, a company limited by guarantee – dormant.

Catch22 also owns 100% of Catch22 Social Enterprise Solutions Limited – does not trade but holds 49.49% of the membership of Public Services Lab LLP, a partnership focussed on delivering public service reform in the Liverpool City region.

Catch22 also owns 100% of Include, a company limited by guarantee - dormant.

Catch22 also owns 100% of Catch22 Multi Academies Trust Limited, a company limited by guarantee – advances education in the United Kingdom. This is achieved through the operation of alternative provision and specialist schools for those young people either excluded or at risk of exclusion from mainstream provision. Activities were ceased during the financial year.

Catch22 also owns 100% of Community Links Trust Limited, a company limited by guarantee and a registered charity – charitable objectives include providing such information, advice and assistance, as is charitable, to groups and individuals. Currently delivers regulated advice services on behalf of the group.

Catch22 also owns 100% of Community Links Trading Limited - events management, production services and storage with any profits generated gifted to Catch 22 Charity Limited. Ceased trading in February 2023 and is winding up its affairs.

Catch22 also owns 100% of Ripplez CIC, a company limited by guarantee – dormant

Catch22 became the sole member of Redthread Youth Limited during the financial year, a company limited by guarantee and a registered charity – charitable objectives are (1) the advancement of health or saving of lives through the preservation and protection of the health and wellbeing of young people by providing and assisting in the provision of facilities, counselling, support services and equipment not normally provided by the statutory authorities, (2) the advancement of education of young people through the provision of information and outreach to improve their health and wellbeing.

Please see note 12 for disclosure of activities and performance of each subsidiary.

GOVERNANCE

Safeguarding

Catch22 is a diverse and dispersed organisation supporting some very vulnerable service users and we recognise that safeguarding is the responsibility of everyone. We are committed to ensuring that all staff are appropriately trained, including all operational staff receiving NOCN endorsed training, to ensure they are aware of the signs to look for. We also ensure our managers receive safer recruitment and managing allegations training. Catch22 has a dedicated Safeguarding team, responsible for ensuring policies and procedures are in place and offering safeguarding advice and training to services. The Head of Safeguarding reports into the senior leadership team and regularly reports to the Board of Trustees. The role is focussed on continuous improvement of our safeguarding practice.

The trustees have appointed a trustee with responsibility for oversight of the group's safeguarding practice. This trustee, along with the Head of Safeguarding and other operational leaders, is a member of our Safeguarding Forum who meet regularly to discuss emerging trends, the effectiveness of our safeguarding practice and to share learning across services.

Each Catch22 service has a DSL (Designated Safeguarding Lead) and a Deputy DSL. These positions have received additional training and, where appropriate, training from their LCSP (Local Children's Safeguarding Partnership) in order to fulfil these roles.

Over this financial year, there were various safeguarding incidents, as we would expect given the nature of our work, primarily made up of disclosures made by the vulnerable young people and adults that we work with. Where appropriate these were escalated to the relevant safeguarding authority.

We have an IT platform for safeguarding incident reporting and management to improve communication and reduce the bureaucratic burden, both at the point of reporting and in the administration of monitoring, following-up actions, and trend analysis so that more resources can be focussed on keeping our service users safe.

Modern Slavery

Catch22 has a zero-tolerance approach to modern slavery, and we are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to endeavour to ensure that modern slavery is not taking place anywhere in our own business or in any of our supply chains.

We are also committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015. We expect the same high standards from all of our contractors, suppliers and other business partners, and as part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children. We also expect that our suppliers will hold their own suppliers to the same high standards.

TRUSTEE BOARD AND COMMITTEES

The board of trustees are aware of its duty under Section 172 of the Companies Act 2006 to act in a way they consider, in good faith, would be most likely, as an organisation that exists to deliver public benefit, to promote the success of the charitable group to achieve its charitable purposes, and in doing so have regard (amongst other matters) to:

a) the likely consequences of any decision in the long term,

b) the interests of the company's employees,

c) the need to foster the company's business relationships with suppliers, customers and others,

d) the impact of the company's operations on the community and the environment,

e) the desirability of the company maintaining a reputation for high standards of business conduct, and

f) the need to act fairly between members of the company.

On joining the board of trustees, a new trustees will be briefed on their duties, which are partly fulfilled through the governance structure set out below, including the delegation of day-to-day decision making to the Chief Officer Group. Trustees are also provided with the guidance issued by the Charity Commission 'The essential trustee: what you need to know, what you need to do' and The Charity Governance Code.

All trustees embrace our vision to build a strong society, where everyone has good people around them, a purpose, and a good place to live and promote our organisational values to ensure:

we are compassionate – we care about people, supporting them to move forward

we empower others – we give people the knowledge, skills and opportunities to thrive

we are collaborative – we do things with people, not to them

we are curious – we explore, innovate and challenge to improve what we do.

The trustees consider that they have fulfilled their obligations under Section 172, as evidenced throughout this report.

An external governance review took place during the year and whilst the review evidenced strong governance practice is in place, the recommendations for further improvement are currently being implemented and progress is overseen by the Governance, Risk and Internal Audit Committee.

GOVERNANCE STRUCTURE

The Trustee board meets six times a year and has established three committees to which certain functions are delegated. These are: the Finance, Growth and External Audit Committee; the Governance, Risk and Internal Audit Committee; and the People and Performance Committee.

Each committee meets at least four times a year and reports back to the Trustee Board.

The committees monitor progress against goals and targets that flow from the strategic plan set by the Trustee board.

Catch22 complies with 'Good Governance: A Code for the Voluntary and Community Sector' issued by the

Governance Code Steering Group.

There is a scheme of delegation in place which sets out what matters are reserved for the trustee board and what is delegated to the chief executive and senior management.

Matters reserved for the board include (among others):

- Setting the charity's strategy;
- Approval of the organisational business plan and annual budget;
- Approval of any changes to the group structure;
- Appointment of the chief executive

Matters delegated to the chief executive include (among others):

- Establishing joint working arrangements;
- Development of new services;
- Tenders for new contracts (with a value of up to £10m);
- Appointment of the executive management team

VALUING OUR TRUSTEES – RECRUITMENT, INDUCTION AND ONGOING TRAINING

The People and Performance Committee oversees the recruitment of Trustees and ensures there are provisions in place to support with trustee skills and development. The committee undertakes a periodic skills audit of the Board which supports in identifying training needs as well as informing future succession planning. Applications for Trusteeship are sought through open advertisement, use of a specialist agencies and personal contacts. Applicants are assessed against a trustee job description and shortlisted candidates are interviewed by a panel of Trustees and appointed by the Trustee Board. Trustees are normally appointed for three years and may be reappointed for a further three years subject to agreement of the Board. A further three-year period is available if it is considered to be in the best interest of Board stability. The chair is also appointed for 3 years.

New Trustees are provided with induction meetings with key staff and are given a detailed governance pack. Arrangements are made for Trustees to visit Catch22's projects and services. Trustees receive information newsletters, presentations on aspects of Catch22's work and on matters affecting the voluntary sector.

Catch22 expects all those involved in its governance to make a reasonable commitment to ongoing development and training. This may involve away days, service visits, presentations and other internal functions as well as opportunities to attend relevant external events such as seminars, courses and conferences.

Catch22 also circulates publications of general interest and provides access to magazines, articles, newsletters, policy briefings and other documents of more specialist interest.

SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

Setting Pay and Remuneration of key management personnel is the responsibility of the People and Performance Committee. In setting pay and remuneration, they consider performance management information, the overall financial performance of the organisation and relevant benchmarks within the sector.

ENGAGEMENT WITH OUR PEOPLE

We recognise that our people, both staff and volunteers, are key to the success of the organisation and to delivering the impact we seek for our beneficiaries. We engage with our people through a variety of channels to keep them informed, seek their views, encourage their involvement and develop common awareness. These channels include, amongst others:

- regular service visits by the Chief Officer Group and trustees,
- a monthly question & answer session with the Chief Office Group,
- an annual staff conference which trustees attend,
- a monthly newsletter, supported with information on our intranet,
- weekly email communication from the Chief Executive,
- an annual staff survey and regular pulse surverys

Information gathered by the senior leadership team is fed back to trustees via reports submitted to and discussions held at the People and Performance Committee.

BUSINESS RELATIONSHIPS

We recognise that relationships with business stakeholders are key to our success and long-term sustainability. Strong, collaborative relationships with our commissioners and funders enabled us to work with them during the pandemic to find new ways of supporting our beneficiaries and to respond to their changing needs. These relationships are also key to securing ongoing funding.

We also seek to engage with the wider sector through professional bodies and interest groups to both seek and share best practice and collaborate on finding solutions to shared challenges.

We value all our suppliers and look to identify our key suppliers and put multi-year contracts in place and adopt a partnership approach to the relationship where any concerns are worked through together to find mutually beneficial solutions. We also have several small subcontractor organisations who deliver services on our behalf, and we adopt a supportive approach to contract management and help them to build their capacity.

We have also used our platform to incubate several fledging social enterprises focussed on delivering better social outcome and reforming public services.

ENVIRONMENT

We recognise the importance of minimising our impact on the environment and that environmental issues are a significant concern for both our people and those we support.

It has now been two years since we onboarded a new Sustainability Coordinator and launched our Sustainability Champions working group to drive environmental initiatives in our organisation. Here are some key updates of what has been happening:

CO2 Emissions & Carbon Plan

- Committed to achieving Net Zero emissions by 2045 through our Carbon Reduction Plan.
- Made progress with our reporting system to improve data quality to measure our CO2 emissions more efficiently and therefore have a better understanding of our impact.

- Purchased green Electricity with SSE for 15 operational delivery sites.
- Performed energy efficiency audits for two of our main buildings. Key findings suggest LED lighting retrofit, installing boiling optimisers and TRVs on radiators. We plan to implement these changes in the upcoming years which will result in CO2 reduction and cost savings.

Generating impact through our service delivery

- We have been supporting the UK Net Zero transition through our Energise Employability Programme, where we enable people aged 18+ who face barriers to work to get green jobs and apprenticeships.
- 1,181 job seekers attended the Energise Programme, 387 of them progressed into paid employment.
- The Energise Programme won the ERSA (Employment Related Services Association) Skills for Work Award 2024.

Changing our workforce culture

- Updated our environmental policy to improve culture amongst our staff and suppliers.
- Our Sustainability Champions working group continues to evolve, they have been actively engaging with new and existing staff to raise awareness. They will also attend Carbon Literacy Training in 2024/25 to improve their knowledge and educate others in the future.
- Supported sustainable travel by installing 7 EV charging points at 4 operational sites, motivating our employees to benefit from our Cycle to Work and low emissions Car Salary Sacrifice scheme, and providing hybrid/flexible work arrangements to avoid unnecessary staff travel.

Our consumption and emissions for 2023/24 were as follows:

ENERGY TYPE	CONSUMPTION 2024	EMISSIONS 2024	EMISSIONS 2023
Gas	1,229,349 KWh	225 tCO2e	404 tCO2e
Electricity	557,320 KWh	115 tCO2e	155 tCO2e
Transport *	867,683 miles	261 tCO2e	224 tCO2e
Total Emissions		**601 tCO2e**	**783 tCO2e**
*Intensity ratio per £m/turnover **		**11.8 tCO2e**	**14.6 tCO2e**

**Trasport includes employee mileage claims, car hires, log-term vehicles leases and owned vehicles*

*** 2022/23 intensity ratio 14.6 tCO2e*

Our intensity ratio has decreased by 19%, due to the cessation of activities in the MAT, which was heavily reliant on the use of buildings, but also due to some of the initiatives we have implemented, for example to switch to green electricity. We remain confident that this ratio will continue to reduce as we launch and embed new initiatives in the future.

TRUSTEES' RESPONSIBILITIES

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

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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and charity and of the surplus or deficit of the Group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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 financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.
- observe the methods and principles in the Charities SORP.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

RISK MANAGEMENT

The Trustees have in place a robust risk management process, which includes their overall risk appetite and their risk appetite specific to different risk categories. The process identifies the types of risks the charity faces, prioritises them in terms of likelihood of occurrence and potential impact, identifies the means of managing these risks and monitors how they are managed. Development and review of the risk management arrangements are the responsibility of the Governance, Risk and Internal Audit Committee who meet quarterly and review the risk register. The Chief Officer Group are responsible for managing risk across the organisation and receive regular updates from the Head of Governance and Risk at their monthly meetings on key risks, and they ensure that appropriate mitigating action is taken.

The internal audit programme is agreed annually with the Governance, Risk and Internal Audit Committee and focuses on the key areas of risk within the organisation. Audit findings and progress on implementing actions is reported quarterly to the committee.

The key risks identified by Catch22 at the end of 2023/24, which are largely unchanged from the previous year, together with the actions taken or intended to be taken in response to these risks are as follows:

RISK	MITIGATING ACTIONS
Failure to keep our service users safe.	Established policies and procedures with clear training and staff competency expectations embedded throughout the organisation, monitored through regular supervisions and internal audit, overseen by Head of Safeguarding. Designated safeguarding leads appointed in all our services. Safeguarding incident management systems in place across the organisation Risk Forum established to quickly identify concerns and trends and implement mitigating action and Safeguarding Forum in place to share best practice.
Loss of income due to public sector spending cuts because of the macro-economic climate, in addition to rising costs due to inflationary pressure, increases in the rate of employer national insurance and the need to support staff with the continuing impact of inflation.	Continued focus of resources in our business development and partnerships teams, maintaining our diversified income streams, keeping our quality high to secure repeat business and our costs competitive to ensure that our cost basis is sustainable over the longer-term. We also continue to be focussed on building and maintaining strong commissioner and funder relationships, securing an increased proportion of voluntary grant income and developing income streams from trading activity along with ensuring our support teams are appropriately structured and deliver value for money. Financial performance, future forecasts and our income pipeline is regularly monitored by the Finance, Growth and External Audit Committee.

RISK	MITIGATING ACTIONS
Loss of control of personal or sensitive data	Mitigated by robust data protection and information security policies, in line with the General Data Protection Regulation (GDPR), supported by staff briefings and compulsory training. We review the risk of a breach of our IT platforms on an ongoing basis and take appropriate mitigating action to keep them secure. We hold Cyber Essentials Plus certification and ISO27001: Information Security Management certification for our core central processes and infrastructure, along with our Justice probation contracts. The whole organisation works to the principles of the same Information Security Management System and over time we intend to expand the scope of our ISO27001 certification.
Failure to ensure the wellbeing and safety of staff, particularly those working with vulnerable beneficiaries.	Our People team continuing to develop our wellbeing offer and our policy on staff supervision meetings includes the requirement to discuss staff welfare. Increased focus on mental health support within the organisation. We have a professional health and safety team in post with embedded health and safety policies and procedures, underpinned by compulsory training for managers and regular health and safety inspections with follow-up of actions. Incident management system in place across the organisation to enable us to react more quickly to incidents, learn lessons and identify trends, which is reviewed by the Risk Forum. An enhanced Employee Assistance Offer has also been rolled out to support any members of staff who have been affected by serious incidents.
Serious incident results in adverse publicity leading to reputational damage.	Appropriate policies and procedure are in place to mitigate the risk of a serious incident occurring. Critical Incident policy in place and crisis management training provided to key staff. Reactive communication strategy prepared.
Lack of organisational capacity due to challenges in recruiting and retaining staff.	Catch22's employee value proposition, future of work approach, and new pay and grading structure all in place. Developing progression pathways and succession planning. Staff engagement plan in place and being monitored by pulse surveys. New continuous performance management approach on place based on quality conversations. Focus on reducing early staff turnover by a working group of senior leaders.

RISK	MITIGATING ACTIONS
Loss of commercially sensitive information through the misuse of Artificial Intelligence (AI) technology.	Catch22 have created an AI working group, have updated existing policies and handbooks to advise of correct use of information, including issuing guidance around advocated systems to use – Copilot.

Further information about Catch2, including our Annual Review can be found at:

www.catch-22.org.uk

Signed on behalf of the Board of Trustees on

Terry Duddy

Terry Duddy

Chair, Catch22 Charity Ltd

22nd May 2025

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATCH22 CHARITY LIMITED

Opinion

We have audited the financial statements of Catch 22 Charity Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2024 which comprise as the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement 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 group's and the parent charitable company's affairs as at 31 August 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

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 in 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 there is 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.

AUDITOR'S REPORT (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 76, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

AUDITOR'S REPORT (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

AUDITOR'S REPORT (continued)

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

James Saunders (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP
Statutory Auditor
3 June 2025

9 Appold Street
London
EC2A 2AP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT for the year ended 31 August 2024

	Note	Restricted Pension Funds (MAT) £'000	Restricted Fixed Assets Funds (MAT) £'000	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
Income from							
Donations and legacies	2	-	-	1,819	975	**2,794**	491
Grants	2	-	-	2,273	128	**2,401**	4,469
Income from charitable activities	5	-	-	11,999	33,328	**45,327**	47,774
Income from trading activities		-	-	**1**	192	**193**	351
Income from investments	3	-	-	-	383	**383**	404
Total income		**-**	**-**	**16,092**	**35,006**	**51,098**	53,489
Expenditure on							
Raising funds		-	-	-	376	**376**	361
Charitable activities							
Ordinary activities	5	-	93	15,626	35,667	**51,386**	56,096
Exceptional	5	-	33,579	-	109	**33,688**	110
Trading activities		-	-	-	13	**13**	366
Total expenditure		**-**	**33,672**	**15,626**	**36,165**	**85,463**	56,933
Net gains/(losses) on investments	11	-	-	-	1,007	**1,007**	309
Share of results of associated undertaking	11	-	-	-	981	**981**	146
Net (expenditure)/income for the period		**-**	**(33,672)**	**466**	**829**	**(32,377)**	(2,989)
Transfers between funds	16,17	-	-	(206)	206	-	-
Net (expenditure)/income before other recognised gains/(losses)		**-**	**(33,672)**	**260**	**1,035**	**(32,377)**	(2,989)
Other recognised gains/(losses)							
Actuarial gain/(loss) on defined benefit pension scheme	20	-	-	-	-	-	663
Net movement in funds		**-**	**(33,672)**	**260**	**1,035**	**(32,377)**	(2,326)
Reconciliation of funds							
Total funds brought forward		-	33,672	3,309	15,915	**52,896**	55,222
Total funds carried forward		**-**	**-**	**3,569**	**16,950**	**20,519**	52,896

The Group had no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

All income and expenditure derive from continuing activities.

The statement provides the consolidated information for the charitable company and its subsidiary undertakings. Total income for the charitable company alone was £45,358k (2023: £39,802k) and net income was £640k (2023: net expenditure (£1,786k)).

The notes on pages 86 to 112 form part of these financial statements.

CONSOLIDATED BALANCE SHEET - 31 August 2024
Company number: 06577534

	Note	31 August 2024 £'000	£'000	31 August 2023 £'000	£'000
Fixed assets					
Intangible assets	7		205		202
Tangible fixed assets	9		5,711		39,168
Investments	11		12,092		11,119
			18,008		50,489
Current assets					
Stock		82		53	
Debtors	13	6,645		6,041	
Cash at bank and in hand		4,817		7,675	
		11,544		13,769	
Current liabilities					
Creditors: amounts due within one year	14	(8,765)		(10,811)	
Net current assets			**2,779**		2,958
			20,787		53,447
Creditors: amounts falling due after more than one year	15		**(268)**		(551)
Net assets	18		**20,519**		52,896
Funds					
Restricted fixed asset funds	16		-		33,672
Restricted funds	16		3,569		3,309
General fund	17		16,950		15,915
			20,519		52,896

The financial statements were approved by the Board of Trustees and authorised for issue on 22nd May 2025

Terry Duddy.

Terry Duddy
Chair

The notes on pages 86 to 112 form part of these financial statements.

CHARITY BALANCE SHEET - 31 August 2024
Company number: 06577534

	Note	31 August 2024 £'000	£'000	31 August 2023 £'000	£'000
Fixed assets					
Intangible assets	8		205		202
Tangible fixed assets	10		5,699		5,496
Investments	11		11,814		10,868
			17,718		16,566
Current assets					
Stock		82		53	
Debtors	13	6,307		5,621	
Cash at bank and in hand		3,852		6,221	
		10,241		11,895	
Current liabilities					
Creditors: amounts due within one year	14	**(8,535)**		(9,394)	
Net current assets			**1,706**		2,501
			19,424		19,067
Creditors: amounts falling due after more than one year	15		**(268)**		(551)
Net assets			**19,156**		18,516
Funds					
Restricted funds	16		3,112		2,893
General fund	17		16,044		15,623
			19,156		18,516

As permitted by s408 of the Companies Act 2006, the company has not presented its own statement of financial activities and income and expenditure account. The company's net income in 2024 was £640k (2023: net expenditure (£1,786k))

The financial statements were approved by the Board of Trustees and authorised for issue on 22nd May 2025

Terry Duddy

Terry Duddy
Chair

Company Registration No. 06577534

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 August 2024

	Note	Year to 31 August 2024 £'000	£'000	Year to 31 August 2023 £'000	£'000
Net (expenditure)/income for the reporting period			**(32,377)**		(2,989)
Adjusted for:					
Net (gains)/losses on investments	11	(1,007)		(309)	
Share of profits of associate	11	(981)		(146)	
Fair value of assets acquired on acquisition of subsidiary	3,12	(889)		-	
Loss on disposals of tangible fixed assets on academy transfer	4,5,9	33,579		-	
Loss on disposal of tangible fixed assets	4,9	4		-	
Depreciation charges	10	250		375	
Amortisation charges	7	97		93	
Defined benefit pension scheme cost less contributions payable	20	-		115	
Defined benefit pension scheme finance cost	20	-		22	
Interest receivable	3	(163)		(156)	
Investment income receivable	3	(219)		(248)	
Interest payable		3		16	
Capital grants received		-		(550)	
(Increase)/Decrease in stock		(29)		(27)	
Decrease/(Increase) in debtors		(210)		1,212	
Increase/(Decrease) in liabilities		(2,439)		267	
Net cash (used in)/provided by operating activities			**(4,381)**		(2,325)
Investing activities					
Cash inflow from acquisition of subsidiary	3,12	610			
Purchase of intangible fixed assets	7	(100)		(58)	
Purchase of tangible fixed assets	9	(364)		(64)	
Capital grants received		-		550	
Proceeds from sale of investments		33		55	
Interest received		163		156	
Investment income received		1,201		224	
Net cash generated from investing activities			**1,543**		863
Financing Activities					
Repayment of borrowings		(17)		(90)	
Interest paid		(3)		(16)	
Net cash used in financing activities			**(20)**		(106)
Net (decrease)/increase in cash and cash equivalents in the reporting period			**(2,858)**		(1,568)
Cash and cash equivalents at beginning of year			7,675		9,243
Cash and cash equivalents at end of year			**4,817**		7,675
Relating to:					
Bank balances and short-term deposits			**4,817**		7,675
Cash and cash equivalents			**4,817**		7,675

Analysis of changes in net debt

	At 1 September 2023 £'000	Cash flows £'000	Non-cash flows £'000	At 31 August 2024 £'000
Cash at bank and in hand	7,675	(2,858)	-	**4,817**
Debt due within one year	(17)	17	(18)	**(18)**
Debt due after one year	(79)	-	18	**(61)**
Total	**7,579**	**(2,841)**	**-**	**4,738**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently except where noted), judgements and key sources of estimated uncertainty, is set out below.

Catch22 Charity Limited is a charitable company (no. 06577534), limited by guarantee, incorporated in England and Wales and registered with the Charity Commission (no 1124127). The registered office is 27 Pear Tree Street, London EC1V 3AG.

Basis of preparation
The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the 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 (the FRS 102 Charities SORP) and the Companies Act 2006.

Going concern
The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charitable company's forecast and projections and have considered the potential impact of the wider economic environment on the viability of the charitable group. The trustees have taken action in previous years to rationalise the charitable group to save cost and strengthen its financial position. Moving forward the trustees will continue to review the viability of services that are not core to its objectives and are not financially sustainable. In addition, they are open to further mergers into the charitable group that will deliver further impact whilst improving financial strength. Annual budgets and forecasts have been revised taking this into account with prudent figures for both income and expenditure. The charity has an investment portfolio held in relatively liquid funds valued at £11.8m as at 31 August 2024 with a current available working capital facility secured against this of up to £5.0m (£nil drawn as at 31 August 2024 and at the date of signing these accounts). In addition, there is a £0.5m unsecured overdraft facility available with Barclays Bank plc (£nil utilised at 31 August 2024 and at the date of signing these accounts). With cash held by the charity of £4.8m at 31 August 2024 this amounts to £10.3m of readily available cash, without liquidating the investment portfolio, should it be required. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest thousand pounds.

The charity has taken advantage of the exemption in the Companies Act 2006 not to present its own statement of financial activities. The results of the charity for the year ended 31 August 2024 are set out here: total income of £45,358k (2023: £39,802k) total expenditure of £45,725k (2023: £41,897k), net gain on investments £1,007k (2023: 309k), resulting in net increase in funds of £640k (2023:net decrease (£1,786k)).

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below:

Basis of consolidation
The consolidated financial statements incorporate those of Catch22 Charity Limited and all its subsidiaries together with the group's share of the results of associates.

On acquisition of subsidiaries, acquisition accounting is used. All of the assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. Where subsidiaries are acquired for nil consideration and are akin to a gift, the fair value of the assets and liabilities at the date of acquisition are recognised as voluntary income in the statement of financial activities. All changes to those assets and liabilities and the resulting surpluses or deficits that arise after the group has gained control of the subsidiary are charged to the post-acquisition statement of financial activities. All intra-group transactions and balances between group companies are eliminated on consolidation.

The results of associates are accounted for using the equity method of accounting. Where the group has no obligation to fund losses of the associate, the share of accumulated losses is not recognised in the accounts, and the investment is shown as zero.

Income
All income is recognised when there is entitlement to the funds, the receipt is probable, and the amount can be measured reliably. The following accounting policies are applied to income.

Grants and fees
Where contract and grant funding are subject to specific performance conditions, the income is recognised as earned (as the related services are provided or outcomes delivered). Any amounts received in excess of what has been earned by the year end are included within deferred income in current liabilities. Other grant income is recognised where there is entitlement, receipt is probable, and the amount can be measured with sufficient reliability.

Donations
Donations and all other receipts from fundraising are reported gross and are accounted for on a receivable basis. The related fundraising costs are reported in costs of raising funds.

Investment Income
Investment income is accounted for when receivable and includes the related tax recoverable.

Expenditure
Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligations can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies area applied to expenditure:

Allocation of overhead and support costs
Overhead, support and governance costs are allocated between the cost of raising funds and charitable activities. Overhead, support and governance costs relating to charitable activities have been apportioned between activities.

Governance costs
Governance costs are included within support costs and consist of trustees' expenses and annual audit and non-audit fees.

Costs of raising funds
The costs of generating funds consist of investment management fees and the costs of raising funds, including an apportionment of overhead, support and governance costs.

Charitable activities
Costs of charitable activities include grants payable and other costs directly associated with providing the services and support provided by the charity and an apportionment of overhead, support and governance costs.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

1. Accounting policies (continued)

Expenditure (continued)

Trading activities
Costs of trading activities include costs directly associated with providing the services provided through trading and an apportionment of overhead, support and governance costs.

Intangible Assets
Development costs for future IT projects are capitalised at cost, provided it is likely to bring future economic benefit to the group. If the criteria for recognition as assets are not met, the expense is recognised in the statement of financial activities in the period in which it is incurred. Capitalised IT costs include all direct and indirect costs that are directly attributable to the development process. The costs are amortised using the straight-line method over 3 to 5 years being their estimated useful lives.

Capitalisation of assets
Assets with a value of greater than £10,000 (and some lower value vehicles and IT equipment with an estimated useful life of at least 4 or 3 years respectively) are capitalised and depreciated to write off the cost of the assets over their estimated useful lives.

Tangible fixed assets
Land and buildings and equipment are stated in the balance sheet at cost or, in the case of certain freehold and long leasehold land and buildings, valuation less depreciation which is provided in equal annual instalments over the estimated useful life of the assets. The rates of depreciation are:

- Freehold property – 2% per annum
- Long leasehold property – over term of lease
- Short leasehold property – over term of lease
- Furniture and equipment – 20% and 33% per annum
- Motor vehicles – 25% per annum

Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Goodwill has been amortised on a straight-line basis over three or five years.

Investments
Investments are stated at market value at the balance sheet date. Any change in the market value of investments is taken to the relevant fund together with any profits or losses on disposal of investments during the year.

Investment in associates is held at cost less accumulated impairment losses.

Stock
Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Financial Instruments
Cash and cash equivalents
Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less.

Debtors and creditors
Debtors or creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense. 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.

Pension costs – Defined Contribution Schemes
The Group makes payments to defined contribution pension schemes on behalf of qualifying employees. Such contributions are charged in the Statement of Financial Activities as they fall due. The contributions are invested separately from the charity's assets.

Pension benefits – Defined Benefit Pension Schemes
Retirement benefits to employees of the Catch22 Multi Academies Trust (MAT) are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, and the assets are held separately from those of the MAT.

The TPS is an unfunded scheme, and contributions are calculated so as to spread the cost of pensions over employees' working lives with the MAT in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS' are funded schemes, and the assets are held separately from those of the MAT in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements, and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Leased assets
Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the period of the leases.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

1. Accounting policies (continued)

In kind funding/support
The Group benefits from the services of secondees, many thousands of voluntary hours and unclaimed out-of-pocket expenses by a very large number of supporters. In addition, companies, organisations and individuals have, in many cases, provided the use of facilities, equipment and premises for various activities and meetings without charge. The value of such gifts in kind have been estimated and included in the consolidated statement of financial activities as income and expenditure when there is a cost to the third party of donating the gift/service. Although our systems are not set up to summarise the total value of these gifts in kind, we do know they are worth in excess of £100k (2023: £100k). This figure does not include a value for the volunteer work which is indispensable to the work that the Group undertakes.

Taxation
The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, it is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively for charitable purposes.

Fund Accounting
The group maintains various types of funds as follows:

Restricted Pension funds
Restricted pension reserves are resources or liabilities relating to the group's obligations to the Local Government Pension Scheme, of which some of its employees are members.

Restricted fixed asset funds
Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted funds
Restricted funds represent grant, donations and legacies received which are allocated by the donor for specific purposes.

Unrestricted funds
Revaluation reserves relate to the measurement of the fair value of certain freehold property. Designated funds are funds that the trustees have designated to be used for specific purposes. General unrestricted funds represent funds which are expendable at the discretion of the trustees in the furtherance of the objects of the Charity.

Critical accounting estimates and areas of judgement
In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements:

a) *Local Government Pension Scheme liability*
The present value of the Local Government Pension Schemes defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions.
The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Local Government Pension Scheme liability (continued)

The ultimate responsibility for setting the assumptions is that of the academy trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The academy trust has, in practice with most employers, adopted the recommended actuarial assumptions.

b) *Useful Economic Lives of Intangible Assets*
The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advances, future investments and economic utilisation. Goodwill and computer software impairment reviews are performed annually. These reviews require an estimation of the value is use of the cash generating units to which goodwill and software has been allocated and the public benefit derived from the services provided to beneficiaries in fulfilment of the company and group's charitable objectives.

c) *Impairment of Investments in Subsidiaries*
Impairment reviews of investment in subsidiaries are carried out annually. These reviews require an estimation of both the expected future cash generation of the charitable subsidiaries to which the investments relate, and consideration of the public benefit derived from the services provided to beneficiaries in fulfilment of the company and group's charitable objectives.

d) *Land and buildings transferred on conversion*
Long leasehold title of land and buildings has been transferred to the Catch22 Multi Academies Trust (MAT) at £nil consideration. The premises have been recognised in the MAT's accounts at the best estimate of their fair value as at the date of transfer. This was estimated at the most recent valuation figures provided by the transferring local authority, as a best approximation of fair value.

e) *Impairment of Long Leasehold Land & Buildings*
Impairment reviews of long leasehold land and buildings are carried out annually. These reviews require an estimation of their market value of the land and buildings, and the public benefit derived from the charitable group's services provided to beneficiaries in fulfilment of the company and group's charitable objectives. The valuations were reviewed during the year and the trustees consider that this is the best estimate of the fair value at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

Comparative Consolidated Statement of Financial Activities for the year ended 31 August 2023

	Note	Restricted Pension Funds (MAT) £'000	Restricted Fixed Assets Funds (MAT) £'000	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2023 £'000
Income from						
Donations and legacies	2	-	-	170	321	**491**
Grants	2	-	550	2,379	1,540	**4,469**
Donations – academy transfers (MAT)	3	-	-	-	-	**-**
Income from charitable activities	6	-	-	18,696	29,078	**47,774**
Income from trading activities		-	-	-	351	**351**
Income from investments		-	-	-	404	**404**
Total income		**-**	**550**	**21,245**	**31,694**	**53,489**
Expenditure on						
Raising funds		-	-	-	361	**361**
Charitable activities						
Ordinary activities	6	137	1,144	23,088	31,727	**56,096**
Exceptional	6	-	-	-	110	**110**
Trading activities		-	-	-	366	**366**
Total expenditure		**137**	**1,144**	**23,088**	**32,564**	**56,933**
Net gain on disposal of associate	11	-	-	-	-	**-**
Net gains/(losses) on investments	11	-	-	-	309	309
Share of results of associated undertaking	11	-	-	-	146	146
Net (expenditure)/income for the period		**(137)**	**(594)**	**(1,843)**	**(415)**	**(2,989)**
Transfers between funds	17,18	-	369	(1,017)	648	**-**
Net (expenditure)/income before other recognised gains/(losses)		**(137)**	**(225)**	**(2,860)**	**233**	**(2,989)**
Other recognised gains/(losses)						
Actuarial gain/(loss) on defined benefit pension scheme	21	663	-	-	-	**663**
Net movement in funds		**526**	**(225)**	**(2,860)**	**233**	**(2,326)**
Reconciliation of funds						
Total funds brought forward		(526)	33,897	6,169	15,682	**55,222**
Total funds carried forward		**-**	**33,672**	**3,309**	**15,915**	**52,896**

The Group had no recognised gains or losses other than those dealt with in the Statement of Financial Activities

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

2. Donations, legacies and grants

	Year to 31 August 2024				Year to 31 August 2023			
	Fixed Asset Restricted £'000	Restricted £'000	Unrestricted £'000	Total funds £'000	Fixed Asset Restricted £'000	Restricted £'000	Unrestricted £'000	Total funds £'000
Employability and skills	-	995	46	**1,041**	-	1,445	1,349	2,794
Education		-	48	**48**	550	-	50	600
Justice	-	-	-	-	-	2	79	80
Young people, families & communities	-	2,276	199	**2,475**	-	855	206	1,061
Young people, families & communities – acquisition of Redthread Youth Limited (1)	-	281	608	**889**	-	-	-	-
Other	-	540	202	**74**	-	248	177	425
	-	**4,092**	**1,103**	**5,195**	550	2,549	1,861	4,960

The group has benefited from the support of several private donors, trusts, foundations and corporate entities (and their associated foundations), including TikTok, National Grid, John Lewis, Microsoft, City & Guilds, PA Foundation, 3i Investments, Purposeful Ventures, Social Business Trust, Ufi VocTech Trust, EBM Charitable Trust, Prism Charitable Trust, Bleu Blanc Rouge, Hadley Trust, Esmee Fairbairn Foundation, and Hadley Trust among others. The group has also received grant funding from national and local government.

(1) Acquisition of Redthread Youth Limited relates to the following:

On 12 August 2024, Catch22 became the sole member of Redthread Youth Limited for £nil consideration. The acquisition has been accounted for as a combination that is in substance a gift. The assets and liabilities were valued at their fair value and recognised in the balance sheet under the appropriate headings, with a corresponding net amount recognised as a net gain in the Statement of Financial Activities – Donations.

The following table sets out the fair values of identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

Redthread Youth Limited	Fair Values 12 August 2024 £'000
Fixed assets	12
Current assets	1,004
Current liabilities	(127)
Net assets	**889**
Unrestricted funds	608
Restricted funds	281
Total funds	**889**

3. Investment income

	Restricted funds £'000	Unrestricted funds £'000	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
Income from investments receivable	-	220	220	248
Interest receivable	-	163	163	156
	-	**383**	**383**	404

All prior year investment income was also unrestricted

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

4. Net income for the year

	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
This is stated after charging:		
Depreciation of tangible fixed assets	**250**	375
Loss on disposal of tangible fixed assets	**4**	-
Loss on disposal of tangible fixed assets – academy transfers out	**33,579**	-
Amortisation of goodwill and intangible fixed assets	**97**	93
Property rental	**1,138**	1,031
Auditor's remuneration		
Audit fees for Charity's annual accounts	**48**	45
Audit fees for other services:		
- the audit of the Charity's subsidiaries, pursuant to legislation	**29**	30
- other fees and taxation advice	**22**	12

5. Charitable activities

Analysis of income from charitable activities for the year ended 31 August 2024

	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2024 £'000
Employability and skills	2,108	4,889	**6,997**
Education	5,905	5,805	**11,710**
Justice	91	15,318	**15,409**
Young people, families and communities	3,895	7,313	**11,208**
Other	-	3	**3**
Total	**11,999**	**33,328**	**45,327**

Analysis of income from charitable activities for the year ended 31 August 2023

	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2023 £'000
Employability and skills	1,261	3,661	4,922
Education	13,267	4,824	18,091
Justice	131	13,105	13,236
Young people, families and communities	4,037	7,467	11,504
Other	-	21	21
Total	18,696	29,078	47,774

Analysis of expenditure on charitable activities for the year ended 31 August 2024

	Restricted Fixed Assets Funds £'000	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2024 £'000
Employability and skills	-	4,252	5,295	**9,547**
Education	93	5,939	7,816	**13,848**
Justice	-	91	13,763	**13,854**
Young people, families and communities	-	4,748	7,780	**12,528**
Other	-	596	1,013	**1,609**
Exceptional items (see below)	33,579	-	109	**33,688**
Total	**33,672**	**15,626**	**35,776**	**85,074**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

5. Charitable activities (continued)

Analysis of expenditure on charitable activities for the year ended 31 August 2023

	Restricted Pension Funds £'000	Restricted Fixed Assets Funds £'000	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2023 £'000
Employability and skills	-	-	4,443	5,035	9,478
Education	137	1,144	13,444	7,514	22,239
Justice	-	-	132	11,348	11,480
Young people, families and communities	-	-	4,790	7,777	12,567
Other	-	-	279	53	332
Exceptional items (see below)	-	-	-	110	110
Total	137	1,144	23,088	31,837	56,206

Included within unrestricted income and expenditure in Employability and skills charitable activities Is income of £933k (2023: £216k) from the NCS Trust in respect of the Open-to-All programme with related expenditure of £933k (2023: £216k). The project started during the year ended 31 August 2023.

Included within unrestricted income and expenditure in Justice charitable activities Is income of £nil (2023: £351k) from the Local Leadership and Integration Fund with related expenditure of £nil (2023: £351k). The project started during the year ended 31 August 2021.

Included within restricted income and expenditure in Justice charitable activities Is income of £86k (2023: £109k) from the West Midlands Police and Crime Commissioner to fund the Wolverhampton Violence Reduction Team with related expenditure of £86k (2023: £109k). The project has been running for several years.

Included within unrestricted income and expenditure in Young people, families and communities charitable activities Is income of £40k (2023: £nil) from the NCS Trust in respect of the Targeted Grants programme with related expenditure of £40k (2023: £nil). The project started during the year ended 31 August 2024.

Support Costs
The group operates a shared services approach with the majority of support services being provided by Catch22 Charity Limited to the other companies within the group. Support costs incurred directly by other companies within the group, mainly relating to management and administration, are included within the direct costs of the activity carried out by that company. An analysis of the cost of support services (which are included in the charitable expenditure above) provided by Catch22 Charity Limited to the group is set out below. Costs have been allocated to charitable activities as a proportion of the direct expenditure incurred on that activity.

Year Ended 31 August 2024	Business development, marketing and communications £'000	Facilities & IT £'000	Finance and commercial £'000	Human resources £'000	Management and strategy £'000	Compliance and risk management £'000	Total £'000
Raising Funds	**10**	**8**	**5**	**10**	**4**	**5**	**42**
Charitable activities:							
Employability and skills	259	207	136	257	111	135	**1,105**
Education	372	298	196	370	160	194	**1,590**
Justice	377	300	198	373	161	195	**1,604**
Young people, families and communities	340	271	179	337	145	177	**1,449**
Other	44	35	23	43	19	23	**187**
	1,392	**1,111**	**732**	**1,380**	**596**	**724**	**5,935**
Trading activities	10	8	5	10	4	5	**42**
	1,402	**1,119**	**737**	**1,390**	**600**	**729**	**5,977**

Governance costs included in the above support costs amount to £77k (2023: £75k)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

5. Charitable activities (continued)

Support Costs

Year Ended 31 August 2023	Business development, marketing and communications £'000	Facilities & IT £'000	Finance and commercial £'000	Human resources £'000	Management and strategy £'000	Compliance and risk management £'000	Total £'000
Raising Funds	6	6	5	9	3	5	34
Charitable activities:							
Employability and skills	160	165	138	231	82	117	**893**
Education	377	387	325	541	193	272	**2,095**
Justice	194	199	168	280	99	141	**1,081**
Young people, families and communities	213	218	183	306	109	155	**1,184**
Other	5	6	5	8	3	4	**31**
	949	**975**	**819**	**1,366**	**486**	**689**	**5,284**
Trading activities	6	6	5	9	3	4	33
	961	**987**	**829**	**1,385**	**492**	**698**	**5,351**

Exceptional Items

Included within Cost of Charitable Activities are the following exceptional items:

	Year to 31 August 2024 Fixed Asset Restricted £'000	Year to 31 August 2024 Restricted £'000	Year to 31 August 2024 Unrestricted £'000	Year to 31 August 2024 Total £'000	Year to 31 August 2023 Unrestricted £'000
Disposal of apprenticeship delivery	-	-	-	-	110
Transfer out of academies leaving the MAT (see below)	33,579	-	-	**33,579**	-
Restructuring costs	-	-	109	**109**	-
Total	**33,579**	**-**	**109**	**33,688**	110

Transfer out of academies leaving the Catch22 Multi Academies Trust Ltd (MAT)

During the year the Ashwood Academy, Austen Academy, Brunel Academy, Burton Academy, Coppice Springs Academy, Fen Rivers Academy and Spires Academy transferred out of the MAT. The below assets and liabilities transferred with the various schools.

	2024 Transfer out of academies leaving the MAT	2023 Transfer out of academies leaving the MAT
Tangible fixed assets		
Leasehold land and buildings	33,579	-
Pensions		
Pension scheme assets	-	-
Pension scheme liabilities	-	-
Net assets / (liabilities)	**33,579**	-

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

6. Staff costs

	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
Salaries	30,268	31,117
Redundancies	106	177
National Insurance contributions	3,151	3,173
Pension contributions	1,496	2,182
	35,021	36,649
The average number of employees during the period split as follows:		
Charitable Activities	895	1,027
Trading	-	4
Support	101	89
Total	**996**	1,120

During the period payments to agencies for temporary staff amounted to £1,721k (2022: £3,090k)
Agency staff are used to cover temporary vacancies and to meet short-term needs.

The number of employees whose annual emoluments were £60,000 and above excluding pension contributions were as follows:

	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
£60,001 - £70,000	15	10
£70,001 - £80,000	3	7
£80,001 - £90,000	5	7
£90,001 - £100,000	1	-
£100,001-£110,000	4	1
£110,001-£120,000	-	1
£120,001-£130,000	1	-
£130,001-£140,000	-	1

Employer's pension contributions of £163,824 (2023: £170,675) were paid on behalf of the above staff.
No trustees received any remuneration during the period (2023: none). One trustee was reimbursed expenses during the year of £56 (2023: £nil).

Key Management Personnel
The total employee benefits of the Key Management Personnel were £821,307 (2023: £793,209).

Volunteers
The average number of volunteers for the year to 31 August 2024 totalled 24 (2023: 76). 3 volunteers worked in Justice, 19 worked in Young people, families and communities and 2 worked in our other delivery hubs.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

7. Intangible fixed assets – Consolidated

	Computer Software £'000	Goodwill £'000	Total £'000
Cost			
1 September 2023	483	345	828
Additions	100	-	100
31 August 2024	**583**	**345**	**928**
Amortisation			
1 September 2023	281	345	626
Charge for the year	97	-	97
31 August 2024	**378**	**345**	**723**
Net book value			
At 31 August 2024	**205**	**-**	205
At 31 August 2023	202	-	202

8. Intangible fixed assets – Charity only

	Computer Software £'000	Total £'000
Costs		
1 September 2023	483	483
Additions	100	100
31 August 2024	**583**	**583**
Amortisation		
1 September 2023	281	281
Charge for the year	97	97
31 August 2024	**378**	**378**
Net book value		
At 31 August 2024	**205**	**205**
At 31 August 2023	202	202

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

9. Tangible fixed assets – Consolidated

	Long leasehold land and buildings £'000	Short leasehold properties £'000	Freehold land & buildings £'000	Furniture & equipment £'000	Total £'000
Cost or Revaluation					
1 September 2023	45,316	225	725	368	46,634
Additions	-	266	-	98	364
Transfers on acquisition of subsidiary	-	-	-	58	58
Disposals	-	-	-	(7)	(7)
Disposals – academy transfers	(40,669)	-	-	-	(40,669)
31 August 2024	**4,647**	**491**	**725**	**517**	**6,380**
Depreciation					
1 September 2023	7,128	30	126	182	**7,466**
Transfers on acquisition of subsidiary	-	-	-	46	**46**
Disposals	-	-	-	(3)	**(3)**
Disposals – academy transfers	(7,090)	-	-	-	**(7,090)**
Charge for the year	146	27	13	64	**250**
31 August 2024	**184**	**57**	**139**	**289**	**669**
Net book value					
At 31 August 2024	**4,463**	**434**	**586**	**228**	**5,711**
At 31 August 2023	38,188	195	599	186	39,168

10. Tangible fixed assets – Charity only

	Long leasehold land and buildings £'000	Short leasehold properties £'000	Freehold land & buildings £'000	Furniture & equipment £'000	Total £'000
Cost or Revaluation					
1 September 2023	4,647	225	725	368	**5,965**
Additions	-	266	-	98	**364**
Disposals	-	-	-	(7)	**(7)**
31 August 2024	**4,647**	**491**	**725**	**459**	**6,322**
Depreciation					
1 September 2023	131	30	126	182	**469**
Disposals	-	-	-	(3)	**(3)**
Charge for the year	53	27	13	64	**157**
31 August 2024	**184**	**57**	**139**	**243**	**623**
Net book value					
At 31 August 2024	**4,463**	**434**	**586**	**216**	**5,699**
At 31 August 2023	4,516	195	599	186	5,496

The leasehold property at 27 Pear Street, London of £3.3m has been arrived at on a basis of valuation carried out as at 31 August 2019 by JM Commercial, Chartered Surveyors who are not connected with the company. The valuation was reviewed internally in the year and the Trustees consider that this is the best estimate of the fair value at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

11. Investment in subsidiaries and associates - Consolidated

	Investment in Associates £'000	Investment in Subsidiary £'000	Total £'000
Cost			
1 September 2023	251	475	726
Share of net profit	27	-	**27**
31 August 2024	**278**	**475**	**753**
Impairment			
1 September 2023	-	475	475
Charge for the year	-	-	-
31 August 2024	**-**	**475**	**475**
Net book value			
At 31 August 2024	**278**	**-**	**278**
At 31 August 2023	251	-	251

11. Investment in subsidiaries and associates – Charity only

	Investment in Associates £'000	Investment in Subsidiary £'000	Total £'000
Cost			
31 August 2023	-	475	**475**
Share of net profit	-	-	-
31 August 2024	**-**	**475**	**475**
Impairment			
1 September 2023	-	475	**475**
Charge for the year	-	-	-
31 August 2024	**-**	**475**	**475**
Net book value			
At 31 August 2024	**-**	**-**	**-**
At 31 August 2023	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

11. Investments – Consolidated

	31 August 2024 £'000	31 August 2023 £'000
Investment in associate – Jobs 22 Limited	173	146
Investment in associated LLP	105	105
Other investments at market value	11,814	10,868
Investments at market value	**12,092**	11,119
Quoted investments	11,717	10,434
Cash held by investment managers	92	429
Unlisted investments	283	256
	12,092	11,119
1 September 2023	11,119	10,695
Acquisitions at cost	9,890	5,190
Disposal proceeds	(9.860)	(5,219)
Increase/(decrease) in cash in the portfolio	(91)	(2)
Share of associate profit	27	146
Change in market value	1,007	309
Market value at 31 August 2024	**12,092**	11,119
Historic cost at 31 August 2024	11,110	10,912

	31 August 2024			31 August 2023		
	Market value £'000	%	Original cost £'000	Market value £'000	%	Original cost £'000
Equity	8,708	72	7,911	7,187	65	6,960
Fixed income	2,754	23	2,751	3,243	29	3,409
Cash	92	1	92	429	4	429
Alternatives	251	2	242	-	-	-
Other – listed	4	-	4	4	-	4
Other – unlisted	283	2	110	256	2	110
Total	**12,092**	***100***	**11,110**	11,119	*100*	10,912

Associates

	Associated LLP £000	Jobs22 £'000	Total £'000
Carrying value			
1 September 2023	105	146	**251**
Share of net profit	-	981	**981**
Dividend received	-	(954)	**(954)**
31 August 2024	**105**	**173**	**278**

The charity owns 18% of the equity share capital of Jobs 22 Limited (2023:18%). The address of the registered office of Jobs 22 Limited is 289 Silbury Boulevard, Milton Keynes, MK9 1NA.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

11. Investments – Charity only

	31 August 2024 £'000	31 August 2023 £'000
Investment in associate – Jobs 22 Limited	-	-
Other investments at market value	11,814	10,868
	11,814	**10,868**
Quoted investments	11,717	10,434
Unquoted investments	5	5
Cash held by investment managers	92	429
	11,814	**10,868**
1 September 2023	10,868	10,590
Acquisitions at cost	9,890	5,190
Disposal proceeds	(9,860)	(5,219)
Increase/(decrease) in cash in the portfolio	(91)	(2)
Change in market value	1,007	309
Market value at 31 August 2024	**11,814**	10,868
Historic cost at 31 August 2024	11,005	10,807

	31 August 2024			31 August 2023		
	Market value £'000	%	Original cost £'000	Market value £'000	%	Original cost £'000
Equity	8,708	*74*	7,911	7,187	*66*	6,960
Fixed income	2,754	*23*	2,751	3,243	*30*	3,409
Cash	92	*1*	92	429	*4*	429
Alternatives	251	*2*	242	-	-	-
Other – listed	4	-	4	4	-	4
Other – unlisted	5	-	5	5	-	5
Total	**11,814**	***100***	**11,005**	10,868	*100*	10,807

12. Subsidiaries

The charity is the parent of the following subsidiaries:

Name of subsidiary	Country of incorporation	Registered Office	Activity	Level of control	Aggregate amount of assets, liabilities and funds £'000	Turnover Incl. invest income £'000	Costs £'000	Surplus/ (deficit) for the year £'000
The Royal Philanthropic Society incorporating the Rainer Foundation *Charity Number 229132*	England and Wales	N/A	Dormant	100%	-	-	-	-
Crime Concern Trust Limited *Company Number: 02259016 Charity Number 800735*	England and Wales	(1)	Dormant	100%				

NOTES TO THE FINANCIAL STATEMENTS
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12. Subsidiaries (continued)

Name of subsidiary	Country of incorporation	Registered Office	Activity	Level of control	Aggregate amount of assets, liabilities and funds £'000	Turnover incl. invest income £'000	Costs £'000	Surplus/ (deficit) for the year £'000
Catch22 Social Enterprise Limited *Company Number: 06166785*	England and Wales	(1)	Dormant	100%	(646)	-	-	-
Catch22 Social Enterprise Solutions Limited *Company Number: 07971380*	England and Wales	(1)	Providing training and employment opportunities for the unemployed	100%	(5)	-	-	-
Pupil Parent Partnership Limited Company Number: 04872659	England and Wales	(2)	Dormant	100%	-	-	-	-
Include Company Number: 02429781 Charity Number 0803333	England and Wales	(2)	Dormant	100%	-	-	-	-
Catch22 Multi Academies Trust Limited Company Number: 08299181	England and Wales	(2)	Advancing for the public benefit, education in the UK through the operation of alternative provision schools	100%	306	5,905	(39,817)	(33,912)
Community Links Trust Limited *Company Number: 02661182 Charity Number 1018517*	England and Wales	(3)	Community delivery and early support and action	100%	(1)	106	110	(4)
Community Links Trading Limited *Company Number: 05737749*	England and Wales	(3)	Events management, production services and storage	100%	(464)	-	(7)	(7)
Ripplez Community Interest Company *Company Number: 07484690*	England and Wales	(2)	Dormant	100%	(85)	-	-	-
Redthread Youth Limited *Company Number: 03131121 Charity Number 1051290*	England and Wales	(2)	Preservation and protection of the health and wellbeing of young people & the advancement of education of young people	100%		See 'A' below		

The list of Registered Offices is set out below:

(1) Rectory Lodge, High Street, Brasted, Kent, TN16 1JF
(2) 27 Pear Tree Street, London, EC1V 3AG
(3) 105 Barking Road, London, E16 4HQ

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

12. Subsidiaries (continued)

(A) Redthread Youth Limited

Catch 22 Charity Limited became the sole member of Redthread Youth Limited on 12 August 2024 (a company limited by guarantee, company number 03131121, and registered charity, charity number 1051280) and accordingly on that date Redthread became a subsidiary of the group. Currently Redthread continues to operate as a separate entity, but the intention is that all its activities and net assets will be transferred to Catch22 during the 2024/25 financial year.

A summary of Redthread's results is shown below:

	17 months to 31 August 2024 £'000
Income	4,466
Expenditure	(5,254)
Net movement in funds	(788)

	31 August 2024 £'000
Fixed assets	12
Current assets	1,004
Current liabilities	(127)
Net assets	889
Unrestricted funds	608
Restricted funds	281
Total funds	889

The fair value of the net assets acquired at acquisition was determined to be those at 31 August 2024, as stated above.

13. Debtors: amounts due within one year

	31 August 2024 £'000	31 August 2023 £'000
Consolidated		
Grant and trade debtors	4,255	2,657
Other debtors	353	786
Prepayments and accrued income	2,037	2,598
	6,645	**6,041**

Included within other debtors is £nil due in more than one year (2023: £250k)

Charity only		
Grant and trade debtors	4,149	2,540
Other debtors	332	583
Prepayments and accrued income	1,702	2,389
Amounts owed by other group companies	124	109
	6,307	**5,621**

Included within other debtors is £nil due in more than one year (2023: £250k)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

14. Creditors: amounts falling due within one year

Consolidated	31 August 2024 £'000	31 August 2023 £'000
Trade creditors	672	1,111
Accrued expenditure and income in advance	6,091	7,007
Other taxes and social security	1,283	1,356
Other creditors	719	1,337
	8,765	**10,811**

Included in other creditors are outstanding pension contributions amounting to £139k (2023: £261k).

Also included within other creditors is a loan from an associated company of £234k (2023: £720k). It is repayable on demand and no interest is charged.

The charitable group has an overdraft facility of £5m secured by a fixed charge over the investments of the charity. It is provided by HSBC Private Bank and is repayable on demand and interest is charged at 1.25% above the base rate, amount drawn £nil (2023: £nil). In addition, the charitable group has a £500k unsecured overdraft available from Barclays Bank with interest charged at 3% above the base rate, amount drawn £nil (2023: £nil).

Charity only		
Trade creditors	611	641
Accrued expenditure and income in advance	5,935	6,220
Other taxes and social security	1,279	1,216
Other creditors	710	1,191
Amounts owed to other group companies	-	126
	8,535	**9,394**

Included in other creditors are outstanding pension contributions amounting to £128k (2023: £115k).

Also included within other creditors is a loan from an associated company of £234k (2023: £720k). It is repayable on demand and no interest is charged.

The charity has an overdraft facility of £5m secured by a fixed charge over the investments of the charity. It is provided by HSBC Private Bank and is repayable on demand and interest is charged at 1.25% above the base rate, amount drawn £nil (2023: £nil). In addition, the charity has a £500k unsecured overdraft available from Barclays Bank with interest charged at 3% above the base rate, amount drawn £nil (2023: £nil).

Consolidated – deferred income movement	£'000
Balance at 1 September 2023	5,232
Amount released in the period	(5,232)
Amount deferred in the period	4,937
Acquired on acquisition of subsidiary	88
Balance at 31 August 2023 – all due within one year	**5,025**

Charity only – deferred income movement	£'000
Balance at 1 September 2023	4,947
Amount released in the period	(4,947)
Amount deferred in the period	4,937
Balance at 31 August 2023 – all due within one year	**4,937**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

15. Creditors: amounts falling after more than one year

	31 August 2024 £'000	31 August 2023 £'000
Consolidated		
Other loan	61	79
Other creditors	207	472
	268	**551**
Charity only		
Other loan	61	79
Other creditors	207	472
	268	**551**

Included within other loans is a loan of £125k received in October 2021 and is repayable over 84 months. The amount outstanding at the 31 August 2024 is £79k (2023: £96k) – shown as £61k (2023: £79k) due in more than one year and £18k (2023: £17k) due in less than one year. The loan is secured by a floating charge over the charity's assets. Interest is charged at 3%.

Included in other creditors is the clawback of funding relating to non-delivery by subcontractors. The repayment terms have been agreed over 4 to 5 years.

16. Restricted funds

	Restricted fixed asset funds £'000	Restricted funds £'000	Total Restricted funds £'000
Consolidated			
Balance at 1 September 2023	33,672	3,309	**36,981**
Income	-	16.092	**16.092**
Expenditure	(33,672)	(15,626)	**(49,298)**
Transfers between funds	-	(206)	**(206)**
Balance at 31 August 2024	-	**3,569**	**3,569**
Charity only			
Balance at 1 September 2023	-	2,893	**2,893**
Income	-	9,819	**9,819**
Expenditure	-	(9,600)	**(9,600)**
Transfers between funds	-	-	**-**
Balance at 31 August 2024	**-**	**3.112**	**3,112**

The specific purposes for which the funds are to be applied are as follows:

Restricted fixed asset funds

These arise in Catch22 Multi Academies Trust and represent the net book value of the land and buildings of academies transferred from the local authority on conversion.

Restricted funds

These arise from donations, grants and fees to fund activities or services as specified by the donor. Income represents donations, grants and fees from government bodies and corporate and trust donors. Expenditure represents expenditure on specific services linked to these restricted donations, grants and fees. Restricted funds also include the activities of the subsidiary company, Catch 22 Multi Academies Trust Limited and some of the activities of Redthread Youth Limited another subsidiary company.

An analysis of restricted funds by activity is set out below:

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YEAR ENDED 31 August 2024

16. Restricted funds (continued)

Transfers between funds

Restricted fixed asset funds: £nil (2023: £369k) – this represents property maintenance expenditure transferred to restricted funds in the Catch22 Multi Academies Trust
Restricted funds: (£206k) (2023: (£1,017k)). Transfers relating to the Catch22 Multi Academies trust, as described above amount to £nil (2023: (£369k)). A further (£206k) (2023: (£329k) represents net charges for services between the Charity and Catch22 Multi Academies Trust, transferred from/(to) general funds. A further £nil (£2023; (£319k)) relates to funds on a contract that the charity ceased to operate several years ago, which after careful review, the trustees no longer consider to be restricted.

Prior year

	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Total Restricted funds £'000
Consolidated				
Balance at 1 September 2022	(526)	33,897	6,169	39,540
Income	-	550	21,245	21,795
Expenditure	(137)	(1,144)	(23,088)	(24,369)
Transfers between funds	-	369	(1,017)	(648)
Actuarial gain/(loss) on defined benefit pension scheme	663	-	-	663
Balance at 31 August 2023	-	33,672	3,309	36,981
Charity only				
Balance at 1 September 2022	-	-	4,878	4,878
Income	-	-	7,883	7,883
Expenditure	-	-	(9,549)	(9,549)
Transfers between funds	-	-	(319)	(319)
Balance at 31 August 2023	-	-	2,893	2,893

The specific purposes for which the funds are to be applied are as follows:

Current year

Consolidated by charitable activity	Balance 1 September 2023 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2024 £'000
Employability and skills	1,730	3,103	(4,251)	-	**582**
Education	416	5,905	(5,939)	(206)	**176**
Justice	-	92	(92)	-	**-**
Young people, families and communities	1,056	6,452	(4,748)	-	**2,760**
Other	107	540	(596)	-	**51**
Total restricted funds	**3,309**	**16,092**	**(15,626)**	**(206)**	**3,569**

Charity only by charitable activity	Balance 1 September 2023 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2024 £'000
Employability and skills	1,730	3,103	(4,251)	-	**582**
Justice	-	92	(92)	-	**-**
Young people, families and communities	1,056	6,084	(4,661)	-	**2,479**
Other	107	540	(596)	-	**51**
Total restricted funds	**2,893**	**9,819**	**(9,600)**	**-**	**3,112**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

16. Restricted funds (continued)

Prior year

Consolidated by charitable activity	Balance 1 September 2022 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2023 £'000
Employability and skills	3,467	2,706	(4,443)	-	1,730
Education	1,291	13,267	(13,444)	(698)	416
Justice	-	132	(132)	-	-
Young people, families and communities	1,273	4,892	(4,790)	(319)	1,056
Other	138	248	(279)	-	107
Total restricted funds	6,169	21,245	(23,088)	(1,017)	3,309

Prior year

Charity only by charitable activity	Balance 1 September 2022 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2023 £'000
Employability and skills	3,467	2,706	(4,443)	-	1,730
Justice	-	132	(132)	-	-
Young people, families and communities	1,273	4,797	(4,695)	(319)	1,056
Other	138	248	(279)	-	107
Total restricted funds	4,878	7,883	(9,549)	(319)	2,893

17. Unrestricted funds

	Balance 1 September 2023 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Net gains/(losses) on investments and share of associate net profit £'000	Balance 31 August 2024 £'000
Consolidated						
Revaluation reserve	2,393	-	(46)	-	-	2,347
Designated fund	1,307	-	(864)	650	-	1,093
General fund	12,215	35,006	(35,255)	(444)	1,988	13,510
Total	**15,915**	**35,006**	**(36,165)**	**206**	**1,988**	**16,950**
Charity						
Revaluation reserve	2,393	-	(46)	-	-	2,347
Designated fund	1,307	-	(864)	650	-	1,093
General fund	11,923	35,539	(35,215)	(650)	1,007	12,604
Total	**15,623**	**35,539**	**(36,125)**	**-**	**1,007**	**16,044**

Revaluation reserve

This represents the difference between the net book value and valuation of revalued property.

Designated fund

This represents funds that the trustees have allocated to specific projects. These projects are:

- Use of data and analytics to improve impact and deliver reform objectives; £177k (2023: £604k) over the next year
- Reducing the organisation's environmental impact; £84k (2023:£131k) over the next 2 years
- Growing the organisation to reach more beneficiaries and deliver greater impact; £195k (2023: £422k) over the next 1 year
- Developing and capturing the social value delivered by the organisation; £69k (2023: £75k) over the next 2 years
- Ensuring the organisation's support services and structures are fit for purpose; £32k (2023: £75k) over the next 1 year
- Refurbishment of delivery premises and providing additional facilities in education sites £386k (2023: £nil) over the next 3 years
- Innovation in delivery to increase impact and deliver reform objectives £150k (2023: £nil) over the next 2 years

General fund

This represents funds which are not restricted or designated for specific purposes. General funds are expendable at the discretion of the trustees to further the charitable objects of the Catch22 group.

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YEAR ENDED 31 August 2024

17. Unrestricted funds (continued)

Prior year

	Balance 1 September 2022 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Net gains/(losses) on investments and share of associate net profit £'000	Balance 31 August 2023 £'000
Consolidated						
Revaluation reserve	2,436	-	(43)	-	-	2,393
Designated fund	1,054	-	(19)	272	-	1,307
General fund	12,192	31,694	(32,502)	376	455	12,215
Total	15,682	31,694	(32,564)	648	455	15,915
Charity						
Revaluation reserve	2,436	-	(43)	-	-	2,393
Designated fund	1,054	-	(19)	272	-	1,307
General fund	11,934	31,919	(32,286)	47	309	11,923
Total	15,424	31,919	(32,348)	319	309	15,623

18. Analysis of net assets between funds

	Restricted funds £'000	Unrestricted funds £'000	31 August 2024 Total £'000
Consolidated			
Fund balances at 31 August 2024 are represented by:			
Tangible fixed assets	-	5,711	5,711
Intangible fixed assets	-	205	205
Investments	-	12,092	12,092
Current assets/(liabilities)	3,569	(790)	2,779
Long term liabilities	-	(268)	(268)
Total net assets	**3,569**	**16,950**	**20,519**
Charity Only			
Fund balances at 31 August 2024 are represented by:			
Tangible fixed assets	-	5,699	5,699
Intangible fixed assets	-	205	205
Investments	-	11,814	11,814
Current assets/(liabilities)	3.112	(1,406)	1,706
Long term liabilities	-	(268)	(268)
Total net assets	**3,112**	**16,044**	**19,156**

NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds (continued)

Consolidation	Restricted fixed asset funds £'000	Restricted funds £'000	Unrestricted funds £'000	31 August 2023 Total £'000
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	33,672	-	5,496	39,168
Intangible fixed assets	-	-	202	202
Investments	-	-	11,119	11,119
Current assets/(liabilities)	-	3,309	(351)	2,958
Long term liabilities	-	-	(551)	(551)
Total net assets	33,672	3,309	15,915	52,896

Charity Only				
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	5,496	5,496
Intangible fixed assets	-	-	202	202
Investments	-	-	10,868	10,868
Current assets/(liabilities)	-	2,893	(392)	2,501
Long term liabilities	-	-	(551)	(551)
Total net assets	-	2,893	15,623	18,516

19. Commitments under operating leases

Consolidation

At 31 August 2024 the group had future minimum commitments under non-cancellable operating leases as follows:

	31 August 2024 £'000	31 August 2023 £'000
Land and buildings:		
expiring in the first year	757	904
expiring in the second to fifth year	180	591
expiring after five years	280	-
	1,217	1,495

Charity only

At 31 August 2024 the charity had future minimum commitments under non-cancellable operating leases as follows:

	31 August 2024 £'000	31 August 2023 £'000
Land and buildings:		
expiring in the first year	752	904
expiring in the second to fifth year	180	591
expiring after five years	280	-
	1,212	**1,495**

NOTES TO THE FINANCIAL STATEMENTS
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20. Pension and Similar Obligations

Employees of The Catch22 Multi Academies Trust (MAT) belong to five principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and Local Government Pension Scheme (LGPS') for non-teaching staff, consisting of the Hampshire County Council Pension Fund which is managed by Hampshire County Council for Ashwood Academy, The Coppice Springs Academy and The Austen Academy staff, the Northamptonshire Pension Fund which is managed by Northamptonshire County Council for the Spires Academy staff, the Devon County Council Pension Fund which is managed by Devon County Council for the Burton Academy and Brunel Academy staff in Torbay, and the Norfolk County Council Pension Fund which is managed by Norfolk County Council for Fen Rivers Academy staff.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS' to the period ended 31 March 2022.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme governed by the Teachers' Pension Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer make contributions, as a percentage of salary – these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% employer administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028. A copy of the valuation report and supporting documentation is available on the Teachers' Pensions website.

The employer pension costs paid to TPS in the year amounted to £360k (2023: £739k).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme, The charitable group is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the charitable group has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme, The charitable group has set out above the information available on the scheme.

Local Government Pension Schemes (LGPS)

The LGPS' are funded defined benefit pension schemes, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £230k (2023: £578k), of which employer's contributions totalled £177k (2023: £445k) and employees' contributions totalled £53k (2023: £133k). The agreed contribution rates for future years is 21.8 per cent for employers, with employee rates banded according to salary.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

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20. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

Principal Actuarial Assumptions	At 31 August 2024 Hampshire	At 31 August 2024 Norfolk	At 31 August 2023 Northamptonshire	At 31 August 2023 Torbay
Rate of increase in salaries	-%	-%	-%	-%
Rate of increase for pensions in payment/inflation	-%	-%	-%	-%
Discount rate for scheme liabilities	-%	-%	-%	-%
Inflation assumption (CPI)	-%	-%	-%	-%

	At 31 August 2024 Hampshire	At 31 August 2024 Norfolk	At 31 August 2023 Northamptonshire	At 31 August 2023 Torbay
Rate of increase in salaries	4.00%	3.65%	3.50%	3.85%
Rate of increase for pensions in payment/inflation	3.00%	2.95%	3.00%	2.85%
Discount rate for scheme liabilities	5.20%	5.20%	5.20%	5.30%
Inflation assumption (CPI)	3.00%	2.95%	3.00%	2.85%

Sensitivity Analysis

Approximate monetary increase to the obligation as a result of the following changes in assumptions at 31 August 2022 are set out below:

	At 31 August 2024 £000	At 31 August 2023 £000
Hampshire		
0.1% increase in the salary increase rate	-	2
0.1% increase in the pension increase rate	-	50
0.1% decrease in real discount rate	-	52
Norfolk		
0.1% increase in the salary increase rate	-	-
0.1% increase in the pension increase rate	-	15
0.1% decrease in real discount rate	-	15
Northamptonshire		
0.1% increase in the salary increase rate	-	-
0.1% increase in the pension increase rate	-	11
0.1% decrease in real discount rate	-	10
		-
Torbay		
0.1% increase in the salary increase rate	-	-
0.1% increase in the pension increase rate	-	30
0.1% decrease in real discount rate	-	29

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20. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 August 2024 Hampshire	At 31 August 2024 Norfolk	At 31 August 2024 Northamptonshire	At 31 August 2024 Torbay
Retiring today				
Males	-	-	-	-
Females	-	-	-	-
Retiring in 20 years				
Males	-	-	-	-
Females	-	-	-	-

	At 31 August 2023 Hampshire	At 31 August 2023 Norfolk	At 31 August 2023 Northamptonshire	At 31 August 2023 Torbay
Retiring today				
Males	22.1 years	21.4 years	21.0 years	21.4 years
Females	24.7 years	20.7 years	24.4 years	22.6 years
Retiring in 20 years				
Males	22.6 years	20.9 years	20.2 years	22.7 years
Females	25.7 years	25.0 years	24.6 years	24.0 years

The charitable group's share of the assets and liabilities in the scheme and the expected rate of return were:

	Fair value at 31 August 2024	Fair value at 31 August 2023
	£000	£000
Equities	-	2,532
Government Bonds	-	1,039
Property	-	359
Cash	-	103
Other	-	468
Total market value of assets	-	4,501

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

20. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

Amounts recognised in the statement of financial activities:

	2023	2023
	£000	£000
Current service cost	-	(560)
Net interest cost	-	(22)
Total operating charge	**-**	(582)

Changes in the present value of defined benefit obligations were as follows:

		2024	2023
		£000	£000
At 1 September		4,483	4,039
Transfer of existing academy	(note 6)	(4,483)	-
Current service cost		-	560
Interest cost		-	178
Employee contributions		-	133
Actuarial (gain)/loss		-	(405)
Benefits paid		-	(22)
At 31 August		**-**	4,483

Changes in the fair value of the charitable group's share of scheme assets:

		2024	2023
		£000	£000
At 1 September		4,501	3,513
Transfer out of existing academy	(note 6)	(4,501)	-
Interest income		-	156
Contributions by members		-	133
Contributions by the employer		-	445
Actuarial (loss)/gain		-	276
Benefits paid		-	(22)
At 31 August		**-**	4,501

During the year all schools held within the Catch22 Multi Academies Trust Ltd transferred out and with them the LGPS obligations and assets. In the previous year the LGPS pension entered into an asset position which was restricted to £nil, therefore the net effect on the statement of financial activities for the transfer out of the schools is £nil in respect of the LGPS pension.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2024

21. Related party transactions

a) During the year Catch22 provided services and recharged costs to The Catch22 Multi Academies Trust Ltd (MAT) amounting to £206k (2023: £842k). The MAT provided services to Catch22 amounting to £nil (2023: £194k). At the balance sheet date Catch22 was owed £15k by the MAT (2023: Catch22 owed £3k to the MAT).

b) There were no transactions between Catch22 and Catch22 Social Enterprise Solutions Ltd (Solutions) during the year. At the balance sheet date Catch22 was owed £109k (2023: £109k) by Solutions.

c) There were no transactions between Catch22 and Catch22 Social Enterprise Ltd (Auto22) during the year. The amount that was due to Catch22 from Auto22 at 31 August 2024 amounting to £646k (2023: £646k) was written off as irrecoverable in prior years and therefore the balance due at 31 August 2024 included within the Catch22 financial statements was £nil (2023: £ nil).

d) During the year Community Links Trust (CLT) delivered services for Catch22 amounting to £106k (2023: £123k) and Catch22 provided services and recharged cost to CLT amounting to £106k (2023: £120k). At the balance sheet date Catch22 owed £nil to CLT (2023: £123k).

e) During the year Catch22 provided services and recharged costs amounting to £nil (2023: £178k) to Community Links Trading and Community Links Trading provided services amounting £nil (2023: £1k) to Catch22. At the balance sheet date Catch22 was owed £464k (2023: £474k) by Community Links Trading. A provision for £464k (2023: £474k) has been made in Catch22's financial statements. Therefore, the balance due at 31 August 2024 included within the Catch22 financial statements is £nil (2023: £nil).

f) At the balance sheet date Catch22 was owed £85k (2023: £85k) by Ripplez. A provision for the full amount of this debt has been made in Catch22's financial statements for the year ended 31 August 2024 and 2023 and therefore the balance due at 31 August 2023 included within the Catch22 financial statements is £nil (2023: £nil).

g) Catch22 Social Enterprise Solutions Limited is a member of Public Services Lab LLP (PSL), which was incorporated on 24 November 2016, and it controls 49.49% of the voting rights in that entity. There were no transactions between PSL and the Catch22 group during the year and there were no balances outstanding between these entities at the balance sheet date (2023: £nil).

h) Catch22 owns 20% (2023: 20%) of the voting rights in Jobs22 Limited. During the year Catch22 provided services amounting to £3k (2023: £95k) to Jobs22. At the balance sheet date Jobs22 owed £nil (2023: £nil) to Catch22. Also, during the year Jobs22 made an interest free loan to Catch22 of £234k (2023: £720k), the loan is repayable on demand and is interest free. At the balance sheet date £234k (2023: £720k) was owed to Jobs22 by Catch22.

i) Harvey Redgrave is a trustee of Catch22, and up until March 2024 was also a director and minority shareholder of Crest Advisory (UK) Limited. Prior to his appointment Catch22 agreed a contract with Crest Advisory to provide services to Catch22, the terms are on a commercial, arms-length basis, and were not connected to Mr Redgrave's appointment as a trustee. During the year and in the period up to 31 March 2024 Crest Advisory provided services amounting to £58k to Catch22 (2023: £73k (from date of appointment as a trustee)).These amounts had been fully paid by the balance sheet date.

22. Events after the reporting date

In December 2024 Catch22 sold its remaining 18% shareholding in Jobs22, an associated company, to the majority shareholder the Angus Knight Group.

CATCH22 PEOPLE

Patron

HRH The Princess Royal

Board of Trustees

Terry Duddy, Chairman
Caroline Artis, Treasurer
Alison Alexander (resigned 11 December 2024)
Natasha Finlayson
Matthew Halstead
Jeff Jacobs
Gita North
Pria Rai (resigned 25 September 2024)
Harvey Redgrave
Benoit Salama
Ufuoma Irene Sobowale
Claire Starza-Allen
Dr Emer Sutherland (appointed 11 December 2024)
Jonathan Thomas

Chief Executive

Naomi Hulston

Company Secretary

Nigel Richards

Registered Office

27 Pear Tree Street
London
EC1V 3AG

Bankers

Barclays
Level 27, 1 Churchill Place
London
E14 5HP

Solicitors

Stone King LLP
Boundary House
91 Charterhouse Street
Clerkenwell
London
EC1M 6HR

Investment Managers

HSBC Private Bank (UK) Limited
78 St James's Street
London SW1A 1JB

Barclays Private Bank
Level 27, 1 Churchill Place
London
E14 5HP

Auditors

Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP



Thank you

Thank you to all our commissioners, partners and Local Authorities. Without you, we wouldn't be able to have the impact we do.

TikTok

Microsoft

Home Office

VRU | MAYOR OF LONDON

institute of CODING

NOMINET

Department for Work & Pensions

nationalgrid

Ministry of Justice

JOHN LEWIS FOUNDATION

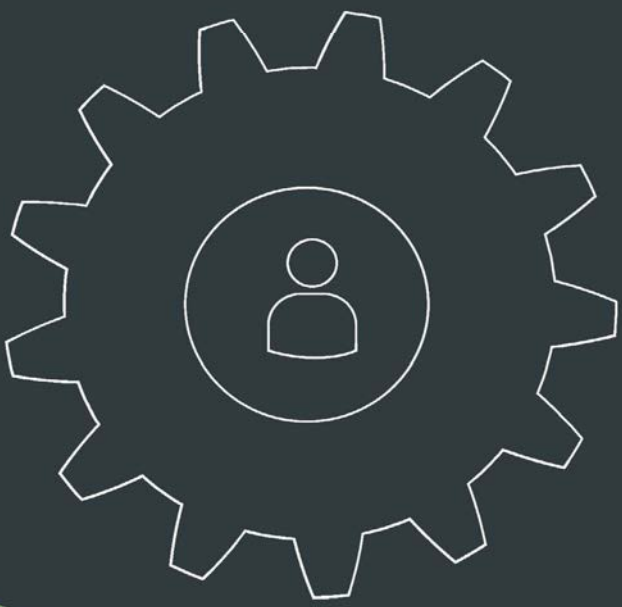
salesforce

Department for Education

ufi VocTech Trust

Social Business Trust

Education & Skills Funding Agency



catch 22

catch-22.org.uk
Catch22 charity limited. Registered charity no. 1124127
Company limited by guarantee. Company no. 06577534

CATCH 22 CHARITY LIMITED

England & Wales - Charity number 1124127

Accounts

CATCH 22 CHARITY LIMITED

Trustees' Report and Financial Statements

FOR THE YEAR ENDED 31 AUGUST 2023

Company number: 06577534
Registered charity number: 1124127



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"Catch22 colleagues have delivered huge impact: supporting thousands of people to lead better lives."



The breadth and depth of the services and programmes we deliver at Catch22 never fails to impress me. This year, Catch22 colleagues have delivered huge impact: supporting thousands of people to lead better lives, build resilience and fulfil their ambitions.

We've supported thousands of people furthest from the job market into jobs – with over 60% of those we place into work sustaining that employment beyond six months. We have designed programmes for specific cohorts (such as care experienced young people), and for specific industries (such as energy transition, digital and tech, and the cultural and creative sector).

We've helped young victims of exploitation, including County Lines, get their lives back on track, and recovered

millions of pounds for victims of fraud. And, we've supported young people struggling with substance misuse and with their mental health.

Our rehabilitation work with those who have left prison is going from strength to strength, and we are continually driving innovation through pilots and pushing for policy change where we feel it's needed.

Our Include Schools all meet the Independent Schools Standards and all of our alternative provision colleges are flourishing – providing vital support for children and young people who struggle in mainstream settings.

Our Social Tech Amplifier programme, which provided a springboard for tech ventures with a focus on supporting employment outcomes for people with barriers, has now evolved and broadened into Good Tech Ventures. This growing community of entrepreneurs is key to pushing the boundaries of what's possible and what will make public services the best they can be for those who need them.

I am incredibly proud of all we've achieved this year and of the partnerships we've formed with like-minded organisations, partners, and commissioners who see the value in what we do. Most of all I want to say a heartfelt thank you to all Catch22 staff for their ongoing committment and hard work. I hope you enjoy reading this review as much as I did.

Terry Duddy
Chair, Catch22

"Organisations like ours need to continue to evidence the public benefit we create and the social value we deliver in the services we provide."



The need to be accountable, demonstrate impact, and evidence value for money in organisations like ours has never been more important than it is today. As Chief Executive of Catch22, this is something I am determined to do and do well over the next few years.

In light of our struggling economy, cost of living crisis, and increased demand for our services, organisations like ours need to continue to evidence the public benefit we create and the social value we deliver in the services we provide.

Doing this well is not about receiving kudos for the work we do, or because we have to as a part of our funding arrangements. It's because we should, and it's the right thing to do. It's to satisfy ourselves

as social sector professionals that our day-to-day activity is having an impact: the kind of impact that brought us to work in the sector in the first place.

Social value is woven into the fabric and history of the sector and what we do and, with the explosion of technological and data-driven solutions, we have the opportunity in ways we have never seen before to fully utilise these tools to enable us to capture impact in simpler and more systematic ways. We also have the opportunity to gain insights to meet needs from information and data that we previously would not have been able to.

For us, this is a continuous journey that we are committed to and will continue to learn from. Alongside deepening our practice, evidencing our sustainability, and supporting our workforce, we remain committed to the social impact we create.

I am very proud of the progress we have made in 2023 and continue to be inspired by the great work of my colleagues and the wider partnership network that contributes to the work we do in many ways. Without them, we would not be able to achieve the impact we do.

I hope you enjoy reading our review and are as inspired by the great work as I am.

Naomi Hulston
Chief Executive, Catch22


SEP
TEM
BER

New National County Lines support contract set to support hundreds of young victims

This month we announced our new Home office contract to support hundreds of victims of exploitation from drug gangs through an expanded County Lines support service. The service operates in four priority locations of the country, where young people are often targeted – London, West Midlands, Merseyside and Greater Manchester.

Catch22 is delivering a one-to-one specialist support service for young people under 25 – safely making contact with young people who have been referred by partners, such as police and children's services, and work with them to exit their involvement in County Lines.

"For children and young people who are victims of County Lines activity, the impact on their lives – and the lives of those around them – is devastating. We know that grooming techniques are becoming more advanced and that escaping the clutches of these perpetrators can be incredibly difficult. That's why as part of this service we'll not only be bringing young people home safely, we'll support them to make sure they can process their experiences and are protected from any future harm."

Naomi Hulston, CEO, Catch22

Our Patron, Princess Anne, awards Digital Edge participants

Participants on our Digital Edge programme – funded by Microsoft – which supports young people facing barriers to work into digital and tech careers, were presented with awards by HRH Princess Anne. The event was a celebration of the programme and the achievements of the young people who've participated over the last year.



Reform of youth employment – 1 year on

In September 2021, Catch22 embarked in earnest on its mission to tackle youth unemployment and underemployment – by making it our Reform priority. In the last year, Catch22 employability programmes placed nearly **750 young people** into work and many of those are still in work 6 months on.

We've expanded many of our programmes, held several Employability Summits on diverse and inclusive workforces and held a roundtable series focussing on the topic of underemployment. Catch22 is also a member of the Youth Employment Group, which now comprises more than 200 organisations working in and around the youth employment space. We rounded off our activity by hosting fringe events at the Conservative and Labour party conferences in the autumn.

New pay and grading service to support our staff

As part of our commitment to our People, we launched our new pay and grading structure this month.

The new structure was introduced in line with our People Strategy ambitions to develop a Catch22 total reward offer that demonstrates that we value our people and that we can use as a lever to retain outstanding talent working across our Catch22 community. The revised pay structure enabled us to provide on an average a 6.5% increase for the majority of our employees and we put aside a £1.4 million investment to achieve this.


OCT
OB
ER

Legal, debt and welfare benefits advice

Community Links' annual review revealed that we'd helped 1,300 clients with legal, debt, and welfare benefits advice (70% of them were Newham residents) in the previous year. Our youngest client was 18 and the oldest 86.



Restorative Justice takes centre stage

Nottingham Victim staff presented at Restorative Justice event at the Nottingham Justice Museum, speaking alongside the CEO of Nottingham Office of the Police and Crime Commissioner and two victims who they had supported through the Restorative Justice process.

Restorative Justice is a central part of our victims' services, and this year we also hosted a podcast and webinar to discuss its application and value.

Catch22 is also setting up a Restorative Practice Forum for staff, to share best practice and understand how it can be applied across different areas of our work.

Catch22 Business Strategy

Our new three year business strategy sets out how we will deliver on our mission and vision – framed around our new three strategic operational hubs. The strategy includes a series of guardrails for the organisation, which set the tone for all our organisational leaders to follow for the coming years - providing a sense of freedom to create opportunities for our service users within clear parameters



GUARDRAIL 1

An organisation that delivers demonstrable value and impact for its customers and users

Demonstrated through:

- Robust metrics reflecting total reach and positive outcomes (breadth and depth).
- Specialist insights, using national and local benchmarks to evidence impact.
- Powerful stories from participants, set in context, that demonstrate the value of our work.



GUARDRAIL 2

An organisation that is financially stable and sustainable; one true to its social value DNA

Demonstrated through:

- Remaining cash positive throughout the business plan period.
- Staying firmly within our reserves policy, which is adjusted in line with economic conditions.
- Generating a re-investable surplus, focused on strategic enablers.



GUARDRAIL 3

An organisation that is a great, safe, place to work - as defined by our employee experience

Demonstrated through:

- Consistently being ranked and recognised as a leading social business to work for
- A champion of diversity and social impact
- An organisation that is recognised for developing and growing its people as reflected in our employee net promoter score.


NOV
EM
BER

Catch22's Tara Ward wins prestigious award for campaigning work for victims

Beacon's Team Leader Tara Ward won the prestigious Saskia Jones Award at the Criminal Justice Alliance awards.

As well as her great work within the Beacon service and being an advocate for Catch22's work externally, Tara successfully campaigned for a change to the Code of Practice for Victims of Crime. Thanks to her work, now in the case of homicide, wider relations to victims will receive support rather than just immediate family.



Social Switch Project Highly Commended at national awards

The Social Switch Project was Highly Commended at the Children and Young People Now Awards in the Workforce Development category. Funded by the Mayor of London's Violence Reduction and United, and delivered in partnership with RedThread, the programme trains professionals working with young people to spot the signs of online harms. It also works with young people interested in careers in social media to help them fulfil their potential.

This month also saw the 1500th participant complete the programme!



Catch22 Minutes Podcast

We're now into our third series of the Catch22Minutes podcast – with our justice series completed this year and our young people and families episodes launching in autumn 2022. The latest series covers topics including children who go missing from home, the criminalisation of children in care and County Lines.


DEC
EM
BER

Salesforce partnership extended to help more people into tech roles.

We extended our partnership with Salesforce to support more young people into digital and tech sectors. The successful Digital Leap programme will now operate in Manchester as well and London.

"It's nice to know that there is someone there to listen and understand you and to give me help when needed. I appreciate the whole programme. The support went very hand in hand to help prepare me for my apprenticeship interview. I officially started my Data apprenticeship in November"

Jamal, Digital Leap participant



#16DaysofAction against Gender-Based Violence

Backed by the United Nations and organisations around the world, 16 days of Action against Gender-Based Violence is an annual international campaign which calls for the end of violence against women and girls (VAWG). To mark the campaign, we published a series of blogs highlighting the different forms VAWG can take, approaches to tackling it and supporting its victims, and exploring how we can keep up the movement's momentum.

Green jobs for all

We completed our Green Jobs For All Forum webinar series, where we explored with employers, job seekers, researchers and policy makers, the market for entry level green jobs and how people can access them. Across the series, we heard from speakers from the Department for Work and Pensions, the Department for Environment, Food and Rural Affairs, PWC, City & Guilds, SUEZ.

Our partners at the Green Alliance will be pulling together the key findings and recommendations in a short report next year, as we hope to build programmes to support those furthest from the job market into green jobs.

Green JOBS For All Forum


JANUARY

Social Tech Amplifier onboards 11 ventures

Partnering with Ufi VocTech Trust and Social Tech Trust, we began delivering the Social Tech Amplifier, which, over the year, has supported 11 ventures who are focused on developing and implementing tech solutions to help tackle youth unemployment.

The Amplifier helps ventures unlock opportunities in the public sector supply chain and prepare them for scale through venture activity development activities and access to investment. They also receive support from Hatch and Microsoft whose products and expertise give them access to relevant software, guidance and mentorships.

"We're thrilled to be part of the Social Tech Amplifier. The Amplifier is the perfect platform to learn from experts such as Microsoft but also gain valuable advice and guidance from Catch22 whilst we develop, test, network and launch our technology into the employment sector."

Marina Hoole, Chief Operating Officer at Imployable

Catch22 mentoring network programme kicks off

The hugely successful mentoring network saw 12 mentors and 12 mentees from across Catch22 combine to enhance their networks, build confidence and learn from each other's experiences.

The programme includes:

- **bi-monthly workshops** for mentees covering a range of topics and guest speakers,
- **monthly calls** between a mentee and mentor to discuss development and challenges faced at work,
- **an internal placement** within a chosen team,
- **a mini project** on a topic which is both of interest to the mentee and benefical to Catch22,
- regular **mentee catch-up calls** to provide peer support and work on a project, and
- a **two-day** residential.




FEB
RUA
RY

Apprenticeship provision strengthened through joining Learn Plus Us

Catch22's award-winning apprenticeship provision joined Learn Plus Us this month – an apprenticeship business which is part of the Angus Knight group. Catch22 and Angus Knight already enjoy a strong relationship as part of their joint venture, Jobs 22. This acquisition further strengthens the link between the two organisations.

Last year, our provision was rated a "Good" Grade 2 provider by Ofsted and was recognised in the Rate My Apprenticeship survey as a "Top 20" training provider nationally.

Treehouse celebrates its first birthday

The Lighthouse Pedagogy Trust's first home, Treehouse, which is based in Sutton, celebrated its first birthday. The home offers a safe, nurturing, and empowering community in which young people can develop, learn, and thrive. We want young people to be safe, to feel loved and happy with a strong network of relationships, to discover and realise their skills and talents, and have high aspirations for their futures.







MARCH

Child exploitation resource engages hundreds of schools

There have been more than 1,200 downloads of Catch On - an education resource about child exploitation aimed at years 7 and 8 (ages 11-14). The resource contains a suite of options for a single lesson or a series of lessons exploring the topic of grooming and exploitation. There is also a separate handbook for parents and professionals.

"It was very engaging and really enabled discussion. To be honest, we were a bit shocked at how much some of the kids knew about all this, although some were much less aware. It was definitely stories they could relate to and that encouraged them to reflect on their own experiences."

Teacher

Recognising our people

Catch22 continued to celebrate and recognise its people with a 4% cost of living increase and continued alignment with the real living wage this year. Our ongoing commitment to our pay and benefits offer has enabled our average salary to be aligned with ONS benchmarks.

Becoming a sustainable business

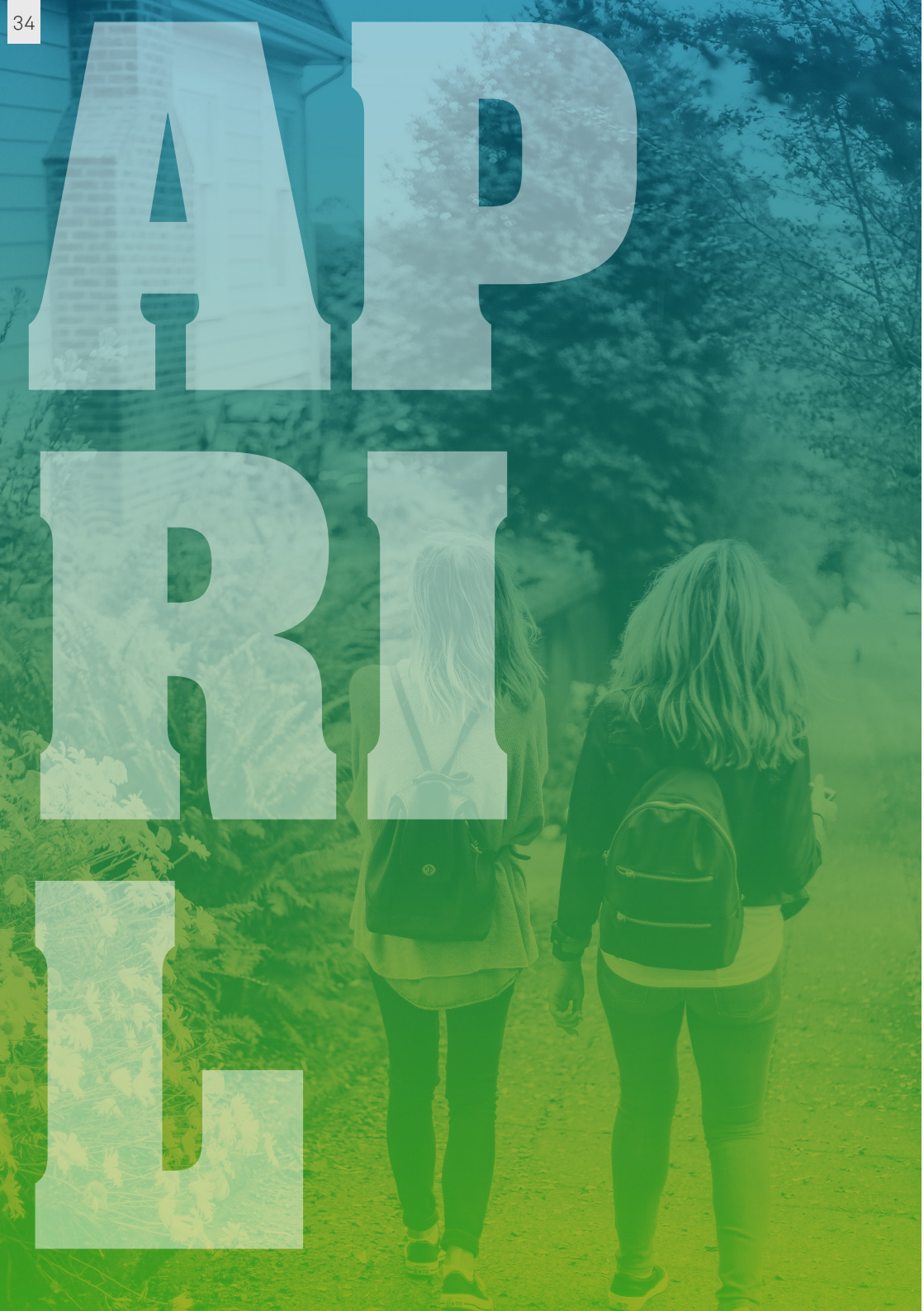
Catch22's commitment to sustainability was bolstered this year with a new Sustainability Coordinator and Sustainability Champions working group.

We launched a pilot of Waste & Recycling services at two of our main offices, and have improved signage and bin areas as well as educating staff to waste less and recycle more. As part of this, we have access to live data about our performance, which we will use for environmental reports and behaviour change campaigns.

Colleagues can also make use of our Cycle to Work and low emissions Car Salary Sacrifice schemes.


acer

APRIL



Data transformation programme set to revolutionise use of data and analytics across Catch22

Our data transformation programme will revolutionise the use of data and analytics across Catch22. Within the next two years we will have reimagined, redesigned, and rebuilt our data infrastructure allowing our teams to have access to the latest insights and intelligence to continuously improve our frontline service delivery.

The team is onboarding globally recognised specialist talent to help build a robust, future-proofed data ecosystem, enabling Catch22 to be a truly innovative social enterprise. Already this year, we've seen powerful dashboards created for our hubs and corporate services.

Catch22Minutes podcast

This year, we rounded up Series Three of our podcast (focusing on our young people, families and communities work) and launched our policy series. We've covered topics including county lines, inequity in safeguarding, short-term prison sentences, AI, and much more!

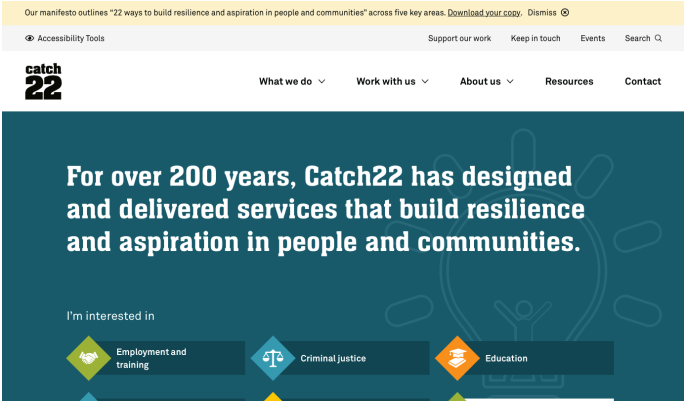
The podcast is proving a popular listen for those in the sector and we've welcomed some fantastic guests from organisations including the British Transport Police, the New Economics Foundation, Crest Advisory and Listen Up.

Revamped Catch22 website launches

Our website is our window to the world and, this year, we launched a new website that we believe represents what Catch22 is all about; delivering high-quality services and meaningful impact, and driving systemic change.

The new site includes:

- **better search functionality** including a service locator to allow you to not only see what services Catch22 delivers, but how far away those services are,
- **an events hub**, enabling you to sign up for any upcoming Catch22 events – both virtual and in-person – with ease, and
- a new **accessibility toolbar**, with functionality including translation, colour and size changes, audio readings and much more.




MAY

Norfolk Include school celebrates 'Good' Ofsted rating

The Ofsted visit to Include Norfolk in May resulted in the school receiving a "Good" rating.

The Ofsted inspection report recognised the remarkable progress made by Include Norfolk in recent years, acknowledging the school's unwavering pursuit of excellence and its positive impact on the educational journey of its students. The "Good" rating affirms the collective dedication of the school's talented staff, diligent students, supportive parents, and committed provider Catch22.

"Pupils are supported well to value their potential and meet the high expectations of them. Pupils are determined to be successful in adult life and are well-prepared for their next steps in education or training."

Ofsted report, May 2023



InspirEd 2023 and staff awards

Colleagues from across the country came together to attend in-person workshops across the country, learning about the rich variety of services and programmes delivered across the organisation. We also held sessions online, covering a range of topics including data and insights, management, wellbeing, and health and safety.

The week formed part of the national Learning at Work Week campaign, and we were "Commended" as part of the Learning at Work Week awards.

- Over 50 different members of staff presented and facilitated workshops.
- 370 colleagues attended an in-person event.
- There were 1,253 online session attendances.

The staff awards were a fantastic celebration of the achievements of colleagues across the organisation, with the worthy winners recognised in a ceremony held at Clifford Chance, Canary Wharf.







"I thought this year's smorgasbord-style events worked really well. I absolutely loved seeing the richness and variety of knowledge and experience, and just the sheer talent we have within the organisation. Most importantly, though, I value the warm, supportive, inclusive and 'can-do' culture it showcases."

Catch22 colleague

Colleagues receive the royal treatment at the King's Garden Party

To mark the King's Coronation, Catch22, as a charity with a royal patron, received two tickets to the garden party. Paul Kiggell and Emma Norman attended, alongside a wide range of charity representatives.




JUNE

Justice sector convenes at Catch22 conference

We brought together voluntary sector organisations, Ministry of Justice representatives, probation service colleagues, and practitioners from across Catch22 in our inaugural 'The role of the third sector in the criminal justice system' conference.

The conference provided a platform to celebrate the sector's many successes and address its challenges, fostering dialogue, collaboration, and knowledge sharing. Keynote addresses from Anne Fox (CEO of Clinks) and Nina Champion (CEO of the Criminal Justice Alliance), were accompanied by lively panel discussions and insights from expert practitioners and those with lived experience.



The future of pre-employment support for young people

With the Government announcement that traineeships would no longer be a stand-alone programme, we brought together key players from the employability sector to discuss and debate what makes successful pre-employment support for young people. Featuring speakers from the Learning and Work Institute, West Midlands Combined Authority, and the Department for Education, key asks included:

- **a Youth Guarantee** to ensure all young people are able to access a job, apprenticeship, or other education or training programme,
- **streamlined access** to training, and
- **adequate financial support** for young people embarking on pre-employment training.



JULY



Care experienced young people take to the stage

Members of our Young People's Benchmarking Forum hosted the "In Their Own Words" event, where they highlighted how key issues have been affecting them and what policy changes they wanted see. They talked passionately about areas including:

- the cost of living crisis,
- care leaver hubs,
- unaccompanied asylum seeking children,
- transport, and
- care experience as a protected characteristic.

The hybrid event was attended by 287 people, representing 87 local authorities and partner organisations.



The Social Switch Project continues to partner with Mayor of London's VRU

Following three years of successful delivery and impact, Catch22 was chosen to continue to deliver The Social Switch Project for a further three years. Supported by our partners Redthread, the programme will support 1,000 young people and train more than 2,000 frontline practitioners by:

- upskilling frontline professionals on the opportunities and risks the online world presents to young people, and
- providing a pre-employability programme for young people that includes training modules on how to stay safe online.

This new iteration of the programme also includes a particular focus on violence against women and girls.

"The VRU is committed to working in partnership with Catch22 and Redthread to unlock the vast array of opportunities the digital world presents for children and young people to help them develop and thrive."

Lib Peck, Director of London's Violence Reduction Unit

Catch22 recognised for county lines expertise

Strategic Director of Young People, Families, and Communities, Kate Wareham, chaired Westminster Insight's "County Lines Digital Conference". It was an opportunity to talk about the impact of our national County Lines Support and Rescue service, and learn about best practice examples of multi-agency working – as well as hearing directly from young people who have experienced county lines.

Our county lines expertise was also featured in a special report on BBC1's The One Show this year.




AUGUST

Thousands of victims in Greater Manchester to benefit from Catch22 support

Following a competitive tender process, Catch22 was awarded the contract to deliver the Greater Manchester Victims' Service: providing comprehensive and tailored support to individuals affected by crime.

The service becomes part of our portfolio of victim services, which includes services in Hertfordshire and Leicestershire, where we successfully won the recommission this year.

"We are thrilled to have been awarded the contract to deliver Greater Manchester's Victims' Services. This opportunity strengthens our dedication to providing comprehensive, compassionate, and empowering support to victims, helping them rebuild their lives in the aftermath of crime, and creating a safer, more united Greater Manchester."

Andy Canniford, Chief Development Officer, Catch22

Community Links report highlights incredible impact

Our place-based support hub in Newham, Community Links, published its latest report highlighting the incredible impact it has across its core areas of work:

Advice services

- We helped **1,536 clients with legal, debt, and welfare benefits advice.**
- We helped clients **generate an income** through additional welfare benefits and addressing their debts to a tune of just over £2 million during the year.

Young People

- **23 students**, across two cohorts, took exams in Links Media College.
- **100% pass rate** for Music Technology, as well as English Speaking and Listening.
- **113 young people completed our peer mentoring programme** in East London schools.

Community

- The **Community Connectors** programme helped 800 service users suffering from a serious mental illness in Newham.
- Three quarters of the 100 service users who joined the Community Clicks programme **reported feeling confident in using technology** by the end of their provision.
- **Culture Within Newham** is helping residents shape and take ownership of Newham's cultural possibilities through a series of events and engagements.
- We distributed over **8,500 bags of food** to over 3,000 people at our foodbank.

Health

- We reached over **70,000 NHS patients** in relation to our cancer screening projects.

#DoingThingsDifferently in justice

Across 10 days, we showcased where our Justice services deliver innovative models to support people involved in the criminal justice system. We shared how Catch22's approach to topics like service design, lived experience, academic partnerships, and more is helping us make a real impact.





FINANCIAL HIGHLIGHTS

Catch22's financial performance in 2022/23 was strong, although Restricted Funds fell during the year, this was expected due to expenditure of a significant grant (£2.8m) received in 2021/22 and the commencement of the winding down of the Catch22 Multi Academies Trust Ltd (MAT). Unrestricted Funds increased slightly and the overall strength in the balance sheet has been maintained.

Whilst grant income fell, due to the grant received in the previous year, our income from charitable activities increased by 4%, this growth has been driven by high retention rates of existing work and expansion of delivery on existing contracts together with new contracts in Justice and Young People, Families and Communities. Employability and Skills income fell due to the ending of the National Citizen Service contracts, and the transfer of our apprenticeship delivery to Simply One Stop Limited. As we highlighted last year, we were not able to grow our apprenticeship delivery to the scale required in order to deliver the impact we wanted and to ensure its financially sustainability, and therefore concluded that the interests of our apprentices and staff would be better served as part of a specialist learning provider.

During the year we closed our event management and hire trading company, Community Links Trading Ltd t/a Links Events Solutions, which was significantly impacted by the Covid-19 pandemic and despite the best efforts of its staff and directors a return to profitability could not be achieved.

Support costs have increased due to planned investment to both grow and further diversify our income streams and to meet the requirements of our operational teams, who are dealing with increasing complex contracts and service user need. Ensuring our corporate services are both effective and inefficient is a key focus for the next 18 months, as the closure of the MAT is finalised and we plan for the future.

Jobs22, our joint venture with the Angus Knight Group, continues to perform well, and the intention to extend the Restart contracts for a further two years has been announced by the Department for Work and Pensions and commercial negotiations are underway. We are continuing to look for opportunities to expand Jobs22's delivery in the employability and skills market and expect to begin receiving dividend income from 2023/24.

The value of our investment portfolio increased during the year, and we remain confident that the investment strategies adopted by our investment managers will deliver the total returns target of the portfolio over the medium to long term.

FUTURE PLANS

We continue to deliver our 3-year business strategy that was launched in September 2023 including one of three key guardrails; that of ensuring that the organisation is 'financially stable and sustainable; one true to its social value DNA'. Catch22 remains well positioned financially and is meeting the requirements of this guardrail by being cash positive, meeting our Free Reserves policy requirements and generating a re-investable unrestricted surplus.

We continue to work towards to re-brokering all the MAT academies to new trusts and winding-up the company, although the process has been delayed due to continued negotiations between the incoming trusts and the Department for Education and the local authorities. It is now anticipated that the re-brokering process will be complete by late Spring 2024, with the transfer of the remaining three academies.

We continue to be committed to the delivery of Education and will look to achieve this through the growth of our independent school provision, starting with the expansion of our delivery in Wales.

Due to the closure of the MAT we are likely to see a fall in income over the next couple of years, but we continue to seek to grow the organisation as we continue to believe that scale offers financial protection and allows us to continue to offer a platform to incubate social entrepreneurs and smaller organisations to develop their ideas and secure their future impact. We continue to think there are particularly growth opportunities for the organisation in Education, Justice, a new victim support contract has been secured in 2023/24, the expansion of our children's home offer and further corporate partnerships focussing on supporting corporate organisations to deliver social value.

We also continue to seek mergers and acquisitions with other organisations where they can increase impact and improve financial sustainability.

SUMMARY OF FINANCIAL RESULTS

The group's financial performance for the year to 31 August 2023 is set out in the Statement of Financial Activities.

Movements in the Restricted Pension Funds and Restricted Fixed Asset Funds relate to the operations of the Catch22 Multi Academies Trust (MAT). The underlying financial performance of the group is therefore better represented by the movements on Restricted Funds, decrease of £2.9m (2022: increase of £2.1m) and Unrestricted Funds, increase of £0.2m (2022: increase of £4.0m).

Restricted Funds, mainly relate to grants received from corporate partners to deliver specific projects which by their nature are subject to variation year-on-year, and the day-to-day operations of the MAT. The operations of the MAT resulted in a decrease in Restricted Funds of £0.9m during the year (2022: £0.2m), due to increased funding pressure in the education sector and additional costs incurred on school improvement. The remaining decrease of £2.0m (2022: increase of £2.3m) relates to expenditure on projects where the funding was received in the previous year. For one project in particular, funding of £2.8m was received during the year ended 31 August 2022, of which over £1.2m was spent during this financial year.

The increase in Unrestricted Funds is after net exceptional items expenditure of £0.1m (2022: £nil). The exceptional expenditure related to the disposal of the group's apprenticeship business during the year. The increase in Unrestricted Funds last year included the sale proceeds of the sale of some shares in Jobs22 amounting to £5.2m.

The group's consolidated balance sheet remains strong, with Restricted Reserves of £3.3m (2022: £6.2m) and Unrestricted Reserves of £15.9m (2022: £15.7m). These reserves continue to provide a solid base for the future of the organisation and the trustees have designated some of these reserves for future projects, the amount of Designated Reserves at the year-end was £1.3m (2022: £1.1m) . The trustees continue to place importance on a strong balance sheet to protect the group from continued inflationary pressure and ongoing economic uncertainty which will inevitably need to pressure on public finances; whilst driving increased demand for our services.

As a result of actions taken over recent years including the sale of some of the shares in Jobs22, the group's cash position remains strong with cash at bank and in hand of £7.7m £2022: £9.2m). The fall during the year largely reflects the reduction in Restricted Reserves outlined above. The group is not using any of its overdraft or working capital facilities and during the year the mortgage on its London headquarters was fully repaid.

The group continues to take a 'balanced portfolio' approach across its diversified income streams, with some services contributing a greater amount to the cost of support services than others. However, we continually review the financial viability of all our services, paying particular attention to those that consume a disproportionate amount of resources from our support services or require significant additional support to maintain or improve quality. Where it is not financially viable for the group to continue to deliver services, we are proactive in taking

measures to restructure them to ensure their future viability, or reluctantly close them where necessary.

INCOME

Total income for the year to 31 August 2023 was

£53.4m

compared with

£54.8m

for the previous year.

In the previous year voluntary income included £0.3m of pension liabilities transferred to another academy trust on the re-brokering of the Everitt Academy from the MAT. After adjusting for this 'one-off' income amounts, income for the previous year is £54.5m.

Ttherefore there was a small decrease in income for year ended 31 August 2023 of

2%

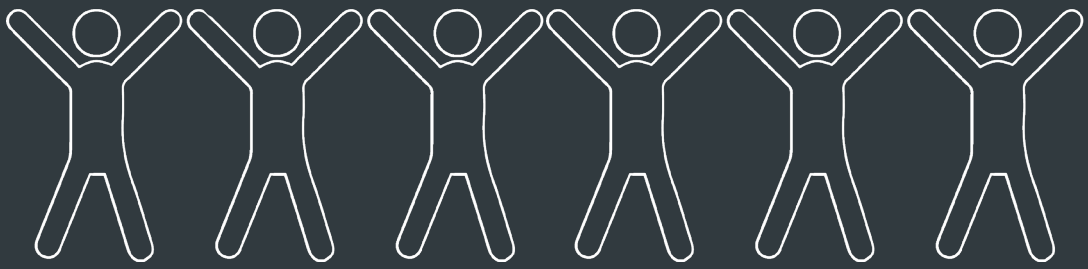


Donations, legacies, and grants were 9% of income excluding 'one-offs' (2022: 15%). The fall is primarily due to a grant of £2.8m received in the previous financial year for a project which will continue to be delivered through to January 2024.

Income from charitable activities rose by 4.6% to £47.8m (2022: £45.7m). The rise is due to new and expanded delivery in our Justice delivery through our Commissioned Rehabilitative Services, and new services in our Young People Families and Communities delivery, primarily related to supporting victims of county lines and a full year of operation of our first children's home. This is offset by our National Citizen Service contracts coming to end in our Employability and Skills strategic hub and the disposal of our apprenticeship business.

Trading income fell to £351k (2022: £517k) due to the planned closure of Community Links Trading during the year.

Investments income grew to £404k (2022: £209k) largely as a result of rising interest rates.





EXPENDITURE

Total expenditure for the year the year to 31 August 2023 was £56.9m, compared with £56.5m for the previous financial year. Included within the cost of charitable activities is the disposal of or apprenticeship deliver of £0.1m (2022: £nil). Restricted expenditure includes expenditure on grants received in previous years, but otherwise expenditure broadly correlates with changes in income received to deliver services.

SUPPORT COSTS

Support costs increased by 10% during the year to £5.4m (2022: £4.9m), partly due to inflationary pressure but also some continued strengthening of the support teams and IT infrastructure. Support costs are 10% of income excluding the 'one-off' amounts relating to the MAT (2022: 9%).

Our business plan sets out that our corporate functions have an important role to play as an 'integrator' and that they will play a stronger role in delivering our operational activities going forward. During the year ended 31 August 2024 we have carried out a review, with some external professional support secured through our relationship with The Social Business Trust, of the quality, capacity and structure of our corporate services and plan to introduce a new operating model and new technology enabled ways of working. Our aim is to enhance our support functions to ensure that they efficiently enable Catch22's operational hubs to excel.

NET GAINS/LOSS ON INVESTMENT ASSETS

The net gain on investments during the year was £0.3m (2022: net loss £0.7m) and at 31 August 2023, after withdrawals, the portfolio was valued at £10.9m (2022: £10.6m), in addition, income earned from the portfolio was £0.2m (2022: £0.2m).

The trustees are satisfied with this investment performance, given the context of the performance of global markets. During the year, the trustees decided that to mitigate risk and maximise opportunities that half of the portfolio should be managed by another financial institution, this change was executed during the year ended 31 August 2024. The portfolios are diversified both in terms of asset classes and global markets and is invested with a focus on sustainability.

INVESTMENTS

All investments were acquired within the Trustees' powers. The portfolio is held in general funds and is managed in accordance with an Investment Policy, which sets out the objectives of the fund, considers risk and liquidity requirements and sets out how the fund should be managed including the Board's expectations around ethical and sustainable investment. The objective of the general fund is to provide a regular flow of income to support the daily activity of Catch22 and in addition, to achieve a level of capital growth which will preserve the real value of the fund over time and provide a capital fund for investment in approved development projects within Catch22.

Our investment portfolio is managed by firms of professional investment managers. The Trustees consider the performance of those managers and the investment portfolios they manage to be satisfactory and that our underlying investments are sound.

RESERVES

The Finance Growth and External Audit Committee, on behalf of the Board of Trustees, conducts an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items.

The level of Free Reserves that should be maintained by the organisation is determined by balancing two competing objectives. On the one hand ensuring we have maximum and prompt use of resources to deliver real impact for service users and realise our reform ambitions and, on the other hand, ensuring we have adequate resources to continue to deliver our services through periods of financial challenge and uncertainty, and can be here for our beneficiaries over the medium and long term.

The trustees assess the risks that the charity is exposed to on a regular basis and determine a range for Free Reserves considering these risks. The principal risks include:

- an unexpected change in the level of our income;
- the need to maintain services over the short term if funding streams reduce;
- the likelihood of unexpected expenditure; and
- working capital requirements.

In determining the Free Reserves trustees also consider future plans for Catch22 and the need to protect vulnerable participants staff and volunteers in the unlikely event of unplanned closure of some of its services.

Whilst this process cannot come up with a precise figure for Free Reserves, after taking these factors into consideration the trustees believe that the appropriate level for Free Reserves is between £3.7m and £5.9m for the group.

Free Reserves are those that are freely available at the trustees' discretion to help manage financial variability i.e., Unrestricted Reserves excluding fixed assets and bank borrowing secured against those fixed assets.

At 31 August 2023 the group's total reserves amounted to £52.8m (2022: £55.2m) of which £37.0m was restricted (2022: £39.5m) and £15.9m was unrestricted (2022: £15.7m). Of the unrestricted amount trustees have committed £1.3m (2022: £1.1m) over the next 2/3 years to support the delivery of the organisation's business strategy. These designated reserves will fund projects to support the use of data and analytics to evidence and improve impact; improve the environmental sustainability of the organisation; grow its reach to more participants; develop and capture the social value delivered by the organisation; and ensure the organisation's support services are fit for purpose.

Of the remaining unrestricted reserves £8.9m (2022: £9.0m) is deemed to be Free Reserves. This is above the policy range (£3.7m to £5.9m) set by the trustees, but they continue to consider it prudent, given the current inflationary pressure in the economy, the continuing impact of the cost-of-living crisis on our staff and service users and the impact of current economic uncertainty on future public spending to hold free reserves more than the current maximum amount set out under the reserves policy, whilst they explore further ways to invest the reserves to improve impact, the organisation's infrastructure and financial sustainability.

FINANCIAL RISKS

Liquidity risk

The group's objective is to maintain a balance between cash balances and long-term investments. The group's policy on liquidity risk is to ensure there are sufficient cash balances to meet the day-to-day needs of the organisation while investing surplus balances in fixed asset investments.

Market risk

The group's exposure to market risk arises primarily from the group's fixed asset investments. The group's policy is to utilise the services of professional investment managers to manage the fixed asset investments. Performance of these investments and therefore the investment managers is reviewed every month by the senior management team. The Finance, Growth and External Audit Committee have been appointed by the Board to oversee the performance of our investment managers.

Credit risk

The group is mainly exposed to credit risk in relation to money due from commissioners in relation to its delivery of services. The vast majority of these commissioners have proved to be extremely credit worthy. Nevertheless, we operate a proactive credit control system designed to ensure payment is received quickly and that problems are identified as early as possible, and the appropriate action is taken. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Foreign exchange risk

The group does not have any significant exposure to foreign exchange risk.

Other risks

The impact of increasing inflation has been considered on the group's future plans and budgeting processes, and the potential impact of this coupled with restrictions on future government spending, will continue to be a risk into the year-ending 31 August 2024 and beyond.

STRUCTURE, GOVERNANCE AND MANAGEMENT

FORMATION AND STRUCTURE OF THE CHARITY

Catch22 was incorporated as a Company Limited by Guarantee on 28 April 2008. It was registered as a charity on 19 May 2008.

Its objectives, as stated in its memorandum of association, are: 'to promote opportunities for the development, education and support of young people in need to lead purposeful, stable and fulfilled lives and to promote safer, crime free communities for the benefit of the public.'

We have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2). In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set, taking account of the available guidance on public benefit.

The trustees are satisfied that Catch22 has aims and objectives and carries out activities that are for the public benefit in that the support provided to individuals, families and communities directly benefits each of those groups and therefore the wider public.

Catch22 is the sole trustee of The Royal Philanthropic Society incorporating the Rainer Foundation and is the sole member of The Crime Concern Trust Limited. Both are charities. The Rainer Foundation has released its permanent endowment and is now dormant. Crime Concern is also now dormant.

Catch22 holds 100% of the share capital of Catch22 Social Enterprise Limited – dormant.

Catch22 owns 100% of Pupil Parent Partnership Limited, a company limited by guarantee – dormant.

Catch22 also owns 100% of Catch22 Social Enterprise Solutions Limited – does not trade but holds 49.49% of the membership of Public Services Lab LLP, a partnership focussed on delivering public service reform in the Liverpool City region.

Catch22 also owns 100% of Include, a company limited by guarantee - dormant.

Catch22 also owns 100% of Catch22 Multi Academies Trust Limited, a company limited by guarantee – advances education in the United Kingdom. This is achieved through the operation of alternative provision and specialist schools for those young people either excluded or at risk of exclusion from mainstream provision.

Catch22 also owns 100% of Community Links Trust Limited, a company limited by guarantee – charitable objectives include providing such information, advice and assistance, as is charitable, to groups and individuals. Currently delivers regulated advice services on behalf of the group.

Catch22 also owns 100% of Community Links Trading Limited - events management, production services and storage with any profits generated gifted to Catch 22 Charity Limited. Ceased trading in February 2023 and is winding-up its affairs.

Catch22 also owns 100% of Ripplez CIC, a company limited by guarantee – no longer operating, winding-up its affairs.

Please see note 12 for disclosure of activities and performance of each subsidiary.

GOVERNANCE

Safeguarding

Catch22 is a diverse and dispersed organisation supporting some very vulnerable service users and we recognise that safeguarding is the responsibility of everyone. We are committed to ensuring that all staff are appropriately trained, including all operational staff receiving NOCN endorsed training, to ensure they are aware of the signs to look for. Catch22 has a dedicated Safeguarding team, responsible for ensuring policies and procedures are in place and offering safeguarding advice and training to services. The Assistant Director of Safeguarding reports into the Chief Officers Group and regularly reports to the Board of Trustees. The role is focussed on continuous improvement of our safeguarding practice.

In January 2024 the trustees appoint an Independent Safeguarding Trustee to be a member of the Governance, Risk and Internal Audit Committee, who will provide additional support and advice to trustees regarding safeguarding matters. This role, along with the Assistant Director of Safeguarding and other operational leaders, is a member of our Safeguarding Forum who meet regularly to discuss emerging trends, the effectiveness of our safeguarding practice and to share learning.

Each Catch22 service has a DSL (Designated Safeguarding Lead) and a Deputy DSL. These positions have received additional training and, where appropriate, training from their LCSP (Local Children's Safeguarding Partnership) in order to fulfil these roles.

Over this financial year, there were various safeguarding incidents, as we would expect given the nature of our work, primarily made up of disclosures made by the vulnerable young people and adults that we work with. Where appropriate these were escalated to the relevant safeguarding authority.

We have an IT platform for safeguarding incident reporting and management to improve communication and reduce the bureaucratic burden, both at the point of reporting and in the administration of monitoring, following-up actions, and trend analysis so that more resources can be focussed on keeping our service users safe.

Modern Slavery

Catch22 has a zero-tolerance approach to modern slavery, and we are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to endeavour to ensure that modern slavery is not taking place anywhere in our own business or in any of our supply chains.

We are also committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015. We expect the same high standards from all of our contractors, suppliers and other business partners, and as part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children. We also expect that our suppliers will hold their own suppliers to the same high standards.

TRUSTEE BOARD AND COMMITTEES

The board of trustees are aware of its duty under Section 172 of the Companies Act 2006 to act in a way they consider, in good faith, would be most likely, as an organisation that exists to deliver public benefit, to promote the success of the charitable group to achieve its charitable purposes, and in doing so have regard (amongst other matters) to:

a) the likely consequences of any decision in the long term,

b) the interests of the company's employees,

c) the need to foster the company's business relationships with suppliers, customers and others,

d) the impact of the company's operations on the community and the environment,

e) the desirability of the company maintaining a reputation for high standards of business conduct, and

f) the need to act fairly between members of the company.

On joining the board of trustees, a new trustees will be briefed on their duties, which are partly fulfilled through the governance structure set out below, including the delegation of day-to-day decision making to the Chief Officer Group. Trustees are also provided with the guidance issued by the Charity Commission 'The essential trustee: what you need to know, what you need to do' and The Charity Governance Code.

All trustees embrace our vision to build a strong society, where everyone has good people around them, a purpose, and a good place to live and promote our organisational values to ensure:

we are compassionate – we care about people, supporting them to move forward

we empower others – we give people the knowledge, skills and opportunities to thrive

we are collaborative – we do things with people, not to them

we are curious – we explore, innovate and challenge to improve what we do.

The trustees consider that they have fulfilled their obligations under Section 172, as evidenced throughout this report.

An external governance review took place during the year and whilst the review evidenced strong governance practice is in place, the recommendations for further improvement are currently being implemented and progress is overseen by the Governance, Risk and Internal Audit Committee.

GOVERNANCE STRUCTURE

The Trustee board meets six times a year and has established three committees to which certain functions are delegated. These are: the Finance, Growth and External Audit Committee; the Governance, Risk and Internal Audit Committee; and the People and Performance Committee.

Each committee meets at least four times a year and reports back to the Trustee Board.

The committees monitor progress against goals and targets that flow from the strategic plan set by the Trustee board.

Catch22 complies with 'Good Governance: A Code for the Voluntary and Community Sector' issued by the

Governance Code Steering Group.

There is a scheme of delegation in place which sets out what matters are reserved for the trustee board and what is delegated to the chief executive and senior management.

Matters reserved for the board include (among others):

- Setting the charity's strategy;
- Approval of the organisational business plan and annual budget;
- Approval of any changes to the group structure;
- Appointment of the chief executive

Matters delegated to the chief executive include (among others):

- Establishing joint working arrangements;
- Development of new services;
- Tenders for new contracts (with a value of up to £10m);
- Appointment of the executive management team

VALUING OUR TRUSTEES – RECRUITMENT, INDUCTION AND ONGOING TRAINING

The People and Performance Committee oversees the recruitment of Trustees and undertakes a periodic skills audit of the Board. Applications for Trusteeship are sought through open advertisement, use of a specialist agencies and personal contacts. Applicants are assessed against a trustee job description and shortlisted candidates are interviewed by a panel of Trustees and appointed by the Trustee Board. Trustees are normally appointed for three years and may be reappointed for a further three years subject to agreement of the Board. A further three-year period is available if it is considered to be in the best interest of Board stability. The chair is also appointed for 3 years.

New Trustees are provided with induction meetings with key staff and are given a detailed governance pack. Arrangements are made for Trustees to visit Catch22's projects and services. Trustees receive information newsletters, presentations on aspects of Catch22's work and on matters affecting the voluntary sector.

Catch22 expects all those involved in its governance to make a reasonable commitment to ongoing development and training. This may involve away days, service visits, presentations and other internal functions as well as opportunities to attend relevant external events such as seminars, courses and conferences.

Catch22 also circulates publications of general interest and provides access to magazines, articles, newsletters, policy briefings and other documents of more specialist interest

SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

Setting Pay and Remuneration of key management personnel is the responsibility of the People and Performance Committee. In setting pay and remuneration, they consider performance management information and relevant benchmarks within the sector.

ENGAGEMENT WITH OUR PEOPLE

We recognise that our people, both staff and volunteers, are key to the success of the organisation and to delivering the impact we seek for our beneficiaries. We engage with our people through a variety of channels to keep them informed, seek their views, encourage their involvement and develop common awareness. These channels include, amongst others:

- regular service visits by the Chief Officer Group and trustees,
- a monthly question & answer session with the Chief Office Group,
- an annual staff conference which trustees attend,
- a monthly newsletter, supported with information on our intranet,
- weekly email communication from the Chief Executive,
- an annual staff survey and regular pulse surverys

Information gathered by the senior leadership team is fed back to trustees via reports submitted to and discussions held at the People and Performance Committee.

BUSINESS RELATIONSHIPS

We recognise that relationships with business stakeholders are key to our success and long-term sustainability. Strong, collaborative relationships with our commissioners and funders enabled us to work with them during the pandemic to find new ways of supporting our beneficiaries and to respond to their changing needs. These relationships are also key to securing ongoing funding.

We also seek to engage with the wider sector through professional bodies and interest groups to both seek and share best practice and collaborate on finding solutions to shared challenges.

We value all our suppliers and look to identify our key suppliers and put multi-year contracts in place and adopt a partnership approach to the relationship where any concerns are worked through together to find mutually beneficial solutions. We also have several small subcontractor organisations who deliver services on our behalf, and we adopt a supportive approach to contract management and help them to build their capacity.

We have also used our platform to incubate several fledging social enterprises focussed on delivering better social outcome and reforming public services.

ENVIRONMENT

We recognise the importance of minimising our impact on the environment and that environmental issues are a significant concern for both our people and those we support.

In April 2023, we recruited a Sustainability Coordinator as a dedicated resource to develop our environmental strategy. Since then, we have been working with suppliers and internal teams to develop initiatives that can help us minimise our environmental footprint and improve environmental reporting. Some of the initiatives include:

- Introducing new processes to improve data quality and quantity to feed into our Carbon Reduction Plan. This will allow us to measure our carbon footprint more accurately and establish a more holistic approach to reducing carbon emissions,

- Working with suppliers to improve environmental reporting and align processes towards becoming Net Zero,
- Working with Business Development to identify premises improvement funding opportunities, with a focus on sustainability,
- Identified and shortlisted software providers to analyse our carbon emissions, for better quality reporting,
- Encouraging environmentally friendly behaviours and Sustainable Travel by offering our employees the Cycle to work and Low Emissions Car salary sacrifice schemes.
- Establishing a Sustainability Champions network to allow collaboration and raise awareness across different areas of our organisation,
- Engaging contractors with high standard environmental credentials to roll out new waste and recycling services at sites where have control of waste collection. This also includes raising awareness and educating our staff to waste less and recycle more through active engagement.

Our consumption and emissions for 2022/23 were as follows:

ENERGY TYPE	CONSUMPTION	EMISSIONS
Gas	2,208,621 KWh	404 tCO2e
Electricity	748,002 KWh	155 tCO2e
Transport *	836,701 miles	224 tCO2e
Total Emissions		**783 tCO2e**
*Intensity ratio per £m/turnover **		**14.6 tCO2e**

**Transport includes employee mileage claims, car hires, long-term vehicles leases and owned vehicles*

*** Turnover excludes MAT land & buildings transferred (2021/22 intensity ratio 11.9 tCO2e)*

Our intensity ratio has increased due to increased use of buildings and more business travel following the transition in ways of working following the Covid-19 pandemic, but we are confident that the measures we are putting in place will reduce both our total emissions and the intensity ratio in the future.



TRUSTEES' RESPONSIBILITIES

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

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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and charity and of the surplus or deficit of the Group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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 financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.
- observe the methods and principles in the Charities SORP.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

RISK MANAGEMENT

The Trustees have in place a robust risk management process, which includes their overall risk appetite and their risk appetite specific to different risk categories. The process identifies the types of risks the charity faces, prioritises them in terms of likelihood of occurrence and potential impact, identifies the means of managing these risks and monitors how they are managed. Development and review of the risk management arrangements are the responsibility of the Governance, Risk and Internal Audit Committee who meet quarterly and review the risk register. The Chief Officer Group are responsible for managing risk across the organisation and receive regular updates from the Head of Governance and Risk at their monthly meetings on key risks, and they ensure that appropriate mitigating action is taken.

The internal audit programme is agreed annually with the Governance, Risk and Internal Audit Committee and focuses on the key areas of risk within the organisation. Audit findings and progress on implementing actions is reported quarterly to the committee.

The key risks identified by Catch22 at the end of 2023/24, which are largely unchanged from the previous year, together with the actions taken or intended to be taken in response to these risks are as follows:

RISK	MITIGATING ACTIONS
Failure to keep our service users safe.	Established policies and procedures with clear training and staff competency expectations embedded throughout the organisation, monitored through regular supervisions and internal audit, overseen by Assistant Director of Safeguarding. Designated safeguarding leads appointed in all our services. Safeguarding incident management systems in place across the organisation Risk Forum established to quickly identify concerns and trends and implement mitigating action and Safeguarding Forum in place to share best practice.
Loss of income due to public sector spending cuts because of the macro-economic climate, in addition to rising costs due to inflationary pressure and the need to support staff through the continuing cost-of-living crisis.	Continued focus of resources in our business development and partnerships teams, maintaining our diversified income streams, keeping our quality high to secure repeat business and our costs competitive to ensure that our cost basis is sustainable over the longer-term. We also continue to be focussed on building and maintaining strong commissioner and funder relationships, securing an increased proportion of voluntary grant income and developing income streams from trading activity along with ensuring our support teams are appropriately structured and deliver value for money. Financial performance, future forecasts and our income pipeline is regularly monitored by the Finance, Growth and External Audit Committee.

RISK	MITIGATING ACTIONS
Loss of control of personal or sensitive data	Mitigated by robust data protection and information security policies, in line with the General Data Protection Regulation (GDPR), supported by staff briefings and compulsory training. We review the risk of a breach of our IT platforms on an ongoing basis and take appropriate mitigating action to keep them secure. We hold Cyber Essentials Plus certification and ISO27001: Information Security Management certification for our core central processes and infrastructure, along with our Justice probation contracts. The whole organisation works to the principles of the same Information Security Management System and over time we intend to expand the scope of our ISO27001 certification.
Failure to ensure the wellbeing and safety of staff, particularly those working with vulnerable beneficiaries.	Our People team continuing to develop our wellbeing offer and our policy on staff supervision meetings includes the requirement to discuss staff welfare. Increased focus on mental health support within the organisation. We have a professional health and safety team in post with embedded health and safety polices and procedures, underpinned by compulsory training for managers and regular health and safety inspections with follow-up of actions. Incident management system in place across the organisation to enable us to react more quickly to incidents, learn lessons and identify trends, which is reviewed by the Risk Forum. An enhanced Employee Assistance Offer has also been rolled out to support any members of staff who have been affected by serious incidents.
Serious incident results in adverse publicity leading to reputational damage.	Appropriate policies and procedure are in place to mitigate the risk of a serious incident occurring. Critical Incident policy in place and crisis management training provided to key staff. Reactive communication strategy prepared.
Lack of organisational capacity due to challenges in recruiting and retaining staff.	Catch22's employee value proposition, future of work approach, and new pay and grading structure all in place. Developing progression pathways and succession planning. Staff engagement plan in place and being monitored by pulse surveys. New continuous performance management approach on place based on quality conversations. Focus on reducing staff turnover by a working group of senior leaders.

RISK	MITIGATING ACTIONS
Loss of commercially sensitive information through the misuse of Artificial Intelligence (AI) technology.	Catch22 have created an AI working group, have updated existing policies and handbooks to advise of correct use of information, including issuing guidance around advocated systems to use – Copilot.
Increased likelihood of Local Authorities (LAs) going into section 114 measures (where forecast income is insufficient to meet forecast expenditure) resulting in LA's looking to exit existing delivery contracts.	Assessment of at-risk Local Authorities within our delivery portfolio to understand and quantify organisational risk. Proactive conversations being had with LA leads on all existing contracts with particular focus on those contracts due to be retendered in the short-term and LAs where section 114 measures are already in place.

Further information about Catch2, including our Annual Review can be found at:

www.catch-22.org.uk

Signed on behalf of the Board of Trustees on 28 May 2024.



Terry Duddy

Chair, Catch22 Charity Ltd

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATCH22 CHARITY LIMITED

Opinion

We have audited the financial statements of Catch 22 Charity Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise as the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement 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 group's and the parent charitable company's affairs as at 31 August 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

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 in 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 there is 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.

Classification : Official

AUDITOR'S REPORT (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 70 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

AUDITOR'S REPORT (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

AUDITOR'S REPORT (continued)

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP.

James Saunders (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP
Statutory Auditor
29 May 2024

29 May 2024

9 Appold Street
London
EC2A 2AP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT for the year ended 31 August 2023

	Note	Restricted Pension Funds (MAT) £'000	Restricted Fixed Assets Funds (MAT) £'000	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
Income from							
Donations and legacies	2	-	-	170	321	**491**	523
Grants	2	-	550	2,379	1,540	**4,469**	7,536
Donations – academy transfers (MAT)	3	-	-	-	-	**-**	262
Income from charitable activities	6	-	-	18,696	29,078	**47,774**	45,744
Income from trading activities		-	-	-	351	**351**	517
Income from investments		-	-	-	404	**404**	209
Total income		**-**	**550**	**21,245**	**31,694**	**53,489**	54,791
Expenditure on							
Raising funds		-	-	-	361	**361**	296
Charitable activities							
Ordinary activities	6	137	1,144	23,088	31,727	**56,096**	55,724
Exceptional	6	-	-	-	110	**110**	
Trading activities		-	-	-	366	**366**	516
Total expenditure		**137**	**1,144**	**23,088**	**32,564**	**56,933**	56,536
Net gain on disposal of associate	11	-	-	-	-	**-**	5,200
Net gains/(losses) on investments	11	-	-	-	309	309	(724)
Share of results of associated undertaking	11	-	-	-	146	146	-
Net (expenditure)/income for the period		**(137)**	**(594)**	**(1,843)**	**(415)**	**(2,989)**	2,731
Transfers between funds	17,18	-	369	(1,017)	648	**-**	-
Net (expenditure)/income before other recognised gains/(losses)		**(137)**	**(225)**	**(2,860)**	**233**	**(2,989)**	2,731
Other recognised gains/(losses)							
Actuarial gain/(loss) on defined benefit pension scheme	21	663	-	-	-	**663**	3,830
Net movement in funds		**526**	**(225)**	**(2,860)**	**233**	**(2,326)**	6,561
Reconciliation of funds							
Total funds brought forward		(526)	33,897	6,169	15,682	**55,222**	48,661
Total funds carried forward		**-**	**33,672**	**3,309**	**15,915**	**52,896**	55,222

The Group had no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

All income and expenditure derive from continuing activities.

The statement provides the consolidated information for the charitable company and its subsidiary undertakings. Total income for the charitable company alone was £39,802k (2022: £41,986k) and net expenditure was (£1,786k) (2022: net income £6,302k).

The notes on pages 82 to 108 form part of these financial statements.

CONSOLIDATED BALANCE SHEET - 31 August 2023
Company number: 06577534

	Note	31 August 2023 £'000	£'000	31 August 2022 £'000	£'000
Fixed assets					
Intangible assets	8		202		237
Tangible fixed assets	10		39,168		39,479
Investments	11		11,119		10,695
			50,489		50,411
Current assets					
Stock		53		26	
Debtors	13	6,041		7,253	
Cash at bank and in hand		7,675		9,243	
		13,769		16,522	
Current liabilities					
Creditors: amounts due within one year	14	**(10,811)**		(10,407)	
Net current assets			**2,958**		6,115
			53,447		56,526
Creditors: amounts falling due after more than one year	15		**(551)**		(778)
Provisions	16		**-**		(526)
Net assets	19		**52,896**		55,222
Funds					
Restricted pension funds	17		-		(526)
Restricted fixed asset funds	17		33,672		33,897
Restricted funds	17		3,309		6,169
General fund	18		15,915		15,682
			52,896		55,222

The financial statements were approved by the Board of Trustees on 3 April 2024 and authorised for issue on 28 May 2024.

Terry Duddy.

Terry Duddy
Chair

The notes on pages 82 to 108 form part of these financial statements.

CHARITY BALANCE SHEET - 31 August 2023
Company number: 06577534

	Note	31 August 2023 £'000	£'000	31 August 2022 £'000	£'000
Fixed assets					
Intangible assets	9		202		237
Tangible fixed assets	10		5,496		5,565
Investments	11		10,868		10,590
			16,566		**16,392**
Current assets					
Stock		53		26	
Debtors	13	5,621		6,642	
Cash at bank and in hand		6,221		7,049	
		11,895		**13,717**	
Current liabilities					
Creditors: amounts due within one year	14	**(9,394)**		**(9,029)**	
Net current assets			**2,501**		**4,688**
			19,067		**21,080**
Creditors: amounts falling due after more than one year	15		(551)		(778)
Net assets			**18,516**		**20,302**
Funds					
Restricted funds	17		2,893		4,878
General fund	18		15,623		15,424
			18,516		**20,302**

As permitted by s408 of the Companies Act 2006, the company has not presented its own statement of financial activities and income and expenditure account. The company's net expenditure in 2023 was (£1,786k) (2022: net income £6,302k)

The financial statements were approved by the Board of Trustees on 3 April 2024 and authorised for issue on 28 May 2024.

Terry Duddy.

Terry Duddy
Chair

Company Registration No. 06577534

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 August 2023

	Note	Year to 31 August 2023 £'000	£'000	Year to 31 August 2022 £'000	£'000
Net (expenditure)/income for the reporting period			**(2,989)**		2,731
Adjusted for:					
Proceeds from sale of shares in associated company	11	-		(5,200)	
Net (gains)/losses on investments	11	(309)		724	
Share of profits of associate	11	(146)		-	
Loss on disposals of tangible fixed assets on academy transfer	3,10	-		1,958	
Loss on disposal of tangible fixed assets	10	-		190	
Loss on disposal of intangible fixed assets	9	-		25	
Depreciation charges	10	375		422	
Amortisation charges	9	93		96	
Defined benefit pension scheme deficit transferred out on academy transfer		-		(262)	
Defined benefit pension scheme cost less contributions payable	21	115		802	
Defined benefit pension scheme finance cost	21	22		58	
Interest receivable		(156)		(2)	
Investment income receivable		(248)		(209)	
Interest payable		16		18	
Capital grants received		(550)		(60)	
(Increase)/Decrease in stock		(27)		(18)	
Decrease/(Increase) in debtors		1,212		(1,402)	
Increase/(Decrease) in liabilities		267		743	
Net cash (used in)/provided by operating activities			**(2,325)**		614
Investing activities					
Cash inflow from sales of shares in associated company	11	-		5,200	
Purchase of intangible fixed assets	9	(58)		(110)	
Purchase of tangible fixed assets	10	(64)		(265)	
Capital grants received		550		60	
Proceeds from sale of investments		55		61	
Interest received		156		2	
Investment income received		224		302	
Net cash generated from investing activities			**863**		5,250
Financing Activities					
New borrowing		-		125	
Repayment of borrowings		(90)		(122)	
Interest paid		(16)		(18)	
Net cash used in financing activities			**(106)**		(15)
Net (decrease)/increase in cash and cash equivalents in the reporting period			**(1,568)**		5,849
Cash and cash equivalents at beginning of year			9,243		3,394
Cash and cash equivalents at end of year			**7,675**		9,243
Relating to:					
Bank balances and short-term deposits			7,675		9,243
Cash and cash equivalents			**7,675**		9,243

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently except where noted), judgements and key sources of estimated uncertainty, is set out below.

Catch22 Charity Limited is a charitable company (no. 06577534), limited by guarantee, incorporated in England and Wales and registered with the Charity Commission (no 1124127). The registered office is 27 Pear Tree Street, London EC1V 3AG.

Basis of preparation
The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the 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 (the FRS 102 Charities SORP) and the Companies Act 2006.

Going concern
The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charitable company's forecast and projections and have considered the potential impact of the wider economic environment on the viability of the charitable group. The trustees have taken action in previous years to rationalise the charitable group to save cost and strengthen its financial position. Moving forward the trustees will continue to review the viability of services that are not core to its objectives and are not financially sustainable. In addition, they are open to further mergers into the charitable group that will deliver further impact whilst improving financial strength. Annual budgets and forecasts have been revised taking this into account with prudent figures for both income and expenditure. The charity has an investment portfolio held in relatively liquid funds valued at £10.87m as at 31 August 2023 with a current available working capital facility secured against this of up to £2.72m (£nil drawn as at 31 August 2023 and at the date of signing these accounts). This facility is currently being renewed, but the trustees expect that it will be renewed on similar terms. In addition, there is a £0.5m unsecured overdraft facility available with Barclays Bank plc (£nil utilised at 31 August 2023 and at the date of signing these accounts). With the cash held (£6.22m at 31 August 2023). This amounts to £9.4m of readily available cash, without liquidating the investment portfolio, should it be required. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest thousand pounds.

The charity has taken advantage of the exemption in the Companies Act 2006 not to present its own statement of financial activities. The results of the charity for the year ended 31 August 2023 are set out here: total income of £39,802k (2022: £41,986k) total expenditure of £41,897k (2022: £40,160k), net gain on investments £309k (2021: (£724k) net loss), net gain on disposal of associates £nil (2022: £5,200k) resulting in net decrease in funds of (£1,786k) (2022:£6,302k).

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below:

Basis of consolidation
The consolidated financial statements incorporate those of Catch22 Charity Limited and all its subsidiaries together with the group's share of the results of associates.

On acquisition of subsidiaries, acquisition accounting is used. All of the assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. Where subsidiaries are acquired for nil consideration and are akin to a gift, the fair value of the assets and liabilities at the date of acquisition are recognised as voluntary income in the statement of financial activities. All changes to those assets and liabilities and the resulting surpluses or deficits that arise after the group has gained control of the subsidiary are charged to the post-acquisition statement of financial activities. All intra-group transactions and balances between group companies are eliminated on consolidation.

The results of associates are accounted for using the equity method of accounting. Where the group has no obligation to fund losses of the associate, the share of accumulated losses are not recognised in the accounts, and the investment is shown as zero.

Income
All income is recognised when there is entitlement to the funds, the receipt is probable, and the amount can be measured reliably. The following accounting policies are applied to income.

Grants and fees
Where contract and grant funding is subject to specific performance conditions, the income is recognised as earned (as the related services are provided or outcomes delivered). Any amounts received in excess of what has been earned by the year end are included within deferred income in current liabilities. Other grant income is recognised where there is entitlement, receipt is probable, and the amount can be measured with sufficient reliability.

Donations
Donations and all other receipts from fundraising are reported gross and are accounted for on a receivable basis. The related fundraising costs are reported in costs of raising funds.

Investment Income
Investment income is accounted for when receivable and includes the related tax recoverable.

Expenditure
Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligations can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies area applied to expenditure:

Allocation of overhead and support costs
Overhead, support and governance costs are allocated between the cost of raising funds and charitable activities. Overhead, support and governance costs relating to charitable activities have been apportioned between activities.

Governance costs
Governance costs are included within support costs and consist of trustees' expenses and annual audit and non-audit fees.

Costs of raising funds
The costs of generating funds consist of investment management fees and the costs of raising funds, including an apportionment of overhead, support and governance costs.

Charitable activities
Costs of charitable activities include grants payable and other costs directly associated with providing the services and support provided by the charity and an apportionment of overhead, support and governance costs.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

1. Accounting policies (continued)

Expenditure (continued)

Trading activities
Costs of trading activities include costs directly associated with providing the services provided through trading and an apportionment of overhead, support and governance costs.

Intangible Assets
Development costs for future IT projects are capitalised at cost, provided it is likely to bring future economic benefit to the group. If the criteria for recognition as assets are not met, the expense is recognised in the statement of financial activities in the period in which it is incurred. Capitalised IT costs include all direct and indirect costs that are directly attributable to the development process. The costs are amortised using the straight-line method over 3 to 5 years being their estimated useful lives.

Capitalisation of assets
Assets with a value of greater than £10,000 (and some lower value vehicles and IT equipment with an estimated useful life of at least 4 or 3 years respectively) are capitalised and depreciated to write off the cost of the assets over their estimated useful lives.

Tangible fixed assets
Land and buildings and equipment are stated in the balance sheet at cost or, in the case of certain freehold and long leasehold land and buildings, valuation less depreciation which is provided in equal annual instalments over the estimated useful life of the assets. The rates of depreciation are:

- Freehold property – 2% per annum
- Long leasehold property – over term of lease
- Short leasehold property – over term of lease
- Furniture and equipment – 20% and 33% per annum
- Motor vehicles – 25% per annum

Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Goodwill has been amortised on a straight-line basis over three or five years.

Investments
Investments are stated at market value at the balance sheet date. Any change in the market value of investments is taken to the relevant fund together with any profits or losses on disposal of investments during the year.

Investment in associates is held at cost less accumulated impairment losses.

Stock
Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal

Financial Instruments
Cash and cash equivalents
Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less.

Debtors and creditors
Debtors or creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense. 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.

Pension costs – Defined Contribution Schemes
The Group makes payments to defined contribution pension schemes on behalf of qualifying employees. Such contributions are charged in the Statement of Financial Activities as they fall due. The contributions are invested separately from the charity's assets.

Pension benefits – Defined Benefit Pension Schemes
Retirement benefits to employees of the Catch22 Multi Academies Trust (MAT) are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the MAT.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the MAT in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS' are funded schemes, and the assets are held separately from those of the MAT in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements, and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Leased assets
Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the period of the leases.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

1. Accounting policies (continued)

In kind funding/support
The Group benefits from the services of secondees, many thousands of voluntary hours and unclaimed out-of-pocket expenses by a very large number of supporters. In addition, companies, organisations and individuals have, in many cases, provided the use of facilities, equipment and premises for various activities and meetings without charge. The value of such gifts in kind have been estimated and included in the consolidated statement of financial activities as income and expenditure when there is a cost to the third party of donating the gift/service. Although our systems are not set up to summarise the total value of these gifts in kind, we do know they are worth in excess of £100k (2022: £100k). This figure does not include a value for the volunteer work which is indispensable to the work that the Group undertakes.

Taxation
The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, it is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively for charitable purposes.

Fund Accounting
The group maintains various types of funds as follows:

Restricted Pension funds
Restricted pension reserves are resources or liabilities relating to the group's obligations to the Local Government Pension Scheme, of which some of its employees are members.

Restricted fixed asset funds
Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted funds
Restricted funds represent grant, donations and legacies received which are allocated by the donor for specific purposes.

Unrestricted funds
Revaluation reserves relate to the measurement of the fair value of certain freehold property. Designated funds are funds that the trustees have designated to be used for specific purposes. General unrestricted funds represent funds which are expendable at the discretion of the trustees in the furtherance of the objects of the Charity.

Critical accounting estimates and areas of judgement
In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements:

a) *Local Government Pension Scheme liability*
The present value of the Local Government Pension Schemes defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions.
The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Local Government Pension Scheme liability (continued)

The ultimate responsibility for setting the assumptions is that of the academy trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The academy trust has, in practice with most employers, adopted the recommended actuarial assumptions.

One of the key assumptions is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate of 5.3% is higher than the rate of 4.25% used in the prior year as the bond yield at 31 August 2023 is higher at all terms than at 31 August 2022. Since a higher discount rate means the present value of liabilities is lower, this results in lower overall net liabilities.

Demographic assumptions have been adopted in line with those used in the most recent actuarial valuation as at 31 March 2022, with the exception of an update of the CMI 'Continuous Mortality Investigation' projection model, which has been based on the more recently published updated standard mortality projections model 'CMI_2022', which has been used as the basis for mortality assumptions. Updating the future improvements model to the CMI 2022 model has reduced assumed life expectancies which results in an improve to the balance sheet position.

b) *Useful Economic Lives of Intangible Assets*
The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advances, future investments and economic utilisation. Goodwill and computer software impairment reviews are performed annually. These reviews require an estimation of the value is use of the cash generating units to which goodwill and software has been allocated and the public benefit derived from the services provided to beneficiaries in fulfilment of the company and group's charitable objectives.

c) *Impairment of Investments in Subsidiaries*
Impairment reviews of investment in subsidiaries are carried out annually. These reviews require an estimation of both the expected future cash generation of the charitable subsidiaries to which the investments relate, and consideration of the public benefit derived from the services provided to beneficiaries in fulfilment of the company and group's charitable objectives.

d) *Land and buildings transferred on conversion*
Long leasehold title of land and buildings has been transferred to the Catch22 Multi Academies Trust (MAT) at £nil consideration. The premises have been recognised in the MAT's accounts at the best estimate of their fair value as at the date of transfer. This was estimated at the most recent valuation figures provided by the transferring local authority, as a best approximation of fair value.

e) *Impairment of Long Leasehold Land & Buildings*
Impairment reviews of long leasehold land and buildings are carried out annually. These reviews require an estimation of their market value of the land and buildings and the public benefit derived from the charitable group's services provided to beneficiaries in fulfilment of the company and group's charitable objectives. The valuations were reviewed during the year and the trustees consider that this is the best estimate of the fair value at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

Comparative Consolidated Statement of Financial Activities for the year ended 31 August 2022

	Note	Restricted Pension Funds (MAT) £'000	Restricted Fixed Assets Funds (MAT) £'000	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2022
Income from						
Donations and legacies	2	-	-	5	518	**523**
Grants	2	-	60	6,129	1,347	**7,536**
Donations – academy transfers (MAT)	3	262	-	-	-	**262**
Income from charitable activities	6	-	-	16,477	29,267	**45,744**
Income from trading activities		-	-	-	517	**517**
Income from investments		-	-	-	209	**209**
Total income		**262**	**60**	**22,611**	**31,858**	**54,791**
Expenditure on						
Raising funds		-	-	-	296	**296**
Charitable activities						
Ordinary activities	6	1,239	2,834	19,847	31,804	**55,724**
Exceptional	6	-	-	-	-	
Trading activities		-	-	-	516	**516**
Total expenditure		**1,239**	**2,834**	**19,847**	**32,616**	**56,536**
Net gain on disposal of associate	11				5,200	**5,200**
Net gains/(losses) on investments	11	-	-	-	(724)	**(724)**
Net income/(expenditure) for the period		**(977)**	**(2,774)**	**2,764**	**3,718**	**2,731**
Transfers between funds	17,18	379	-	(621)	242	**-**
Net income/(expenditure) before other recognised gains/(losses)		**(598)**	**(2,774)**	**2,143**	**3,960**	**2,731**
Other recognised gains/(losses)						
Actuarial gain/(loss) on defined benefit pension scheme	21	3,830	-	-	-	**3,830**
Net movement in funds		**3,232**	**(2,774)**	**2,143**	**3,960**	**6,561**
Reconciliation of funds						
Total funds brought forward		(3,758)	36,671	4,026	11,722	**48,661**
Total funds carried forward		**(526)**	**33,897**	**6,169**	**15,682**	**55,222**

The Group had no recognised gains or losses other than those dealt with in the Statement of Financial Activities

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

2. Donations, legacies and grants

	Year to 31 August 2023				Year to 31 August 2022			
	Fixed Asset Restricted £'000	Restricted £'000	Unrestricted £'000	Total funds £'000	Fixed Asset Restricted £'000	Restricted £'000	Unrestricted £'000	Total funds £'000
Employability and skills	-	1,445	1,349	**2,794**	-	4,784	995	**5,779**
Education	550	-	50	**600**	60	-	-	**60**
Justice	-	1	79	**80**	-	-	22	**22**
Young people, families & communities	-	855	206	**1,061**	-	1,175	656	**1,831**
Other	-	248	177	**425**	-	175	192	**367**
	550	**2,549**	**1,861**	**4,960**	**60**	**6,134**	**1,865**	**8,059**

The group has benefited from the support of several private donors, trusts, foundations and corporate entities including The Social Business Trust, 3i, Barclays Bank plc, The Clothworkers' Foundation, The Hadley Trust, Salesforce, Microsoft, The Rothschild Foundation, National Grid, City & Guilds, Tate & Lyle and Ufi VocTech Trust among others. The group has also received grant funding from national and local government.

3. Donations – academy transfers (MAT)

	Year to 31 August 2023 Restricted Pension Funds £'000	Year to 31 August 2022 Restricted Fixed Assets Fund £'000
Transfer of existing academies out of the academy trust (note a)	-	262
	-	**262**

a) Transfer out of academy

During the previous year the Everitt Academy transferred out of the Catch22 Multi Academies Trust. The below assets and liabilities transferred with Everitt Academy. There were no transfers out of academies in the current year.

	Restricted Pension Fund £000	Restricted Fixed Asset £000	Restricted £000	Total Funds £000
Tangible fixed assets				
Long leasehold land and buildings (included with expenditure on ordinary activities)	-	(1,958)	-	(1,958)
Pension scheme assets	(262)	-	-	(262)
Pension scheme liabilities	524	-	-	524
Net assets/(liabilities) transferred	**262**	**(1,958)**	**-**	**(1,696)**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

4. Investment income

	Restricted funds £'000	Unrestricted funds £'000	**Year to 31 August 2023 £'000**	Year to 31 August 2022 £'000
Income from investments receivable	-	248	**248**	209
Interest receivable	-	156	**156**	-
	-	**404**	**404**	209

All prior year investment income was also unrestricted

5. Net income for the year

	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
This is stated after charging:		
Depreciation of tangible fixed assets	375	422
Loss on disposal of tangible fixed assets	-	190
Loss on disposal of tangible fixed assets – academy transfer out	-	1,958
Amortisation of goodwill and intangible fixed assets	93	96
Loss on disposal of intangible fixed assets	-	25
Property rental	1,031	1,061
Auditor's remuneration		
Audit fees for Charity's annual accounts	45	39
Audit fees for other services:		
- the audit of the Charity's subsidiaries, pursuant to legislation	30	22
- other fees and taxation advice	12	20

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

6. Charitable activities

Analysis of income from charitable activities for the year ended 31 August 2023

	Restricted Funds	Unrestricted Funds	Year to 31 August 2023
	£'000	£'000	£'000
Employability and skills	1,261	3,661	**4,922**
Education	13,267	4,824	**18,091**
Justice	131	13,105	**13,236**
Young people, families and communities	4,037	7,467	**11,504**
Other	-	21	**21**
Total	**18,696**	**29,078**	**47,774**

Analysis of income from charitable activities for the year ended 31 August 2022

	Restricted Funds	Unrestricted Funds	Year to 31 August 2022
	£'000	£'000	£'000
Employability and skills	1,274	8,163	9,437
Education	12,645	6,004	18,649
Justice	255	9,799	10,054
Young people, families and communities	2,303	5,213	7,516
Other	-	88	88
Total	16,477	29,267	45,744

Analysis of expenditure on charitable activities for the year ended 31 August 2023

	Restricted Pension Funds	Restricted Fixed Assets Funds	Restricted Funds	Unrestricted Funds	Year to 31 August 2023
	£'000	£'000	£'000	£'000	£'000
Employability and skills	-	-	4,443	5,035	**9,478**
Education	137	1,144	13,444	7,514	**22,239**
Justice	-	-	132	11,348	**11,480**
Young people, families and communities	-	-	4,790	7,777	**12,567**
Other	-	-	279	53	**332**
Exceptional items (see below)	-	-	-	110	**110**
Total	**137**	**1,144**	**23,088**	**31,837**	**56,206**

Analysis of expenditure on charitable activities for the year ended 31 August 2022

	Restricted Pension Funds	Restricted Fixed Assets Funds	Restricted Funds	Unrestricted Funds	Year to 31 August 2022
	£'000	£'000	£'000	£'000	£'000
Employability and skills	-	-	3,981	8,815	**12,796**
Education	1,239	2,834	12,236	7,581	**23,890**
Justice	-	-	255	9,442	**9,697**
Young people, families and communities	-	-	3,293	5,908	**9,201**
Other	-	-	82	58	**140**
Total	**1,239**	**2,834**	**19,847**	**31,804**	**55,724**

Included within unrestricted income and expenditure in Justice charitable activities Is income of £351k (2022: 359k) from the Local Leadership and Integration Fund with related expenditure of £351k (2022: £359k). The project started during the year ended 31 August 2021.

Also included within unrestricted income and expenditure in Employability and skills charitable activities Is income of £216k (2022: £nil) from the NCS Trust in respect of the Open-to-All programme with related expenditure of £216k (2022: £nil). The project started during the year ended 31 August 2023.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

6. Charitable activities (continued)

Support Costs
The group operates a shared services approach with the majority of support services being provided by Catch22 Charity Limited to the other companies within the group. Support costs incurred directly by other companies within the group, mainly relating to management and administration, are included within the direct costs of the activity carried out by that company. An analysis of the cost of support services (which are included in the charitable expenditure above) provided by Catch22 Charity Limited to the group is set out below. Costs have been allocated to charitable activities as a proportion of the direct expenditure incurred on that activity.

Year Ended 31 August 2023	Business development, marketing and communications £'000	Facilities & IT £'000	Finance and commercial £'000	Human resources £'000	Management and strategy £'000	Compliance and risk management £'000	Total £'000
Raising Funds	**6**	**6**	**5**	**9**	**3**	**5**	**34**
Charitable activities:							
Employability and skills	160	165	138	231	82	117	**893**
Education	377	387	325	541	193	272	**2,095**
Justice	194	199	168	280	99	141	**1,081**
Young people, families and communities	213	218	183	306	109	155	**1,184**
Other	5	6	5	8	3	4	**31**
	949	**975**	**819**	**1,366**	**486**	**689**	**5,284**
Trading activities	**6**	**6**	**5**	**9**	**3**	**4**	**33**
	961	**987**	**829**	**1,385**	**492**	**698**	**5,351**

Governance costs included in the above support costs amount to £75k (2022: £61k)

Year Ended 31 August 2022	Business development, marketing and communications £'000	Facilities & IT £'000	Finance and commercial £'000	Human resources £'000	Management and strategy £'000	Compliance and risk management £'000	Total £'000
Raising Funds	**4**	**6**	**4**	**6**	**3**	**3**	**26**
Charitable activities:							
Employability and skills	193	251	159	276	123	113	**1,115**
Education	358	468	298	514	231	212	**2,081**
Justice	146	190	121	209	93	86	**845**
Young people, families and communities	138	180	114	199	89	81	**801**
Other	2	3	2	3	1	1	**12**
	837	**1,092**	**694**	**1,201**	**537**	**493**	**4,854**
Trading activities	**8**	**10**	**6**	**11**	**5**	**5**	**45**
	849	**1,108**	**704**	**1,218**	**545**	**501**	**4,925**

Exceptional Items
Included within Cost of Charitable Activities are the following exceptional items:

	Year to 31 August 2023 Restricted £'000	Year to 31 August 2023 Unrestricted £'000	Year to 31 August 2023 Total £'000	Year to 31 August 2022 Total £'000
Disposal of apprenticeship delivery	-	110	**110**	-
Total	**-**	**110**	**110**	**-**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

7. Staff costs

	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
Salaries	31,117	29,681
Redundancies	177	129
National Insurance contributions	3,173	2,910
Pension contributions	2,182	2,698
	36,649	**35,418**
The average number of employees during the period split as follows:		
Charitable Activities	1,027	958
Trading	4	5
Support	89	79
Total	**1,120**	**1,042**

During the period payments to agencies for temporary staff amounted to £3,090k (2022: £2,492k)
Agency staff are used to cover temporary vacancies and to meet short-term needs.

The number of employees whose annual emoluments were £60,000 and above excluding pension contributions were as follows:

	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
£60,001 - £70,000	10	13
£70,001 - £80,000	7	7
£80,001 - £90,000	7	2
£90,001 - £100,000	-	3
£100,001-£110,000	1	-
£110,001-£120,000	1	1
£130,001-£140,000	1	-
£160,001-£170,000	-	1

Employer's pension contributions of £170,675 (2022: £230,462) were paid on behalf of the above staff.
No trustees received any remuneration during the period (2022: none). Trustees were reimbursed expenses during the year of £nil (2022: £nil).

Key Management Personnel
The total employee benefits of the Key Management Personnel were £793,209 (2022: £1,085,565).

Volunteers
The average number of volunteers for the year to 31 August 2023 totalled 76 (2022: 90). 9 volunteers worked in Justice, 65 worked in Young people, families and communities and 2 worked in our other delivery hubs.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

8. Intangible fixed assets – Consolidated

	Computer Software £'000	Goodwill £'000	Total £'000
Cost			
1 September 2022	425	345	770
Additions	58	-	58
31 August 2023	**483**	**345**	**828**
Amortisation			
1 September 2022	188	345	533
Charge for the year	93	-	93
31 August 2023	**281**	**345**	**626**
Net book value			
At 31 August 2023	**202**	**-**	**202**
At 31 August 2022	237	-	**237**

9. Intangible fixed assets – Charity only

	Computer Software £'000	Total £'000
Costs		
1 September 2022	425	425
Additions	58	58
31 August 2023	**483**	**483**
Amortisation		
1 September 2022	188	188
Charge for the year	93	93
31 August 2023	**281**	**281**
Net book value		
At 31 August 2023	**202**	**202**
At 31 August 2022	237	237

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

10. Tangible fixed assets – Consolidated

	Long leasehold land and buildings £'000	Short leasehold properties £'000	Freehold land & buildings £'000	Furniture & equipment £'000	Total £'000
Cost or Revaluation					
1 September 2022	45,477	-	725	451	46,653
Additions	-	64	-	-	64
Transfers	(161)	161	-	-	-
Disposals	-	-	-	(83)	(83)
31 August 2023	**45,316**	**225**	**725**	**368**	**46,634**
Depreciation					
1 September 2022	6,861	-	113	200	7,174
Transfers	(9)	9	-	-	-
Disposals	-	-	-	(83)	(83)
Charge for the year	276	21	13	65	375
31 August 2023	**7,128**	**30**	**126**	**182**	**7,466**
Net book value					
At 31 August 2023	**38,188**	**195**	**599**	**186**	**39,168**
At 31 August 2022	**38,616**	**-**	**612**	**251**	**39,479**

10. Tangible fixed assets – Charity only

	Long leasehold land and buildings £'000	Short leasehold properties £'000	Freehold land & buildings £'000	Furniture & equipment £'000	Total £'000
Cost or Revaluation					
1 September 2022	4,808	-	725	368	5,901
Additions	-	64	-	-	64
Transfers	(161)	161	-	-	-
31 August 2023	**4,647**	**225**	**725**	**368**	**5,965**
Depreciation					
1 September 2022	87	-	113	136	336
Transfers	(9)	9	-	-	-
Charge for the year	53	21	13	46	133
31 August 2023	**131**	**30**	**126**	**182**	**469**
Net book value					
At 31 August 2023	**4,516**	**195**	**599**	**186**	**5,496**
At 31 August 2022	**4,721**	**-**	**612**	**232**	**5,565**

The leasehold property at 27 Pear Street, London of £3.4m has been arrived at on a basis of valuation carried out as at 31 August 2019 by JM Commercial, Chartered Surveyors who are not connected with the company. The valuation was reviewed in the year and the Trustees consider that this is the best estimate of the fair value at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

11. Investment in subsidiaries and associates - Consolidated

	Investment in Associates £'000	Investment in Subsidiary £'000	Total £'000
Cost			
31 August 2022	105	475	475
Share of profit	146	-	146
31 August 2023	**251**	**475**	**726**
Impairment			
1 September 2022	-	475	475
Charge for the year	-	-	-
31 August 2023	**-**	**475**	**475**
Net book value			
At 31 August 2023	**251**	**-**	**251**
At 31 August 2022	105	-	105

11. Investment in subsidiaries and associates – Charity only

	Investment in Associates £'000	Investment in Subsidiary £'000	Total £'000
Cost			
31 August 2022	-	475	475
Share of profit	-	-	-
31 August 2023	-	**475**	**475**
Impairment			
1 September 2022	-	475	475
Charge for the year	-	-	-
31 August 2023	-	**475**	**475**
Net book value			
At 31 August 2023	**-**	**-**	**105**
At 31 August 2022	-	-	105

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

11. Investments – Consolidated

	31 August 2023 £'000	31 August 2022 £'000
Investment in associate – Jobs 22 Limited	146	-
Investment in associated LLP	105	105
Other investments at market value	10,868	10,590
Investments at market value	**11,119**	**10,695**
Quoted investments	10,434	10,043
Cash held by investment managers	429	542
Unlisted investments	256	110
	11,119	**10,695**
1 September 2022	10,695	11,573
Acquisitions at cost	5,190	16,591
Disposal proceeds	(5,219)	(16,637)
Increase/(decrease) in cash in the portfolio	(2)	(108)
Share of associate profit	146	-
Change in market value	309	(724)
Market value at 31 August 2023	**11,119**	**10,695**
Historic cost at 31 August 2023	10,912	11,081

	31 August 2023			31 August 2022		
	Market value		Original cost	Market value		Original cost
	£'000	%	£'000	£'000	%	£'000
HSBC – equity	7,187	*65*	6,960	6,708	*63*	6,936
HSBC – fixed income	3,243	*29*	3,409	3,331	*31*	3,489
HSBC – cash	429	*4*	429	542	*5*	542
Other – listed	4	-	4	4	-	4
Other – unlisted	256	*2*	110	110	*1*	110
	11,119	*100*	10,912	**10,695**	*100*	11,081

Associates

	Associated LLP £000	Jobs22 £'000	Total £'000
Carrying value			
1 September 2022	105	-	105
Share of net profit	-	146	146
31 August 2023	**105**	**146**	**251**

The charity owns 18% of the equity share capital of Jobs 22 Limited (2022:18%) In the previous year, the charity sold 27% interest in the ordinary share capital of Jobs 22 Limited. The net sale proceeds were £5.2m and the share of the associates loss was £nil. The address of the registered office of Jobs 22 Limited is 289 Silbury Boulevard, Milton Keynes, MK9 1NA.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

11. Investments – Charity only

	31 August 2023 £'000	31 August 2022 £'000
Investment in associate – Jobs 22 Limited	-	-
Other investments at market value	10,868	10,590
	10,868	**10,590**
Quoted investments	10,434	10,043
Unquoted investments	5	5
Cash held by investment managers	429	542
	10,868	**10,590**
1 September 2022	10,590	11,468
Acquisitions at cost	5,190	16,591
Disposal proceeds	(5,219)	(16,637)
Increase/(decrease) in cash in the portfolio	(2)	(108)
Change in market value	309	(724)
Market value at 31 August 2023	**10,868**	**10,590**
Historic cost at 31 August 2023	10,807	10,976

	31 August 2023			31 August 2022		
	Market value		Original cost	Market value		Original cost
	£'000	%	£'000	£'000	%	£'000
HSBC – equities	**7,187**	*66*	6,960	6,708	*63*	6,936
HSBC – fixed income	**3,243**	*30*	3,409	3,331	*32*	3,489
HSBC – cash	**429**	*4*	429	542	*5*	542
Other - listed	**4**	-	4	4	-	4
Other - unlisted	**5**	-	5	5	-	5
	10,868	*100*	10,807	10,590	*100*	10,976

12. Subsidiaries

The charity is the parent of the following subsidiaries:

Name of subsidiary	Country of incorporation	Registered Office	Activity	Level of control	Aggregate amount of assets, liabilities and funds £'000	Turnover incl. invest income £'000	Costs £'000	Surplus/ (deficit) for the year £'000
The Royal Philanthropic Society incorporating the Rainer Foundation *Charity Number 229132*	England and Wales	N/A	Dormant	100%	-	-	-	-
Crime Concern Trust Limited *Company Number: 02259016 Charity Number 800735*	England and Wales	(1)	Dormant	100%	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

12. Subsidiaries (continued)

Name of subsidiary	Country of incorporation	Registered Office	Activity	Level of control	Aggregate amount of assets, liabilities and funds £'000	Turnover incl. invest income £'000	Costs £'000	Surplus/ (deficit) for the year £'000
Catch22 Social Enterprise Limited *Company Number: 06166785*	England and Wales	(1)	Dormant	100%	(646)	-	-	-
Catch22 Social Enterprise Solutions Limited *Company Number: 07971380*	England and Wales	(1)	Providing training and employment opportunities for the unemployed	100%	(5)	-	-	-
Pupil Parent Partnership Limited Company Number: 04872659	England and Wales	(2)	Dormant	100%	-	-	-	-
Include Company Number: 02429781 Charity Number 0803333	England and Wales	(2)	Dormant	100%	-	-	-	-
Catch22 Multi Academies Trust Limited Company Number: 08299181	England and Wales	(2)	Advancing for the public benefit, education in the UK through the operation of alternative provision schools	100%	34,218	13,899	14,473	(574)
Community Links Trust Limited *Company Number: 02661182 Charity Number 1018517*	England and Wales	(3)	Community delivery and early support and action	100%	3	123	120	3
Community Links Trading Limited *Company Number: 05737749*	England and Wales	(3)	Events management, production services and storage	100%	(457)	159	314	(155)
Ripplez Community Interest Company *Company Number: 07484690*	England and Wales	(2)	Support vulnerable women and families	100%	(85)	-	1	(1)

The list of Registered Offices is set out below:

(1) Rectory Lodge, High Street, Brasted, Kent, TN16 IJF
(2) 27 Pear Tree Street, London, EC1V 3AG
(3) 105 Barking Road, London, E16 4HQ

The following changes took place during the financial year:

A) Community Links Trading Limited
A decision was made for the company to cease operating in February 2023 and the company is no longer trading.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

13. Debtors: amounts due within one year

	31 August 2023 £'000	31 August 2022 £'000
Consolidated		
Grant and trade debtors	2,657	3,014
Other debtors	786	1,079
Prepayments and accrued income	2,598	3,160
	6,041	**7,253**

Included within other debtors is £250k due in more than one year (2022: £500k)

Charity only		
Grant and trade debtors	2,540	2,836
Other debtors	583	909
Prepayments and accrued income	2,389	2,375
Amounts owed by other group companies	109	522
	5,621	**6,642**

Included within other debtors is £250k due in more than one year (2022: £500k)

14. Creditors: amounts falling due within one year

	31 August 2023 £'000	31 August 2022 £'000
Consolidated		
Bank loan	-	73
Trade creditors	1,111	1,190
Accrued expenditure and income in advance	7,007	7,332
Other taxes and social security	1,356	1,250
Other creditors	1,337	562
	10,811	**10,407**

Included in other creditors are outstanding pension contributions amounting to £261k (2022: £225k).

The charitable group has an overdraft facility of £5m secured by a fixed charge over the investments of the charity. It is provided by HSBC Private Bank and is repayable on demand and interest is charged at 1.25% above the base rate, amount drawn £nil (2022: £nil). In addition, the charitable group has a £500k unsecured overdraft available from Barclays Bank with interest charged at 3% above the base rate, amount drawn £nil (2022: £nil).

Charity only		
Bank loan	-	73
Trade creditors	641	851
Accrued expenditure and income in advance	6,220	6,539
Other taxes and social security	1,216	1,123
Other creditors	1,191	443
Amounts owed by other group companies	126	-
	9,394	**9,029**

Included in other creditors are outstanding pension contributions amounting to £115k (2022: £104k).

Also included within other creditors is a loan from an associated company of £720k (2022: £nil). It is repayable on demand and no interest is charged.

The charity has an overdraft facility of £5m secured by a fixed charge over the investments of the charity. It is provided by HSBC Private Bank and is repayable on demand and interest is charged at 1.25% above the base rate, amount drawn £nil (2022: £nil). In addition, the charity has a £500k unsecured overdraft available from Barclays Bank with interest charged at 3% above the base rate, amount drawn £nil (2022: £nil).

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

14. Creditors: amounts falling due within one year

Consolidated – deferred income movement	£'000
Balance at 1 September 2022	5,290
Amount released in the period	(5,290)
Amount deferred in the period	5,232
Balance at 31 August 2023 – all due within one year	**5,232**

Charity only – deferred income movement	£'000
Balance at 1 September 2022	5,025
Amount released in the period	(5,025)
Amount deferred in the period	4,947
Balance at 31 August 2023 – all due within one year	**4,947**

15. Creditors: amounts falling after more than one year

	31 August 2023 £'000	31 August 2022 £'000
Consolidated		
Other loan	79	96
Other creditors	472	682
	551	**778**
Charity only		
Other loan	79	96
Other creditors	472	682
	551	**778**

Included within other loans is a loan of £125k received in October 2021 and is repayable over 84 months. The amount outstanding at the 31 August 2023 is £96k (2022: £113k) – shown as £79k (2022: £96k) due in more than one year and £17k (2022: £17k) due in less than one year. The loan is secured by a floating charge over the charity's assets. Interest is charged at 3%.

Included in other creditors is the clawback of funding relating to non-delivery by subcontractors. The repayment terms have been agreed over 4 to 5 years.

16. Provisions

	31 August 2023 £'000	31 August 2022 £'000
Consolidated		
Pension fund deficit (note 18)	-	526
	-	**526**

17. Restricted funds

	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Total Restricted funds £'000
Consolidated				
Balance at 1 September 2022	(526)	33,897	6,169	**39,540**
Income	-	550	21,245	**21,795**
Expenditure	(137)	(1,144)	(23,088)	**(24,369)**
Transfers between funds	-	369	(1,017)	**(648)**
Actuarial gain/(loss) on defined benefit pension scheme	663	-	-	**663**
Balance at 31 August 2023	**-**	**33,672**	**3,309**	**36,981**
Charity only				
Balance at 1 September 2022	**-**	**-**	4,878	**4,878**
Income	-	-	7,883	7,883
Expenditure	-	-	(9,549)	(9,549)
Transfers between funds	-	-	(319)	(319)
Balance at 31 August 2023	**-**	**-**	**2,893**	**2,893**

The specific purposes for which the funds are to be applied are as follows:

Restricted pension funds

These arise in Catch22 Multi Academies Trust and represent the negative reserve in respect of the liability on the LGPS defined benefit pension scheme. At 31 August 2023 the LGPS pension scheme was in surplus and therefore there is no reserve (see Note 21).

Restricted fixed asset funds

These arise in Catch22 Multi Academies Trust and represent the net book value of the land and buildings of academies transferred from the local authority on conversion.

Restricted funds

These arise from donations, grants and fees to fund activities or services as specified by the donor. Income represents donations, grants and fees from government bodies and corporate and trust donors. Expenditure represents expenditure on specific services linked to these restricted donations, grants and fees. Restricted funds also include the activities of the subsidiary company, Catch 22 Multi Academies Trust Limited.

An analysis of restricted funds by activity is set out below:

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

17. Restricted funds (continued)

Transfers between funds

Restricted pension funds: £nil (2022: £379k) – this represents the actual employer contributions in year to the LGPS scheme, transferred from restricted funds in the Catch22 Multi Academies Trust
Restricted fixed asset funds: £369k (2022 £nil) – this represents property maintenance expenditure transferred to restricted funds in the Catch22 Multi Academies Trust
Restricted funds: (£1,017k) (2022: (£621k)). Transfers relating to the Catch22 Multi Academies trust, as described above amount to (£369k) (2022: (£379k)). A further (£329k) (2022: (£242k) represents net charges for services between the Charity and Catch22 Multi Academies Trust, transferred from/(to) general funds. A further (£319k) (£2022; £nil) relates to funds on a contract that the charity ceased to operate several years ago, which after careful review, the trustees no longer consider to be restricted.

Prior year

	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Total Restricted funds £'000
Consolidated				
Balance at 1 September 2021	(3,758)	36,671	4,026	**36,939**
Income	262	60	22,611	**22,933**
Expenditure	(1,239)	(2,834)	(19,847)	**(23,920)**
Transfers between funds	379	-	(621)	**(242)**
Actuarial gain/(loss) on defined benefit pension scheme	3,830	-	-	**3,830**
Balance at 31 August 2022	**(526)**	**33,897**	**6,169**	**39,540**
Charity only				
Balance at 1 September 2021	**-**	**-**	**2,523**	**2,523**
Income	**-**	**-**	**9,966**	**9,966**
Expenditure	**-**	**-**	**(7,611)**	**(7,611)**
Transfers between funds			**-**	**-**
Balance at 31 August 2022	**-**	**-**	**4,878**	**4,878**

The specific purposes for which the funds are to be applied are as follows:

Current year

Consolidated by charitable activity	Balance 1 September 2022 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2023 £'000
Employability and skills	3,467	2,706	(4,443)	**-**	**1,730**
Education	1,291	13,267	(13,444)	(698)	**416**
Justice	-	132	(132)	**-**	**-**
Young people, families and communities	1,273	4,892	(4,790)	(319)	**1,056**
Other	138	248	(279)	-	**107**
Total restricted funds	**6,169**	**21,245**	**(23,088)**	**(1,017)**	**3,309**

Charity only by charitable activity	Balance 1 September 2022 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2023 £'000
Employability and skills	3,467	2,706	(4,443)	-	**1,730**
Justice	-	132	(132)	-	**-**
Young people, families and communities	1,273	4,797	(4,695)	(319)	**1,056**
Other	138	248	(279)	-	**107**
Total restricted funds	**4,878**	**7,883**	**(9,549)**	**(319)**	**2,893**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

17. Restricted funds (continued)

Prior year

Consolidated by charitable activity	Balance 1 September 2021 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2022 £'000
Employability and skills	1,357	6,090	(3,980)	-	**3,467**
Education	1,503	12,645	(12,236)	(621)	**1,291**
Justice	-	255	(255)	-	**-**
Young people, families and communities	914	3,445	(3,294)	208	**1,273**
Other	252	176	(82)	(208)	**138**
Total restricted funds	**4,026**	**22,611**	**(19,847)**	**(621)**	**6,169**

Prior year

Charity only by charitable activity	Balance 1 September 2021 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2022 £'000
Employability and skills	1,357	6,090	(3,980)	-	**3,467**
Justice	-	255	(255)	-	**-**
Young people, families and communities	914	3,445	(3,294)	208	**1,273**
Other	252	176	(82)	(208)	**138**
Total restricted funds	**2,523**	**9,966**	**(7,611)**	**-**	**4,878**

18. Unrestricted funds

	Balance 1 September 2022 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Net gains/(losses) on investments and share of associate net profit £'000	Balance 31 August 2023 £'000
Consolidated						
Revaluation reserve	2,436	-	(43)	-	-	**2,393**
Designated fund	1,054	-	(19)	272	-	**1,307**
General fund	12,192	31,694	(32,502)	376	455	**12,215**
Total	**15,682**	**31,694**	**(32,564)**	**648**	**455**	**15,915**
Charity						
Revaluation reserve	2,436	-	(43)	-	-	**2,393**
Designated fund	1,054	-	(19)	272	-	**1,307**
General fund	11,934	31,919	(32,286)	47	309	**11,923**
Total	**15,424**	**31,919**	**(32,348)**	**319**	**309**	**15,623**

Revaluation reserve

This represents the difference between the net book value and valuation of revalued property.

Designated fund

This represents funds that the trustees have allocated to specific projects. These projects are:

- Use of data and analytics to improve impact and deliver reform objectives; £604k (2022: £604k) over the next 2 years
- Reducing the organisation's environmental impact; £131k (2022:£150k) over the next 2 years
- Growing the organisation to reach more beneficiaries and deliver greater impact; £422k (2022: £300k) over the next 2 years
- Developing and capturing the social value delivered by the organisation; £75k (2022: £nil) over the next 2 years
- Ensuring the organisation's support services and structures are fit for purpose; £75k (2022: £nil) over the next 1 year

General fund

This represents funds which are not restricted or designated for specific purposes. General funds are expendable at the discretion of the trustees to further the charitable objects of the Catch22 group.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

18. Unrestricted funds (continued)

Prior year

	Balance 1 September 2021 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Net gains/(losses) on investments £'000	Balance 31 August 2022 £'000
Consolidated						
Revaluation reserve	2,479	-	(43)	-	-	**2,436**
Designated fund	-	-	-	1,054	-	**1,054**
General fund	9,243	37,058	(32,573)	(812)	(724)	**12,192**
Total	**11,722**	**37,058**	**(32,616)**	**242**	**(724)**	**15,682**
Charity						
Revaluation reserve	2,479	-	(43)	-	-	**2,436**
Designated fund	-	-	-	1,054	-	**1,054**
General fund	8,998	37,220	(32,506)	(1,054)	(724)	**11,934**
Total	**11,477**	**37,220**	**(32,549)**	**-**	**(724)**	**15,424**

19. Analysis of net assets between funds

Consolidated **Fund balances at 31 August 2023 are represented by:**	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Unrestricted funds £'000	31 August 2023 Total £'000
Tangible fixed assets	-	33,672	-	5,496	**39,168**
Intangible fixed assets	-	-	-	202	**202**
Investments	-	-	-	11,119	**11,119**
Current assets/(liabilities)	-	-	3,309	(351)	**2,958**
Long term liabilities	-	-	-	(551)	**(551)**
Total net assets	**-**	**33,672**	**3,309**	**15,915**	**52,896**
Charity Only **Fund balances at 31 August 2023 are represented by:**					
Tangible fixed assets	-	-	-	5,496	**5,496**
Intangible fixed assets	-	-	-	202	**202**
Investments	-	-	-	10,868	**10,868**
Current assets/(liabilities)	-	-	2,893	(392)	**2,501**
Long term liabilities	-	-	-	(551)	**(551)**
Total net assets	**-**	**-**	**2,893**	**15,623**	**18,516**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

19. Analysis of net assets between funds (continued)

Consolidation Fund balances at 31 August 2022 are represented by:	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Unrestricted funds £'000	31 August 2022 Total £'000
Tangible fixed assets	-	33,897	-	5,582	**39,479**
Intangible fixed assets	-	-	-	237	**237**
Investments	-	-	-	10,695	**10,695**
Current assets/(liabilities)	-	-	6,169	(54)	**6,115**
Long term liabilities	-	-	-	(778)	**(778)**
Provisions	(526)	-	-	-	**(526)**
Total net assets	**(526)**	**33,897**	**6,169**	**15,682**	**55,222**

Charity Only Fund balances at 31 August 2022 are represented by:					
Tangible fixed assets	-	-	-	5,565	**5,565**
Intangible fixed assets	-	-	-	237	**237**
Investments	-	-	-	10,590	**10,590**
Current assets/(liabilities)	-	-	4,878	(190)	**4,688**
Long term liabilities	-	-	-	(778)	**(778)**
Total net assets	**-**	**-**	**4,878**	**15,424**	**20,302**

20. Commitments under operating leases

Consolidation

At 31 August 2023 the group had future minimum commitments under non-cancellable operating leases as follows:

	31 August 2023 £'000	31 August 2022 £'000
Land and buildings:		
expiring in the first year	904	697
expiring in the second to fifth year	591	704
expiring after five years	-	288
	1,495	**1,689**

Charity only

At 31 August 2023 the charity had future minimum commitments under non-cancellable operating leases as follows:

	31 August 2023 £'000	31 August 2022 £'000
Land and buildings:		
expiring in the first year	904	697
expiring in the second to fifth year	591	704
expiring after five years	-	288
	1,495	**1,689**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

21. Pension and Similar Obligations

Employees of The Catch22 Multi Academies Trust (MAT) belong to five principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and Local Government Pension Scheme (LGPS') for non-teaching staff, consisting of the Hampshire County Council Pension Fund which is managed by Hampshire County Council for Ashwood Academy, The Coppice Springs Academy and The Austen Academy staff, the Northamptonshire Pension Fund which is managed by Northamptonshire County Council for the Spires Academy staff, the Devon County Council Pension Fund which is managed by Devon County Council for the Burton Academy and Brunel Academy staff in Torbay, and the Norfolk County Council Pension Fund which is managed by Norfolk County Council for Fen Rivers Academy staff.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS' to the period ended 31 March 2022.

Teachers' Pension Scheme

The (MAT) participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £738,900 (2022: £934,347) and at the year-end £122,852 (2022:£121,412) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS affecting contributions during the year was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% employer administration levy).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million
- the SCAPE (Superannuation Contributions Adjusted for Past Experience) rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is based on OBR's forecast for long-term GDP growth. The current SCAPE rate is 1.7% above the rate of CPI.

This valuation result is due to be implemented from 1 April 2024.

A copy of the valuation report and supporting documentation is available on the Teachers' Pensions website.

Local Government Pension Schemes (LGPS)

The LGPS' are funded defined benefit pension schemes, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £578k (2022: £494k), of which employer's contributions totalled £445k (2022: £379k) and employees' contributions totalled £133k (2022: £115k). The agreed contribution rates for future years is 22.9 per cent for employers and is between 5.5 and 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

Principal Actuarial Assumptions	At 31 August 2023 Hampshire	At 31 August 2023 Norfolk	At 31 August 2023 Northamptonshire	At 31 August 2023 Torbay
Rate of increase in salaries	4.00%	3.65%	3.50%	3.85%
Rate of increase for pensions in payment/inflation	3.00%	2.95%	3.00%	2.85%
Discount rate for scheme liabilities	5.20%	5.20%	5.20%	5.30%
Inflation assumption (CPI)	3.00%	2.95%	3.00%	2.85%

	At 31 August 2022 Hampshire	At 31 August 2022 Norfolk	At 31 August 2022 Northamptonshire	At 31 August 2022 Torbay
Rate of increase in salaries	3.70%	3.75%	3.55%	2.90%
Rate of increase for pensions in payment/inflation	2.70%	3.05%	3.05%	2.90%
Discount rate for scheme liabilities	4.10%	4.25%	4.25%	4.20%
Inflation assumption (CPI)	2.70%	3.05%	3.05%	2.90%

Sensitivity Analysis

Approximate monetary increase to the obligation as a result of the following changes in assumptions at 31 August 2022 are set out below:

	At 31 August 2023 £000	At 31 August 2022 £000
Hampshire		
0.1% increase in the salary increase rate	2	4
0.1% increase in the pension increase rate	50	47
0.1% decrease in real discount rate	52	51
Norfolk		
0.1% increase in the salary increase rate	-	-
0.1% increase in the pension increase rate	15	10
0.1% decrease in real discount rate	15	11
Northamptonshire		
0.1% increase in the salary increase rate	-	-
0.1% increase in the pension increase rate	11	9
0.1% decrease in real discount rate	10	9
Torbay		
0.1% increase in the salary increase rate	-	1
0.1% increase in the pension increase rate	30	43
0.1% decrease in real discount rate	29	43

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21. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 August 2023 Hampshire	At 31 August 2023 Norfolk	At 31 August 2023 Northamptonshire	At 31 August 2023 Torbay
Retiring today				
Males	22.1 years	21.4 years	21.0 years	21.4 years
Females	24.7 years	20.7 years	24.4 years	22.6 years
Retiring in 20 years				
Males	22.6 years	20.9 years	20.2 years	22.7 years
Females	25.7 years	25.0 years	24.6 years	24.0 years

	At 31 August 2022 Hampshire	At 31 August 2022 Norfolk	At 31 August 2022 Northamptonshire	At 31 August 2022 Torbay
Retiring today				
Males	22.9 years	21.7 years	21.7 years	21.7 years
Females	25.4 years	24.1 years	24.1 years	22.9 years
Retiring in 20 years				
Males	24.7 years	22.9 years	22.8 years	23.0 years
Females	27.1 years	26.0 years	25.8 years	24.3 years

The charitable group's share of the assets and liabilities in the scheme and the expected rate of return were:

	Fair value at 31 August 2023	Fair value at 31 August 2022
	£000	£000
Equities	2,532	1,985
Government Bonds	1,039	439
Property	359	328
Corporate Bonds	-	-
Cash	103	36
Other	468	725
Total market value of assets	**4,501**	3,513

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

Amounts recognised in the statement of financial activities:

	2023	2022
	£000	£000
Current service cost	(560)	(1,181)
Net interest cost	(22)	(58)
Total operating charge	**(582)**	(1,239)

Changes in the present value of defined benefit obligations were as follows:

		2023	2022
		£000	£000
At 1 September		4,039	7,281
Transfer of existing academy	(note 3)	-	(524)
Current service cost		560	1,181
Interest cost		178	116
Employee contributions		133	115
Actuarial (gain)/loss		(405)	(4,058)
Benefits paid		(22)	(72)
At 31 August		**4,483**	4,039

Changes in the fair value of the charitable group's share of scheme assets:

		2023	2022
		£000	£000
At 1 September		3,513	3,523
Transfer out of existing academy	(note 3)	-	(262)
Interest income		156	58
Contributions by members		133	115
Contributions by the employer		445	379
Actuarial (loss)/gain		276	(228)
Benefits paid		(22)	(72)
At 31 August		**4,501**	**3,513**

The net assets of £18k has not been recognised in accordance with FRS102 Paragraph 28.22. The asset value is included in the actuarial gain in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2023

22. Related party transactions

a) During the year Catch22 provided services and recharged costs to The Catch22 Multi Academies Trust Ltd (MAT) amounting to £842k (2022: £741k). The MAT provided services to Catch22 amounting to £194k (2022: £593k). At the balance sheet date Catch22 owed £3k to the MAT (2022: Catch22 was owed £413k from the MAT).

b) There were no transactions between Catch22 and Catch22 Social Enterprise Solutions Ltd (Solutions) during the year. At the balance sheet date Catch22 was owed £109k (2022: £109k) by Solutions.

c) There were no transactions between Catch22 and Catch22 Social Enterprise Ltd (Auto22) during the year. The amount that was due to Catch22 from Auto22 at 31 August 2023 amounting to £646k (2022: £646k) was written off as irrecoverable in prior years and therefore the balance due at 31 August 2023 included within the Catch22 financial statements was £nil (2022: £ nil).

d) During the year Community Links Trust (CLT) delivered services for Catch22 amounting to £123k (2022: £nil) and Catch22 provided services and recharged cost to CLT amounting to £120k (2022: £nil). At the balance sheet date Catch22 owed £123k to CLT (2022: £nil).

e) During the year Catch22 provided services and recharged costs amounting to £178k (2022: £136k) to Community Links Trading and Community Links Trading provided services amounting £1k (2022: £nil) to Catch22. At the balance sheet date Catch22 was owed £474k (2022: £396k) by Community Links Trading. A provision for £396k had been made in Catch22's financial statements by the year ended 31 August 2022 and a further provision of £78k was made in the year ended 31 August 2023. Therefore, the balance due at 31 August 2023 included within the Catch22 financial statements is £nil (2022: £nil).

f) During the year Catch22 paid £nil (2022: £5k) on behalf of Ripplez CIC. At the balance sheet date Catch22 was owed £85k (2022: £103k) by Ripplez. A provision for the full amount of this debt has been made in Catch22's financial statements for the year ended 31 August 2023 and 2022 and therefore the balance due at 31 August 2023 included within the Catch22 financial statements is £nil (2022: £nil).

g) Catch22 Social Enterprise Solutions Limited is a member of Public Services Lab LLP (PSL), which was incorporated on 24 November 2016, and it controls 49.49% of the voting rights in that entity. There were no transactions between PSL and the Catch22 group during the year and there were no balances outstanding between these entities at the balance sheet date (2022: £nil).

h) Catch22 owns 20% (2022: 20%) of the voting rights in Jobs22 Limited. During the year Catch22 provided services amounting to £95k (2022: £84k) to Jobs22. At the balance sheet date Jobs22 owed £nil (2022: £2k) to Catch22. Also during the year Jobs22 made an interest free loan to Catch22 of £720k, the loan is repayable on demand and is interest free. At the balance sheet date £720k (£nil) was owed to Jobs22 by Catch22.

i) Harvey Redgrave was appointed a trustee of Catch22 on 27 February 2023, and is also a director and minority shareholder of Crest Advisory (UK) Limited. Prior to his appointment Catch22 agreed a contract with Crest Advisory to provide services to Catch22, the terms are on a commercial, arms-length basis, and were not connected to Mr Redgrave's appointment as a trustee. During the year, and since Mr Redgrave's appointment as a trustee, Crest Advisory have provided services to Catch22 amounting to £74k. There was no balance outstanding between the organisations at the balance sheet date.

23. Events after the reporting date

The Brunel and Burton Academies left the Catch22 Multi Academies Trust Ltd (MAT) on 1 September 2023, the Fen Rivers Academy left on 1 December 2023 and the Spires Academy left on 1 February 2024. The remaining three academies are due to be re-brokered to new trusts before 31 August 2024. Following the completion of the re-brokering the trustees will begin preparations to wind-up the MAT.

CATCH22 PEOPLE

Patron

HRH The Princess Royal

Board of Trustees

Terry Duddy, Chairman
Caroline Artis, Treasurer
Alison Alexander
Natasha Finlayson (appointed 27 February 2023)
Matthew Halstead
Jeff Jacobs
Gita North
Tove Okunniwa (resigned 29 September 2022)
Samantha Olsen (resigned 28 October 2022)
Pria Rai
Harvey Redgrave (appointed 27 February 2023)
Benoit Salama (appointed 1 February 2023)
Ufuoma Irene Sobowale (appointed 1 February 2023)
Claire Starza-Allen
Jonathan Thomas
Sean Williams (resigned 15 December 2022)

Chief Executive

Naomi Hulston

Company Secretary

Nigel Richards

Registered Office

27 Pear Tree Street
London
EC1V 3AG

Bankers

Barclays
Level 27, 1 Churchill Place
London
E14 5HP

Solicitors

Stone King LLP
Boundary House
91 Charterhouse Street
Clerkenwell
London
EC1M 6HR

Investment Managers

HSBC Private Bank (UK) Limited
78 St James's Street
London SW1A 1JB

Auditors

Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP



catch 22

catch-22.org.uk

Catch22 charity limited. Registered charity no. 1124127
Company limited by guarantee. Company no. 06577534

CATCH 22 CHARITY LIMITED

England & Wales - Charity number 1124127

Accounts

CATCH 22 CHARITY LIMITED

Trustees' Report and Financial Statements

FOR THE YEAR ENDED 31 AUGUST 2022

Company number: 06577534
Registered charity number: 1124127

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“Never has there been a time when the services and programmes Catch22 provides are more needed”



2022 saw some seismic events – both in the UK and globally. The war in Ukraine dominated world news, set against the backdrop of domestic political turmoil, the death of the Queen, public sector strikes and a growing cost of living crisis.

Never has there been a time when the services and programmes Catch22 provides are more needed.

We have seen an increasing demand in young people accessing support for drug and alcohol misuse, mental health services and in those being referred to our child exploitation services. Our employability programmes have helped hundreds of people of all ages secure good, sustainable work - at a time when they've needed it most. And we continue to expertly support victims of crime to get their lives back on track, as well as working with people on probation to prevent reoffending.

At Catch22, we strive for a world where everyone has what we call the ‘3 Ps’ – good people around them, a safe place to live and a purpose in life. It is our mission to ensure everyone we work with has the opportunity to realise those 3Ps, even when the scale of the problems they face seem unsurmountable.

In this Review, you'll find some fantastic examples of what we've done in the last 12 months to progress this vision. You'll find examples of how we've:

- **Changed individual mindsets:** empowering our service users so they can grasp opportunities and fulfil their potential.
- **Delivered continually improving services:** evolving our services and programmes to be the best they can.
- **Improving how services are commissioned:** promoting the idea that public services can be delivered effectively through a combination of the voluntary, public and private sectors.
- **Driving policy change:** taking the learnings from our service delivery and informing the direction of national policy.
- **Championing systemic change:** being relentless in our pursuit of more effective public service delivery for those who are most marginalised.

It has also been a year where we've invested in our staff; because it's the passion, commitment and expertise of our people that make us who we are.

I want to thank everyone who has worked with us over the last year – our partners, commissioners, coalition colleagues, policy makers – and most importantly our service users. As we embark on our new, ambitious three year Business Strategy, your support and insight will be invaluable in ensuring we're driving change and creating a world where everyone, no matter what their background, is able to thrive.

Naomi Hulston, CEO


SEP
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BER

Rothschild Foundation partners with Catch22 to support those facing barriers to employment into work

The 2-year partnership will fund Catch22's Horizons employability programme- thought to be one of the first employability programmes to address both unemployment and underemployment; where work is either low paid, unstable or without opportunities to progress.

With the support of Rothschild Foundation, the programme has been able to expand its reach and help more people who are facing challenges – whether that's homelessness, poor mental health, low education attainment or other barriers – into meaningful work.

ROTHSCHILD FOUNDATION

HORIZONS

Coding for prisoners: Code4000 joins Catch22

Code4000 trains people in prison to learn to code – from the basics, right through to becoming full-stack software engineers – and then help place them into jobs.

The impact is impressive: compared to a national reoffending rate of 46%, none of Code4000 graduates has gone on to reoffended.

CODE 4000

TEACHING TECH CHANGING LIVES

Catch22, The Prince's Trust and Apprentice Nation join forces to secure major contract to help up to 1,500 young people move closer to work

Young people aged 16-25 who are at risk of serious violence are benefitting from an inspiring new employability programme delivered by Catch22, The Prince's Trust and Apprentice Nation.

The Creating Opportunities Programme – funded by the Home Office and HM Treasury – helps up to 1,500 young people develop the skills they need to make a successful transition into work, training and apprenticeships.

The programme supports participants by:

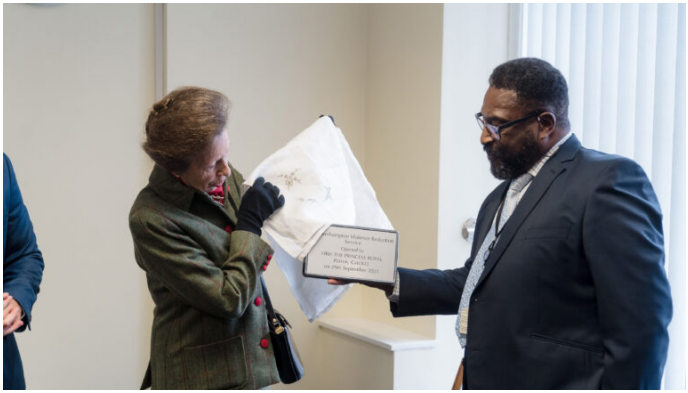
- Reducing risk factors and increasing the protective factors for serious violence
- Demonstrating progress in their distance travelled towards employment
- Improving their overall physical and mental wellbeing


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Royal visit to Wolverhampton's Violence Reduction Service

The Princess Royal, Catch22's patron, was welcomed to the Wolverhampton Violence Reduction Service earlier this month, to meet young people supported by the service and the staff intervening with young people at risk of harm by gangs.

Her Royal Highness spoke to staff in both strands of the service – the Community Team and the Resettlement Team.



Austen Academy school opens for children with autism

The Austen Academy officially celebrated its opening on 21st October, with attendance from local MP Maria Miller.

The Basingstoke school is funded by the Department for Education and currently has capacity for 128 students from age 5 – 16, catering for children with an Autism diagnosis.

"It has been a challenging couple of years for everyone, our students included. We are thrilled to welcome them and our community to a school which is the first in the area specifically designed to improve the future opportunities of children with autism. Our students are doing exceptionally well."

Liz Cooper, Headteacher




NOV
EM
BER

Catch22's Fen Rivers Academy achieves UNICEF Silver Award

Just one year after claiming the Bronze 'Rights Committed' accreditation, Fen Rivers Academy, based in King's Lynn, achieved a Silver award in recognition of their 'Rights Awareness'.

The assessor's report said: 'Staff acknowledged that learning that everyone has rights had helped some children become more empathetic and understand the impact of their actions. The headteacher identified that RRSA had had "a massive impact on behaviour."'

"It has been a challenging couple of years for everyone, our students included. We are thrilled to welcome them and our community to a school which is the first in the area specifically designed to improve the future opportunities of children with autism. Our students are doing exceptionally well."

Amanda Fewkes, Headteacher

Catch22 scoops national Children and Young People Now and ERSA awards

The dedication of the Catch22 teams, delivering high-quality services to those who need them most, was reocognise this month with wins across two national award ceremonies.

Bright Light was been awarded the Children and Young People Now Leaving Care Award for its employability support to care leavers, whilst Arcus FM – a partner employer for Bright Light - won the ERSA Employer of the Year award for showing "exceptional commitment by partnering with providers in their areas, supporting disadvantaged and long-term unemployed jobseekers." Our Hertfordshire KETS team also won the ERSA Employability Team of the Year – Hidden Heroes, for their work behind the scenes to enable the best employability support service out there.




DEC
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BER

Research reveals significant increase in the proportion of missing incidents caused by children and young people's emotional wellbeing.

Reflecting on the findings from our services, we launched our Missing and Emotional Wellbeing Report, which was featured in an article in The Guardian. The report makes a series of recommendations, including:

- There must be timely access to mental health support when children disclose poor mental health during a return home interview (RHI).
- Children or young people having been reported missing or at risk of exploitation should be supported by a fast-track referral into Child and Adolescent Mental Health Services.
- During a missing report to Police, call-handlers should ask explicitly about the child's state of mind at the time of going missing, to support accurate risk assessment and appropriate response and investigation

Surrey's Police and Crime Commissioner teams up with Catch22 to prevent child exploitation

This month we were recommissioned to deliver our hugely successful Music to My Ears Service, which uses the arts as a means of intervention and engagement with young people at risk of, or affected by, criminal exploitation.

The expanded service offers a combination of creative workshops and tailored one-to-one support from a named advisor to help individuals to address the root causes of their vulnerability. Focussing on early intervention that recognises the family, health and social factors that can lead to exploitation, the three-year project will increase the number of young people supported away from exploitation by 2025.




JAN
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Highly successful Pan-Merseyside Child Exploitation Service extended

Under-18s who are victims of sexual or ciminal exploitation, County Lines and trafficking will continue to be supported by our excellent Pan-Merseyside team. The service has been re-comimssioned and extended due to our excellent delivery.

With the funding, we will carry out comprehensive screening and assessment to identify young people who at risk of exploitation and deliver a programme of intervention and long-term support to ensure they are able to fully cope and recover and reduce any further risk.

"This £2.5m funding package demonstrates how committed we are to improving the protection and care we provide for vulnerable young people in Merseyside, ensuring they don't fall prey to criminals"

Emily Spurrell, Police and Crime Commissioner for Merseyside

Pioneering partnership to drive social impact in justice

Catch22 is running a pilot programme called Achieving Compliance and Engagement (ACE), which aims to reduce the rate of Fixed Term Recalls (FTRs) as a result of non-compliance with licence conditions in London. Prison leavers who are high risk of being recalled are identified, and the programme intervenes early.

We've forged a pioneering partnership between our Achieving Compliance and Engagement (ACE) project and Masters Students at Royal College of Art's to create a number of tools integrating service design principles to enhance the effectiveness of the service. These include:

- I am- an intervention to help people on probation express themselves and develop stable emotion conditions and build better relationships
- Conversation as a practice - a framework consisting of two interventions aimed to assist Catch22 staff in building positive perceptions around probation and figures of authority
- Quick Facts - a collection of guides that compile information based on the most common needs and inquiries of people on probation
- 4 GP- aimed at improving communication throughout different stages of the service user journey (in custody, before release, day of release and probation)

Senior Capita Director joins Catch22 Board

Jonathan Thomas, Senior Business Development Director at Capita, was appointed a Catch22 trustee. He has undertaken a variety of senior roles in support of the public sector during his career within Capita, having joined in 2005. He has been instrumental in designing innovative service delivery models, the development of public sector strategy and has secured numerous partnerships across Local Government, Health, Central Government and Education, delivering over £400m of savings to the public sector.

"Throughout my career I have been motivated by a desire to improve public services and I am excited by the opportunity to assist Catch 22 provide critical services that overcome disadvantage, address inequality and create opportunity."

Jonathan Thomas, Catch22 Trustee

FEBRUARY



OFSTED 'good' for colleges and apprenticeships

Catch22's seven colleges are designed for learners aged 16 to 19-years-old, with programmes tailored to each learner's individual needs, education and employment goals. We support a significant number of learners with learning difficulties and disabilities.

Catch22's colleges and apprenticeship provision were rated 'Good' by OFSTED following an inspection this year.

"Learners and apprentices enjoy learning in a positive, respectful and caring environment."

Ofsted, February 2022

Lighthouse Pedagogy Trust opens first Children's Home

Incubated by Catch22, Lighthouse Pedagogy Trust's first home opened in Sutton, London this month.

The home offers a safe, nurturing and empowering community in which young people aged 12-17 can develop, learn and thrive. Our team understand that as a result of their lived experiences, some of our young people may express themselves in ways that require an extra layer of compassion, patience and understanding and we are set up to help navigate these complex emotional dynamics.

The home supports all young people, whether their aim is to return to live with family, move on to foster care, prepare to live in their own flat or in supported accommodation.





How does gaming equip young people for life?

Ahead of Safer Internet Day 2022, Catch22 hosted a virtual event to explore online gaming – from the opportunities it can present for young people and the skills it can develop, to the challenges of safely encouraging one of the fastest-growing industries. Speakers included representatives from UKIE, Women In Games, Game Academy and Parent Zone.



MARCH



Online Safety Bill influencing

The Online Safety Bill was introduced to Parliament, marking a major step forward for tackling growing harms seen online. Our response was the start of a series of activities to influence the content of the Bill, including giving oral evidence to the Online Safety Bill committee. We want to see:

- **Safety by design focus:** As new apps and features are developed, particularly as we see things like the 'metaverse' grow, there should be a legal design requirement to demonstrate that if children use these tools, which we know they are, their safety is paramount.
- **Transparency** from platforms, at minimum in the form of annual reports, to enable impactful academic research into the how online harm can be tackled.
- **Empowerment** for the individual, enabling them to complain to the regulator or a representative body.
- **Age Assurance** in a manner which protects privacy and data and is accessible for every individual – not just those with passports / ID.
- **Media literacy** for all – with a requirement on these hugely influential platforms to fund training and advocacy programmes.

Mental health award for staff at Fen Rivers Academy

The InsideOut awards recognise those who have gone above and beyond in supporting and championing the mental health of those around them, particularly in the workplace. Amanda Fewkes, Headteacher at our Fen Rivers Academy, won the InsideOut 'Line Manager' Award, while Judith Henson (who runs Wellbeing Wednesdays at the schools to support health with their mental wellbeing) was shortlisted for the 'Behind the Scenes Champion' Award.



"I am a passionate advocate for positive mental health and wellbeing, firmly believing that my staff team and the pupils we serve will all thrive and achieve great things if we care for their wellbeing and they are able to be their authentic selves; feeling seen, heard and held in mind."

Amanda Fewkes, Headteacher, Fen Rivers Academy

Supporting prison leavers to reintegrate

Catch22 delivers nine Personal Wellbeing Support services for prison leavers on licence, leavers requiring post-sentence supervision, and those serving community or suspended sentences. The services focus on four key areas:

- Family and Significant Others,
- Lifestyle and Associates,
- Emotional Wellbeing, and
- Social Inclusion

As part of our weekly blog series, which covers a range of perspectives and insights from across Catch22, one of our Personal Wellbeing practitioners shared his experience of helping a prison leaver reintegrate into society.

"When I went to visit Mr F in his new area, we went for a walk to the retail park and he couldn't stop smiling. I could see that the tension and pressures that he had been under for the last 6 months whilst housed in an unsafe area were lifting and he had something to look forward to again."

Tobias Benson, Catch22 Navigator Mentor

APRIL



Care leavers and the cost of living crisis

Our National Leaving Care Benchmarking forum led an open letter to the UK government calling on them to take action to minimise the impact of the cost of living crisis on care leavers. Alongside other charity leaders, we warned that the current cost of living increases the risk of tipping care-experienced young people into poverty. The letter called for the government to help support care leavers through changes to Universal Credit and ringfencing Household Support Funds.

"Just to make it clear, I am working 2 jobs and still worried about not being able to cover costs from the living rise, so I can just imagine how anxious others are feeling."

Care-experienced young person

Unlocking creative job opportunities through partnership with TIkTok

An exciting new multi-million pound partnership between Catch22 and TikTok was announced this month. The TikTok Creative Academy is a programme providing creative and digital jobs training to level up and support communities right across the UK.

In just 6 months, more than 60 young people have been through the programme, with many securing jobs I with the likes of the Museum of Liverpool, Turner Contemporary, Art Gallery in Margate and Delfont Mackintosh Theatre.

"We are thrilled to be partnering with Catch22 to bridge the gap between young people and the creative industries – to truly enable creativity for all."

Rich Waterworth, General Manager for TikTok UK & Europe

Justice Minister visits Hertfordshire Beacon victims service

Minister of State for Justice and Deputy Prime Minister Dominic Raab visited our Hertfordshire Beacon service for victims of crime. He announced new funding for domestic abuse and sexual violence victims and was given a demonstration of the new Beacon app – Herts Beacon Assist.

"There is an excellent organisation called Catch22, which runs the PCC's victim fraud services in Hertfordshire and spends a great deal of time not only looking after the victims' needs but trying to get the money back for them."

Dame Vera Baird, Victims Commissioner, speaking at the Digital Fraud Committee




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Welcome to our new CEO, Naomi Hulston!

Following a rigorous recruitment process, our Chief Operating Officer, Naomi Hulston, was promoted to Chief Executive Officer this month. Naomi has been with Catch22 for a total of 21 years, and during that time has held a total of 14 different positions, progressing from a volunteer to Chief Operating Officer in 2017. She brings with her a wealth of experience in successfully overseeing the organisation's operational delivery, as well as huge passion for Catch22 and the work we do.



LINKS MEDIA COLLEGE

Links Media College launches

Community Links launched Links Media College - a free, part-time fully accredited college in Music Tech, English and Maths for 16–19-year-olds.

The College specialises in offering learning and training opportunities for students who, for whatever reason, don't want to stay in a traditional academic environment. We provide our students with a different option– the opportunity to carry on their learning in a smaller, highly supportive environment where the focus is on providing learning and training options to help students gain the skills, qualifications and experiences they need to achieve their goals in life. As well as helping students build skills in English and maths, they can gain a Level 2 certificate in Music Technology.



Helping young people facing disadvantage to thrive online

With funding from the Avast Foundation, we commissioned an extensive piece of research exploring how young people who are often marginalised – in particular those outside mainstream education – can be supported to thrive in the online world. We produced a guide for practitioners to put the research into practice, with advice on how to:

- Ensure young people feel safe and comfortable
- Ensure accessibility and clarity of understanding for all
- Ensure young people feel completely in control
- Establish and maintain trust
- Build confidence and feelings of belonging

"Too often, young people are pushed towards programmes on 'online safety' and 'digital skills', which invariably have good content, but often struggle with poor engagement. We need to speak the language of young people. That means talking about what they care about, not what we think they should care about."

Kat Dixon, Director of Partnerships, Catch22

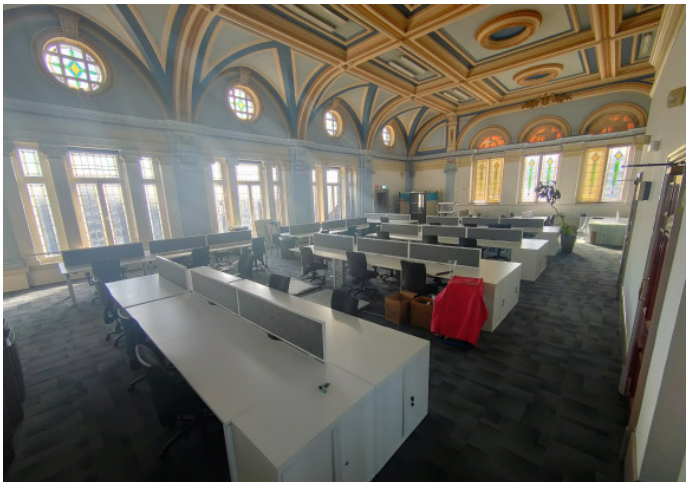

JUNE

Mental health support through Community Connectors

Community Links' Community Connectors programme launched this month, helping people of all ages suffering from mental illness. The 5 year £3.9m programme aims to work with GPs and in the community to help more than 6,000 people.

Community Links receives a makeover!

We were able to reinvest £80,000 into improved facilities for service users, volunteers and staff at the Community Links building at 105 Barking Road.



High praise for Catch22's Wolverhampton Community Service

Our Wolverhampton Community service provides early intervention and prevention to young people who are at risk of harm from gang activities. It also supports at- risk and fully gang entrenched young people to identify viable alternatives to the gang lifestyle, violent activities, and antisocial behaviour. In the service's final evaluation report, the evaluator states that: 'the support workers are passionate about the service and frequently go above and beyond to assist the people they support.'

"The WVRS Community Service is highly respected for their expertise and ability to reach young people that no other statutory or professional service can…the Community Service makes a real impact in the lives of people and communities it supports"

Evaluation report

Youth Café launches for victims of child exploitation

Catch22's Derby and Derbyshire C.A.R.E.S service has launched a local youth café called Creative Catch, a monthly session providing a safe and vibrant environment for young people to speak to our practitioners. The café was opened by Derby resident and professional boxer Sandy Ryan, who dedicates some of her free time to the young people supported by the service. Later in the year, the café moved location and received a visit from special guests Rap duo Flintz and T4ylor, famed for their success on Britain's Got Talent.



JULY



Teaching coding in prisons

Code4000 secured £75,000 of funding from the PA Foundation to extend its programmes to more prisons. Code4000 teaches computer programming in prisons and supports students into employment in the technology industry upon release.

40%

of Code4000 graduates found employment upon release, and none of our graduates have reoffended or been returned to custody.

Exploring in Iceland

33 young people attended and completed a Dangoor project to Iceland with the British Exploring Society

"My expedition was a life changing experience. It was challenging at times, especially when something unexpected would occur, such as the planned camping area having no water due to the river drying up and continuing walking when I was exhausted and still had a long walk ahead. However, all of the challenges were worth it…my top moment of the expedition was doing the macarena on top of a volcanic crater at dusk, which was a breath-taking moment that made me really realise how lucky I was to be on expedition."

Eleanor, 18, participant





SEND Green Paper response

Catch22 provides alternative and special full-time and part-time education for young people aged 4-18 years old displaying a wide range of complex barriers to education, including those who are excluded or at risk of exclusion and those with social, emotional and mental health (SEMH) needs or special educational needs and disabilities (SEND).

In our response to the SEND green paper, we called on Government to:

- Stabilise funding and resourcing thresholds so that schools can plan for SEND support with a more secure, certain and long-term approach.
- Demand that careers support is prioritised in specialist and alternative provision schools with dedicated careers advisors and a focus on working with post-16 destinations to ensure they are flexible enough to accommodate reasonable adjustments required for the individual to perform.
- Strengthen the requirement for Education and Health Care Plans (EHCPs) to be completed with a target based approach, in which interventions are articulated by need.

AUGUST



Finance, Benefit and Debt service goes live

Our new Finance, Benefit and Debt Community Rehabilitative Service went live this month. The service works with people on probation from across the 32 London boroughs, providing advice, support, guidance, information, signposting, and advocacy to reduce re-offending. The service is funded by the Ministry of Justice and delivered with partners including Barclays, RIFT and Community Links, also part of Catch22.

"This new contract complements the work we're delivering as part of our personal wellbeing contracts – and aims to address some of the root causes of reoffending. Too often those who have been in the criminal justice system find it difficult to get their finances in order and don't know where to go for help with claiming the benefits they're entitled to. This inevitably leads to an increased likelihood of reoffending."

Lisa Smitherman, Strategic Director of Justice and Education, Catch22

New Dependency and Recovery Service in London

Catch22, supporting The Forward Trust, is now delivering the Dependency and Recovery Service in London. The service will help thousands of people on probation (prison leavers and those on community orders). It's part of a suite of add-on services that probation teams can commission to provide tailored wrap-around support to their clients and has been designed to bridge the gap between probation and substance misuse services in the community. Catch22 will be specifically working with 18-25 year olds, building on our experience of running successful substance misuse services.

5,000 young people excel on National Citizen Service programme

Nearly 5,000 young people completed the National Citizen Service (NCS) programme with Catch22 this year, taking part in a range of activities including raising thousands of pounds for local charities as part of their social action projects. This month, Angela Rayner MP, Deputy Leader of the Labour Party, joined a group of Tameside teenagers taking part in our NCS Summer programme.



FINANCIAL HIGHLIGHTS

2021/22 was another progressive year for Catch22's financial performance and we are grateful for the continued flexibility and commitment of our staff in ensuring we have continued to deliver quality services to even more participants.

Our underlying income has grown through a combination of increased activity following the pandemic, new contracts and new partnerships along with a very high retention rate of our existing contracts, which is testament to the quality of our delivery and our ability to meet the needs of both our beneficiaries and our commissioners and funders. Operating costs have remained well controlled, and we have benefitted from the mergers of Community Links Trust and Ripplez into Catch22 last year, which have enabled us to generate further economies of scale and reduce certain support costs.

Support costs have increased but this has been in response to the growth of Catch22 and planned investment by the trustees in resources to grow our partnership income, improve our technology infrastructure and ensure the safety of our participants and staff.

During the year we sold 60% of our shareholding in Jobs22 to our joint venture partner, the Angus Knight Group, reducing our shareholding from 50% to 20%. Angus Knight intend to grow Jobs22's presence in the UK's employability and skills market and Catch22 will also benefit from a potential future dividend income stream.

Although the value of our investment portfolio fell during the year, the investment strategy followed by our investment managers protected the portfolio from the volatility and falls seen in global markets and we remain confident that the total returns target of the portfolio will be met over the medium to long term.

Our income from public service delivery grew, primarily through a combination of a full year of NCS activity following the pandemic and a full year of our Justice probation contracts that were secured last year. During the year we secured further probation contracts and contracts to support victims of county lines exploitation.

The focus on growing our work with corporate partners continued and we invested in further resources in this area as we believe that it is an important way to facilitate our ability to innovate and deliver on our reform agenda focus of youth employment. Our current partnerships have a particular focus on digital skills and green jobs. As well as retaining existing partners, during the year we secured new partnerships with the Rothschild Foundation and TikTok.

FUTURE PLANS

Our new 3-year business strategy was launched in September 2023 and a key guardrail was to ensure that the organisation is 'financially stable and sustainable; one true to its social value DNA'. Catch22 is well positioned financially for the future, despite the wider economic and geopolitical uncertainty, with strong reserves some of which the trustees have agreed to invest in other elements of the business strategy including the use of data and analytics to evidence and improve impact; ensuring that the organisation is environmentally compassionate and growing our reach to more service users.

The trustees have taken the strategic decision, working collaboratively with the Regional Schools Commissioners, to re-broker all the academies to new trusts and wind-up the MAT.

FINANCIAL HIGHLIGHTS (CONTINUED)

It is anticipated that the re-brokering process will be complete by 31 August 2023. Whilst this

will lead to a fall in income for the group and a realignment of support costs will be required, it will enable the charity to focus on its delivery of Education through its independent school provision, an area which we remain committed too and will look to grow.

On 1 February 2023 our apprenticeship delivery, a part of our Vocational Training delivery, was transferred to Simply One Stop Limited t/a Learn plus Us. We are really proud of our delivery of apprenticeships and the "Good" grade 2 Ofsted report achieved, but we were not able to grow our delivery to the scale required to deliver the impact we wanted and to ensure its financially sustainability and therefore concluded that the interests of our apprentices and staff would be better served as part of a specialist learning provider.

Our event management and hire trading company, Community Links Trading Ltd t/a Links Events Solutions was significantly impacted by the Covid-19 pandemic and despite the best efforts of its staff and directors a return to profitability has not been achieved, and therefore in order to protect Catch22 from incurring further losses the directors decided in February 2023 to cease trading and wind-up the company in an orderly way.

SUMMARY OF FINANCIAL RESULTS

The group's financial performance for the year to 31 August 2022 is set out in the Statement of Financial Activities.

Movements in the Restricted Pension Funds and Restricted Fixed Asset Funds relate to the operations of the Catch22 Multi Academies Trust (MAT) and in particular the establishment of new academies. The underlying financial performance of the group is therefore better represented by the movements on Restricted Funds, increase of £2.1m (2021: decrease of £0.4m) and Unrestricted Funds, increase of £4.0m (2021: £2.4m).

The increase in Unrestricted Funds is after net exceptional items expenditure of £nil (2021: £0.6m). The 2021 expenditure related to the clawback of funds due to non-delivery by a subcontractor, the costs of organisational restructures, the impairment of tangible fixed assets, and the loss on disposal of Only Connect UK from the group. The increase in Unrestricted Funds includes the sale proceeds of the shares in Jobs22 amounting to £5.2m (2021: £nil).

Overall, the group's consolidated balance sheet has strengthened further during the year, with Restricted Reserves of £6.2m (2021: £4.0m) and Unrestricted Reserves of £15.7m (2021: £11.7m). These reserves provide a solid base for the future of the organisation and the trustees have chosen to invest some of the Unrestricted Reserves as outlined above. The strong balance sheet will also help to shelter the group from the impact of the current inflationary pressure being experienced within the economy and help support our staff through the cost-of-living crisis.

As a result of the group's strong financial performance, its focus on partnership income, which tends to be paid in advance of delivery, and the sale of the shares in Jobs22 the cash position has improved significantly with the bank overdraft at 31 August 2022 reduced to £nil (2021: £2.0m) and cash at bank of £9.2m (2021: £5.4m).

The diverse nature of the group's income streams allows it to take a 'balanced portfolio' approach, with some services contributing a greater amount to the cost of support services than others. However, we continually review the financial viability of all our services, paying particular attention to those that consume a disproportionate amount of resources from our support services or require significant additional support maintain or improve quality. Where it is not financially viable for the group to continue to deliver services, we are proactive in taking measures to restructure them to ensure their future viability, or reluctantly close them where necessary, as we have set out above.

Whilst in the short-term, due to the closure of the MAT, income will fall in 2023/24, we intend to continue to look to grow the organisation as we believe that scale offers financial protection and allows us to continue to offer a platform to social entrepreneurs and smaller organisations to develop their ideas and secure their future impact. We continue to think there are particular growth opportunities for the organisation in its Justice work, the expansion of its children's home offer (first home opened in early 2022), and corporate partnerships.

Despite the closure of the MAT and the transfer of apprenticeship, we will still seek to maintain the rest of the diversity of the group's income streams as this also offers financial protection to the organisation and helps secure its long-term sustainability to continue to deliver impact for its service users and the reform of public services. We will also seek mergers and acquisitions with other organisations where they can increase impact and improve financial sustainability.



INCOME

Total income for the year to 31 August 2022 was

£54.8m

compared with

£65.2m

for the previous year.

Voluntary income in the period included £0.3m (2021: £nil) of pension liabilities transferred to another academy trust on the re-brokering of the Everitt Academy from the MAT. In the previous year only, Voluntary income included long leasehold land and buildings transferred from local authorities used by new academies in the MAT of £17.9m.



After adjusting for these 'one-off' income amounts, income for the year is

£54.5m

compared to

£47.3m

in the previous year, an increase of

15%

Donations, legacies, and grants were 15% of income excluding 'one-offs' (2021: 12%). This demonstrates the continues success of our strategy to increase voluntary income from corporate funders and in particular the new partnership secured with TikTok to develop the TikTok Creative Academy, designed to support people aged 16-24 into a job in the creative industries.

Income from charitable activities rose to £45.7m (2021: £40.9m). due to the expansion of some of the MAT academies, a full year of NCS activity and the new Justice probation contracts.





EXPENDITURE

Total expenditure for the year the year to 31 August 2022 was £56.5m, compared with £54.7m for the previous financial year. Included within the cost of charitable activities is the disposal of long leasehold land and buildings £1.2m (2021: £nil) relating to the re-brokering of the Everitt academy from the MAT. Charitable activities expenditure in the previous year included the impairment of Long Leasehold Land and Buildings held by the MAT £7.4m.

SUPPORT COSTS

Support costs increased by 11% during the year to £4.9m (2021: £4.4m), but that reflects some planned strengthening of the support teams and infrastructure and the growth in income. Support costs are 9% of income excluding the 'one-off' amounts relating to the MAT (2021: 9%).

We have set out in our business plan that our corporate functions have an important role to play as an 'integrator' and that they will play a stronger role in brigading our operational activities going forward. Over the 3-year cycle of the business plan we will review the quality and capacity of our corporate centre on an ongoing basis to build a best-in-class social business infrastructure. We will enhance our support functions to ensure that they efficiently enable Catch22's operational hubs to excel.

NET GAINS/LOSS ON INVESTMENT ASSETS

The net loss on investments during the year was £0.7m (2021: gains £1.3m) and at 31 August 2022, after withdrawals, the portfolio was valued at £10.6m (31 August 2021: £11.5m), in addition, income earned from the portfolio was £0.2m (2021: £0.3m).

Although there is a loss for the year, this was to be expected given the volatility and falls in global markets. During the year, the trustees chose to take a more balanced approach to the investments, moving the portfolio to one with an increased global emphasis and a particular focus on sustainability.

HSBC Private Bank, the investment managers, offer a working capital facility (currently with an agreed limit of £5.0m) secured against the portfolio at a very competitive interest rate. The trustees regularly consider the cost of borrowing to finance working capital against expected investment returns in order to decide whether investments should be sold to fund any working capital requirements. At 31 August 2022 £nil of this facility has been drawn (2021: £2.0m).

INVESTMENTS

All investments were acquired within the Trustees' powers. The portfolio is held in general funds and is managed in accordance with an Investment Policy, which sets out the objectives of the fund, considers risk and liquidity requirements and sets out how the fund should be managed including the Board's expectations around ethical investment. The objective of the general fund is to provide a regular flow of income to support the daily activity of Catch22 and in addition, to achieve a level of capital growth which will preserve the real value of the fund over time and provide a capital fund for investment in approved development projects within Catch22.

Our investment portfolio is managed by a firm of professional investment managers. The Trustees consider the performance of those managers and the investment portfolios they manage to be satisfactory and that our underlying investments are sound.



RESERVES

The Finance Growth and External Audit Committee, on behalf of the Board of Trustees, conducts an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items.

The level of Free Reserves that should be maintained by the organisation is determined by balancing two competing objectives. On the one hand ensuring we have maximum and prompt use of resources to deliver real impact for service users and realise our reform ambitions and, on the other hand, ensuring we have adequate resources to continue to deliver our services through periods of financial challenge and uncertainty, and can be here for our beneficiaries over the medium and long term.

The trustees assess the risks that the charity is exposed to on a regular basis and determine a range for Free Reserves considering these risks. The principal risks include:

- an unexpected change in the level of our income;
- the need to maintain services over the short term if funding streams reduce;
- the likelihood of unexpected expenditure; and
- working capital requirements.

In determining the Free Reserves trustees also consider future plans for Catch22 and the need to protect vulnerable participants staff and volunteers in the unlikely event of unplanned closure of some of its services.

Whilst this process cannot come up with a precise figure for Free Reserves, after taking these factors into consideration the trustees believe that the appropriate level for Free Reserves is between £3.7m and £5.9m for the group.

Free Reserves are those that are freely available at the trustees' discretion to help manage financial variability i.e., Unrestricted Reserves excluding fixed assets and bank borrowing secured against those fixed assets.

At 31 August 2022 the group's total reserves amounted to £55.2m (2021: £48.7m) of which £39.5m was restricted (2021: £37.0m) and £15.7m was unrestricted (2021: £11.7m). Of the unrestricted amount trustees have committed £1.05m over the next 3 years to support the delivery of the organisation's business strategy. These designated reserves will fund projects to support the use of data and analytics to evidence and improve impact; improve the environmental sustainability of the organisation and grow its reach to more participants.

Of the remaining Unrestricted Reserves £8.99m (2021: £5.95m) is deemed to be free reserves. This is above the policy range (£3.7m to £5.9m) set by the trustees, but they consider it prudent, given the current inflationary pressure in the economy, and the continuing impact of the cost-of-living crisis on our staff and service users to hold free reserves more than the current maximum amount set out under the reserves policy whilst they explore further ways to invest the reserves to improve impact and financial sustainability.

FINANCIAL RISKS

Liquidity risk

The group's objective is to maintain a balance between cash balances and long-term investments. The group's policy on liquidity risk is to ensure there are sufficient cash balances to meet the day-to-day needs of the organisation while investing surplus balances in fixed asset investments.

Market risk

The group's exposure to market risk arises primarily from the group's fixed asset investments. The group's policy is to utilise the services of professional investment managers to manage the fixed asset investments. Performance of these investments and therefore the investment managers is reviewed every month by the senior management team. The Finance, Growth and External Audit Committee have been appointed by the Board to oversee the performance of our investment managers.

Credit risk

The group is mainly exposed to credit risk in relation to money due from commissioners in relation to its delivery of services. The vast majority of these commissioners have proved to be extremely credit worthy. Nevertheless, we operate a proactive credit control system designed to ensure payment is received quickly and that problems are identified as early as possible, and the appropriate action is taken. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Foreign exchange risk

The group does not have any significant exposure to foreign exchange risk.

Other risks

The impact of increasing inflation has been considered on the group's future plans and budgeting processes, and the potential impact of this coupled with restrictions on future government spending, will continue to be a risk into the August 2023 year end and beyond.

STRUCTURE, GOVERNANCE AND MANAGEMENT

FORMATION AND STRUCTURE OF THE CHARITY

Catch22 was incorporated as a Company Limited by Guarantee on 28 April 2008. It was registered as a charity on 19 May 2008.

Its objectives, as stated in its memorandum of association, are: 'to promote opportunities for the development, education and support of young people in need to lead purposeful, stable and fulfilled lives and to promote safer, crime free communities for the benefit of the public.'

We have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2). In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set, taking account of the available guidance on public benefit.

The trustees are satisfied that Catch22 has aims and objectives and carries out activities that are for the public benefit in that the support provided to individuals, families and communities directly benefits each of those groups and therefore the wider public.

Catch22 is the sole trustee of The Royal Philanthropic Society incorporating the Rainer Foundation and is the sole member of The Crime Concern Trust Limited. Both are charities. The Rainer Foundation has released its permanent endowment and is now dormant. Crime Concern is also now dormant.

Catch22 holds 100% of the share capital of Catch22 Social Enterprise Limited

Catch22 owns 100% of Pupil Parent Partnership Limited, a company limited by guarantee.

Catch22 also owns 100% of Catch22 Social Enterprise Solutions Limited.

Catch22 also owns 100% of Include, a company limited by guarantee.

Catch22 also owns 100% of Catch22 Multi Academies Trust Limited, a company limited by guarantee.

Catch22 also owns 100% of Community Links Trust Limited, a company limited by guarantee.

Catch22 also owns 100% of Community Links Trading Limited.

Catch22 also owns 100% of Launch22 Limited, a company limited by guarantee.

Catch22 also owns 100% of Ripplez CIC, a company limited by guarantee

Please see note 12 for disclosure of activities and performance of each subsidiary.

GOVERNANCE

Safeguarding

Catch22 is a diverse and dispersed organisation, supporting some very vulnerable service users. We have a dedicated team within the organisation to ensure that we appropriately manage risk and drive improvements in our practice across our various delivery arms particularly education and social care. This post of Safeguarding Manager has been in place since January 2018, now elevated to Assistant Director of Safeguarding, and is focussed on continuous improvement to our safeguarding practice.

Over this financial year, there were various safeguarding incidents, as we would expect given the nature of our work, primarily made up of disclosures made by the vulnerable young people and adults that we work with. Where appropriate these were escalated to the Local Authority Designated Officer (LADO).

We have an IT platform for safeguarding incident reporting and management in our schools and colleges to improve communication and reduce the bureaucratic burden, both at the point of reporting and in the administration of the monitoring and follow up actions so that more resources can be focussed on keeping our service users safe.

Modern Slavery

Catch22 has a zero-tolerance approach to modern slavery, and we are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to endeavour to ensure that modern slavery is not taking place anywhere in our own business or in any of our supply chains.

We are also committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015. We expect the same high standards from all of our contractors, suppliers and other business partners, and as part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children. We also expect that our suppliers will hold their own suppliers to the same high standards.



TRUSTEE BOARD AND COMMITTEES

The board of trustees are aware of its duty under Section 172 of the Companies Act 2006 to act in a way they consider, in good faith, would be most likely, as an organisation that exists to deliver public benefit, to promote the success of the charitable group to achieve its charitable purposes, and in doing so have regard (amongst other matters) to:

a) the likely consequences of any decision in the long term,

b) the interests of the company's employees,

c) the need to foster the company's business relationships with suppliers, customers and others,

d) the impact of the company's operations on the community and the environment,

e) the desirability of the company maintaining a reputation for high standards of business conduct, and

f) the need to act fairly between members of the company.

On joining the board of trustees, a new trustees will be briefed on their duties, which are partly fulfilled through the governance structure set out below, including the delegation of day-to-day decision making to the Chief Officer Group.

All trustees embrace our vision to build a strong society, where everyone has good people around them, a purpose, and a good place to live and promote our organisational values to ensure:

we are compassionate – we care about people, supporting them to move forward

we empower others – we give people the knowledge, skills and opportunities to thrive

we are collaborative – we do things with people, not to them

we are curious – we explore, innovate and challenge to improve what we do.

The trustees consider that they have fulfilled their obligations under Section 172, as evidenced throughout this report.

The trustees have commissioned an external governance review which will take place in 2022/23 in order to further strengthen the group's governance.

GOVERNANCE STRUCTURE

The Trustee board meets six times a year and has established three committees to which certain functions are delegated. These are: the Finance, Growth and External Audit Committee; the Governance, Risk and Internal Audit Committee; and the People and Performance Committee.

Each committee meets at least four times a year and reports back to the Trustee Board.

The committees monitor progress against goals and targets that flow from the strategic plan set by the Trustee board.

Catch22 complies with 'Good Governance: A Code for the Voluntary and Community Sector' issued by the Governance Code Steering Group.

There is a scheme of delegation in place which sets out what matters are reserved for the trustee board and what is delegated to the chief executive and senior management.

Matters reserved for the board include (among others):

- Setting the charity's strategy;
- Approval of the organisational business plan and annual budget;
- Approval of any changes to the group structure;
- Appointment of the chief executive

Matters delegated to the chief executive include (among others):

- Establishing partnerships and joint working arrangements;
- Development of new services;
- Tenders for new contracts (with a value of up to £2m);
- Appointment of the executive management team

VALUING OUR TRUSTEES – RECRUITMENT, INDUCTION AND ONGOING TRAINING

The People and Performance Committee oversees the recruitment of Trustees and undertakes a periodic skills audit of the Board. Applications for Trusteeship are sought through open advertisement, use of a specialist agencies and personal contacts. Applicants are assessed against a trustee job description and shortlisted candidates are interviewed by a panel of Trustees and appointed by the Trustee Board. Trustees are normally appointed for three years and may be reappointed for a further three years subject to agreement of the Board. A further three-year period is available if it is considered to be in the best interest of Board stability. The chair is appointed for 4 years.

New Trustees are provided with induction meetings with key staff and are given a detailed governance pack. Arrangements are made for Trustees to visit Catch22's projects and services. Trustees receive information newsletters, presentations on aspects of Catch22's work and on matters affecting the voluntary sector.

Catch22 looks to all those involved in its governance to make a reasonable commitment to ongoing development and training. This may involve away days, visits, presentations and other internal functions as well as opportunities to attend relevant external events such as seminars, courses and conferences.

Catch22 also circulates publications of general interest and provides access to magazines, articles, newsletters, policy briefings and other documents of more specialist interest.

SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

Setting Pay and Remuneration of key management personnel is the responsibility of the People and Performance Committee. In setting pay and remuneration, they consider performance management information and relevant benchmarks within the sector.

ENGAGEMENT WITH OUR PEOPLE

We recognise that our people, both staff and volunteers, are key to the success of the organisation and to delivering the impact we seek for our beneficiaries. We engage with our people through a variety of channels to keep them informed, seek their views, encourage their involvement and develop common awareness. These channels include, amongst others:

- regular service visits by the Chief Officer Group and trustees,
- a monthly question & answer session with the Chief Office Group,
- an annual staff conference which trustees attend,
- a monthly newsletter, supported with information on our intranet,
- weekly email communication from the Chief Executive,
- an annual staff survey and regular pulse surverys

Information gathered by the senior leadership team is fed back to trustees via reports submitted to and discussions held at the People and Performance Committee.

BUSINESS RELATIONSHIPS

We recognise that relationships with business stakeholders are key to our success and long-term sustainability. Strong, collaborative relationships with our commissioners and funders enabled us to work with them during the pandemic to find new ways of supporting our beneficiaries and to respond to their changing needs. These relationships are also key to securing ongoing funding.

We also seek to engage with the wider sector through professional bodies and interest groups to both seek and share best practice and collaborate on finding solutions to shared challenges.

We value all our suppliers and look to identify our key suppliers and put multi-year contracts in place and adopt a partnership approach to the relationship where any concerns are worked through together to find mutually beneficial solutions. We also have several small subcontractor organisations who deliver services on our behalf, and we adopt a supportive approach to contract management and help them to build their capacity. For example, we have used our own internal cyber and information security expertise to assist some of these organisations to harden their security environments and achieved certification where necessary.

ENVIRONMENT

We recognise the importance of minimising our impact on the environment and that environmental issues are a significant concern for both our people and those we support. We use our school and college curriculums to promote environmental sustainability and in 2023 we have recruited to a new post to lead on this agenda. We actively encourage our staff to use transport options that result in less CO2 emissions.

We have created a carbon reduction plan with the aim of achieving Net Zero by 2050. We have established an Environment cross-cutting initiative task force in our business plan with Chief Officer sponsorship. Future measures we hope to implement are:

- sourcing energy from 100% renewable sources,
- replacing gas boilers in the properties we control with decarbonised energy systems,
- working with landlords of our short leasehold premises to drive sustainability measures,
- reducing our employees use of petrol and diesel vehicles,
- obtaining Net Zero commitments from our supply chain partners:

Our consumption and emissions for 2021/22 were as follows:

ENERGY TYPE	CONSUMPTION	EMISSIONS
Gas	1,697,105 KWh	309.79 tCO2e
Electricity	655,370 KWh	126.74 tCO2e
Vehicles *		213.31 tCO2e
Total Emissions		**649.84 tCO2e**
*Intensity ratio per £m/turnover **		**11.92 tCO2e**

**Vehicles includes petrol and diesel purchased plus employee mileage claims*
*** Turnover excludes MAT land & buildings transferred (2020/21 intensity ratio 12.74 tCO2e)*



TRUSTEES' RESPONSIBILITIES

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

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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and charity and of the surplus or deficit of the Group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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 financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.
- observe the methods and principles in the Charities SORP.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

RISK MANAGEMENT

The Trustees have in place a robust risk management process. The process identifies the types of risks the charity faces, prioritises them in terms of likelihood of occurrence and potential impact, identifies the means of managing these risks and monitors how they are managed. Development and review of the risk management arrangements are the responsibility of the Governance, Risk and Internal Audit Committee. The Chief Officer Group are responsible for managing risk across the organisation and receive regular updates from the Head of Governance and Risk at their fortnightly meetings on key risks, and they ensure that collaborative mitigating action is taken.

The internal audit programme is agreed annually with the Governance, Risk and Internal Audit Committee and focuses on the key areas of risk within the organisation. Audit findings and progress on implementing actions is reported quarterly to the committee.

The key risks identified by Catch22 at the end of 2022/23, which are largely unchanged from the previous year, together with the actions taken or intended to be taken in response to these risks are as follows:

- Loss of income due to public sector spending cuts because of the macro-economic climate, in addition to rising costs due to inflationary pressure and the need to support staff through the cost-of-living crisis. Catch22's response is to continue to focus resources in our business development and partnerships teams, maintain our diversified income streams, keep our quality high in order to secure repeat business and our costs competitive to ensure that our cost basis is sustainable over the longer-term. We also continue to be focussed on building and maintaining strong commissioner and funder relationships, securing an increased proportion of voluntary grant income and developing income streams from trading activity along with ensuring our support teams are appropriately structured and deliver value for money. Financial performance, future forecasts and our income pipeline is regularly monitored by the Finance, Growth and External Audit Committee.
- Loss of control of personal or sensitive data. Mitigated by robust data protection and information security policies, in line with the General Data Protection Regulation (GDPR), supported by staff briefings and compulsory training. We review the risk of a breach of our IT platforms on an ongoing basis and take appropriate mitigating action to keep them secure. We hold Cyber Essentials Plus certification and also hold ISO27001: Information Security Management certification for our core central processes and infrastructure, along with our Justice probation contracts. The whole organisation works to the principles of the same Information Security Management System and over time we intend to expand the scope of our ISO27001 certification.
- Failure to keep our service users safe. Established policies and procedures with clear training and staff competency expectations embedded throughout the organisation, monitored through regular supervisions and internal audit, overseen by Assistant Director of Safeguarding. Designated

safeguarding leads appointed in all our services. Our schools and colleges use a specific safeguarding monitoring system, and a similar system will be rolled out to our other services in 2023. Critical incident/ risk group established to quickly identify concerns and trends and take mitigating action.

- Failure to ensure the wellbeing and safety of staff, particularly those working with vulnerable beneficiaries. Our People team continuing to develop our wellbeing offer and our policy on staff supervision meetings includes the requirement to discuss staff welfare. Increased focus on mental health support within the organisation. We have a professional health and safety team in post with embedded health and safety polices and procedures, underpinned by compulsory training for managers and regular health and safety inspections with follow-up of actions. Emphasis on learning from incidents and near misses and we are in the process of introducing a new incident management system to enable us to react more quickly to incidents, learn lessons and identify trends

- Serious incident results in adverse publicity leading to reputational damage. Appropriate policies and procedure are in place to mitigate the risk of a serious incident occurring. Crisis Management policy in place and crisis management training provided to key staff. Reactive communication strategy prepared. New critical incident process introduced.

- Lack of organisational capacity to bid for new work and deliver existing work due to changing work patterns, increased labour market opportunities and cost of living crisis. We have identified mission critical roles across the organisation and developed a new talent strategy and employee value proposition underway along with a new pay strategy that has seen pay raise by c.6% across the organisation from September 2002 and introduced a new minimum organisational salary. Delivery capacity and quality continually monitored through management arrangements and the internal audit and impact board. Development capacity boosted, when necessary, through the use of the freelance resources.

- The re-brokering of the MAT academies may have a reputational impact on wider Catch22 delivery. We are mitigating the risk by having a reactive media strategy in place, ensuring the ongoing quality of delivery by making sure that the right operational and support resources are in place and engaging with other commissioners to explain the re-brokering process and future plans for Catch22.

- Impact of inflation on the price of resources and utility costs and salary inflation pressure. Catch22 are responding by attempting to secure fixed price deals where possible, and forward planning requirements. We are also discussing the impact with commissioners and seeking additional funding or increased delivery flexibility in order to maintain service quality.

Further information about Catch2, including our Annual Review can be found at:

www.catch-22.org.uk

Signed on behalf of the Board of Trustees on 23 May 2023.



Terry Duddy

Chair, Catch22 Charity Ltd

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATCH22 CHARITY LIMITED

Opinion

We have audited the financial statements of Catch 22 Charity Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise as the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement 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 group's and the parent charitable company's affairs as at 31 August 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

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 in 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 there is 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.

Auditor's report (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Auditor's report (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are [the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council]

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

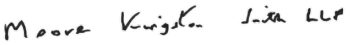
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

Auditor's report (continued)

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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP
Statutory Auditor
23 May 2023

24 May 2023

9 Appold Street
London
EC2A 2AP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT for the year ended 31 August 2022

	Note	Restricted Pension Funds (MAT) £'000	Restricted Fixed Assets Funds (MAT) £'000	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2022	Year to 31 August 2021 £'000
Income from							
Donations and legacies	2	-	-	5	518	**523**	881
Grants	2	-	60	6,129	1,347	**7,536**	4,872
Donations – academy transfers (MAT)	3	262	-	-	-	**262**	17,879
Income from charitable activities	6	-	-	16,477	29,267	**45,744**	40,942
Income from trading activities		-	-	-	517	**517**	338
Income from investments		-	-	-	209	**209**	254
Total income		**262**	**60**	**22,611**	**31,858**	**54,791**	65,166
Expenditure on							
Raising funds		-	-	-	296	**296**	223
Charitable activities							
Ordinary activities	6	1,239	2,834	19,847	31,804	**55,724**	53,526
Exceptional	6	-	-	-	-		593
Trading activities		-	-	-	516	**516**	389
Total expenditure		**1,239**	**2,834**	**19,847**	**32,616**	**56,536**	54,731
Net gain on disposal of associate	11				5,200	**5,200**	-
Net gains/(losses) on investments	11	-	-	-	(724)	**(724)**	1,327
Net income/(expenditure) for the period		**(977)**	**(2,774)**	**2,764**	**3,718**	**2,731**	11,762
Transfers between funds	17,18	379	-	(621)	242	**-**	-
Net income/(expenditure) before other recognised gains/(losses)		**(598)**	**(2,774)**	**2,143**	**3,960**	**2,731**	11,762
Other recognised gains/(losses)							
Actuarial gain/(loss) on defined benefit pension scheme	21	3,830	-	-	-	**3,830**	(453)
Net movement in funds		**3,232**	**(2,774)**	**2,143**	**3,960**	**6,561**	11,309
Reconciliation of funds							
Total funds brought forward		(3,758)	36,671	4,026	11,722	**48,661**	37,352
Total funds carried forward		**(526)**	**33,897**	**6,169**	**15,682**	**55,222**	48,661

The Group had no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

All income and expenditure derive from continuing activities.

The statement provides the consolidated information for the charitable company and its subsidiary undertakings. Total income for the charitable company alone was £41,986k (2021: £37,558k) and net income was £6,302k (2020: net income £5,007k).

The notes on pages 80 - 106 form part of these financial statements.

CONSOLIDATED BALANCE SHEET - 31 August 2022
Company number: 06577534

	Note	31 August 2022 £'000	31 August 2021 £'000
Fixed assets			
Intangible assets	9	237	248
Tangible fixed assets	10	39,479	41,784
Investments	11	10,695	11,573
		50,411	53,605
Current assets			
Stock		26	8
Debtors	13	7,253	5,851
Cash at bank and in hand		9,243	5,394
		16,522	11,253
Current liabilities			
Creditors: amounts due within one year	14	**(10,407)**	(11,263)
Net current assets/(liabilities)		**6,115**	(10)
		56,526	53,595
Creditors: amounts falling due after more than one year	15	**(778)**	(73)
Provisions	16	**(526)**	(4,861)
Net assets	19	**55,222**	48,661
Funds			
Restricted pension funds	17	(526)	(3,758)
Restricted fixed asset funds	17	33,897	36,671
Restricted funds	17	6,169	4,026
General fund	18	15,682	11,722
		55,222	48,661

The financial statements were approved by the board on 29 March 2023 and authorised for issue on 23 May 2023.

Terry Duddy.

Terry Duddy
Chair

The notes on pages 80 - 106 form part of these financial statements.

CHARITY BALANCE SHEET - 31 August 2022
Company number: 06577534

	Note	31 August 2022 £'000	£'000	31 August 2021 £'000	£'000
Fixed assets					
Intangible assets	9		237		248
Tangible fixed assets	10		5,565		5,672
Investment in subsidiary	11		-		-
Investments	11		10,590		11,468
			16,392		**17,388**
Current assets					
Stock		26		8	
Debtors	13	6,642		4,640	
Cash at bank and in hand		7,049		3,162	
		13,717		**7,810**	
Current liabilities					
Creditors: amounts due within one year	14	**(9,029)**		**(10,022)**	
Net current assets/(liabilities)			**4,688**		**(2,212)**
			21,080		**15,176**
Creditors: amounts falling due after more than one year	15		(778)		(73)
Provisions	16		-		(1,103)
Net assets			**20,302**		**14,000**
Funds					
Restricted funds	17		4,878		2,523
General fund	18		15,424		11,477
			20,302		**14,000**

As permitted by s408 of the Companies Act 2006, the company has not presented its own statement of financial activities and income and expenditure account. The company's net income in 2022 was £6,302k (2021: £5,007k)

The financial statements were approved by the board on 29 March 2023 and authorised for issue on 23 May 2023.



Terry Duddy
Chair

Company Registration No. 06577534

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 August 2022

	Note	Year to 31 August 2022		Year to 31 August 2021	
				£'000	£'000
Net income/(expenditure) for the reporting period			**2,731**		**11,762**
Adjusted for:					
Proceeds from sale of shares in associated company	11	(5,200)			-
Fair value of assets acquired on acquisition of subsidiary	12	-			(208)
Fair value of assets disposed on disposal of subsidiary	12	-			59
Net (gains)/losses on investments	11	724			(1,327)
Tangible fixed assets brought in on academy transfer	10	-			(12,721)
Revaluation of academy tangible fixed assets	10	-			(5,158)
Impairment of tangible fixed assets	10	-			7,652
Loss on disposals of tangible fixed assets on academy transfer	3,10	1,958			-
Loss on disposal of tangible fixed assets	10	190			8
Loss on disposal of intangible fixed assets	9	25			-
Depreciation charges	10	422			395
Amortisation charges	9	96			110
Defined benefit pension scheme deficit transferred out on academy transfer		(262)			-
Defined benefit pension scheme cost less contributions payable	21	802			578
Defined benefit pension scheme finance cost	21	58			45
Interest receivable		(2)			-
Investment income receivable		(209)			(254)
Interest payable		18			73
Capital grants received		(60)			(1,003)
(Increase)/Decrease in stock		(18)			1
(Increase)/Decrease in debtors		(1,402)			(128)
Increase/(Decrease) in liabilities		743			353
Net cash provided by/(used in) operating activities			**614**		**237**
Investing activities					
Cash inflow from sales of shares in associated company	11	5,200		-	
Cash inflow from acquisition of subsidiary	12	-		241	
Cash outflow from acquisition of subsidiary	12	-		(48)	
Purchase of intangible fixed assets	9	(110)		-	
Purchase of tangible fixed assets	10	(265)		(398)	
Capital grants received		60		1,003	
Proceeds from sale of investments		61		50	
Interest received		2		-	
Investment income received		302		600	
Net cash generated from investing activities			**5,250**		**1,448**
Financing Activities					
New borrowing		125		-	
Repayment of borrowings		(122)		(110)	
Interest paid		(18)		(73)	
Net cash used in financing activities			**(15)**		**(183)**
Net increase/(decrease) in cash and cash equivalents in the reporting period			**5,849**		**1,502**
Cash and cash equivalents at beginning of year			3,394		1,892
Cash and cash equivalents at end of year			**9,243**		**3,394**
Relating to:					
Bank balances and short-term deposits			9,243		5,394
Bank overdrafts			-		(2,000)
Cash and cash equivalents			**9,243**		**3.394**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently except where noted), judgements and key sources of estimated uncertainty, is set out below.

Catch22 Charity Limited is a charitable company (no. 06577534), limited by guarantee, incorporated in England and Wales and registered with the Charity Commission (no 1124127). The registered office is 27 Pear Tree Street, London EC1V 3AG.

Basis of preparation
The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the 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 (the FRS 102 Charities SORP) and the Companies Act 2006.

Going concern
The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charitable company's forecast and projections and have considered the potential impact of the wider economic environment on the viability of the charitable group. The trustees have taken action in previous years to rationalise the charitable group to save cost and strengthen its financial position by merging subsidiary charities fully into Catch22 and relinquishing membership of organisations that are not core to the charitable groups' objectives. Moving forward the trustees will continue to consider closure of services that are not core to its objectives and are not financially sustainable. In addition, they are open to further mergers into the charitable group that will deliver further impact whilst improving financial strength. Annual budgets and forecasts have been revised taking this into account with prudent figures for both income and expenditure. The charity has an investment portfolio held in relatively liquid funds valued at £10.59m as at 31 August 2022 with an available working capital facility secured against this of up to £5.0m (£nil drawn as at 31 August 2022). This facility is due for renewal in March 2023, but the trustees expect that it will be renewed on similar terms. This amounts to £10.6m of available cash should it be required and in addition there is a £0.5m unsecured overdraft facility available with Barclays Bank plc (£nil utilised at 31 August 2022. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest thousand pounds.

The charity has taken advantage of the exemption in the Companies Act 2006 not to present its own statement of financial activities. The results of the charity for the year ended 31 August 2022 are set out here: total income of £41,986k (2021: £37,558k) total expenditure of £40,160k (2021: £33,878k), net loss on investments £724k (2021: £1,327k net gain), resulting in net movement in funds of £6,302k (2021:£5,007k).

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below:

Basis of consolidation
The consolidated financial statements incorporate those of Catch22 Charity Limited and all its subsidiaries apart from Launch22 Limited together with the group's share of the results of associates. The company has taken advantage of the exemptions provided by section 405 of the Companies Act 2006 not to include Launch22 as it is not material to the group.

On acquisition of subsidiaries, acquisition accounting is used. All of the assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. Where subsidiaries are acquired for nil consideration and are akin to a gift, the fair value of the assets and liabilities at the date of acquisition are recognised as voluntary income in the statement of financial activities. All changes to those assets and liabilities and the resulting surpluses or deficits that arise after the group has gained control of the subsidiary are charged to the post-acquisition statement of financial activities. All intra-group transactions and balances between group companies are eliminated on consolidation.

The results of associates are accounted for using the equity method of accounting. Where the group has no obligation to fund losses of the associate, the share of accumulated losses are not recognised in the accounts, and the investment is shown as zero.

Income
All income is recognised when there is entitlement to the funds, the receipt is probable, and the amount can be measured reliably. The following accounting policies are applied to income.

Grants and fees
Where contract and grant funding is subject to specific performance conditions, the income is recognised as earned (as the related services are provided or outcomes delivered). Any amounts received in excess of what has been earned by the year end are included within deferred income in current liabilities. Other grant income is recognised where there is entitlement, receipt is probable, and the amount can be measured with sufficient reliability.

Donations
Donations and all other receipts from fundraising are reported gross and are accounted for on a receivable basis. The related fundraising costs are reported in costs of raising funds.

Investment Income
Investment income is accounted for when receivable and includes the related tax recoverable.

Expenditure
Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligations can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies area applied to expenditure:

Allocation of overhead and support costs
Overhead, support and governance costs are allocated between the cost of raising funds and charitable activities. Overhead, support and governance costs relating to charitable activities have been apportioned between activities.

Governance costs
Governance costs are included within support costs and consist of trustees' expenses and annual audit and non-audit fees.

Costs of raising funds
The costs of generating funds consist of investment management fees and the costs of raising funds, including an apportionment of overhead, support and governance costs.

Charitable activities
Costs of charitable activities include grants payable and other costs directly associated with providing the services and support provided by the charity and an apportionment of overhead, support and governance costs.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

1. Accounting policies (continued)

Expenditure (continued)

Trading activities
Costs of trading activities include costs directly associated with providing the services provided through trading and an apportionment of overhead, support and governance costs.

Intangible Assets
Development costs for future IT projects are capitalised at cost, provided it is likely to bring future economic benefit to the group. If the criteria for recognition as assets are not met, the expense is recognised in the statement of financial activities in the period in which it is incurred. Capitalised IT costs include all direct and indirect costs that are directly attributable to the development process. The costs are amortised using the straight-line method over 3 to 5 years being their estimated useful lives.

Capitalisation of assets
Assets with a value of greater than £10,000 (and some lower value vehicles and IT equipment with an estimated useful life of at least 4 or 3 years respectively) are capitalised and depreciated to write off the cost of the assets over their estimated useful lives.

Tangible fixed assets
Land and buildings and equipment are stated in the balance sheet at cost or, in the case of certain freehold and long leasehold land and buildings, valuation less depreciation which is provided in equal annual instalments over the estimated useful life of the assets. The rates of depreciation are:

- Freehold property – 2% per annum
- Long leasehold property – over term of lease
- Furniture and equipment – 20% and 33% per annum
- Motor vehicles – 25% per annum

Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Goodwill has been amortised on a straight-line basis over three or five years.

Investments
Investments are stated at market value at the balance sheet date. Any change in the market value of investments is taken to the relevant fund together with any profits or losses on disposal of investments during the year.

Investment in associates is held at cost less accumulated impairment losses.

Stock
Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal

Financial Instruments
Cash and cash equivalents
Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less.

Debtors and creditors
Debtors or creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense. 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.

Pension costs – Defined Contribution Schemes
The Group makes payments to defined contribution pension schemes on behalf of qualifying employees. Such contributions are charged in the Statement of Financial Activities as they fall due. The contributions are invested separately from the charity's assets.

Pension benefits – Defined Benefit Pension Schemes
Retirement benefits to employees of the Catch22 Multi Academies Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS' are funded schemes, and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements, and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Leased assets
Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the period of the leases.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

1. Accounting policies (continued)

In kind funding/support
The Group benefits from the services of secondees, many thousands of voluntary hours and unclaimed out-of-pocket expenses by a very large number of supporters. In addition, companies, organisations and individuals have, in many cases, provided the use of facilities, equipment and premises for various activities and meetings without charge. The value of such gifts in kind have been estimated and included in the consolidated statement of financial activities as income and expenditure when there is a cost to the third party of donating the gift/service. Although our systems are not set up to summarise the total value of these gifts in kind, we do know they are worth in excess of £100k (2020: £50k). This figure does not include a value for the volunteer work which is indispensable to the work that the Group undertakes.

Taxation
The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, it is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively for charitable purposes.

Fund Accounting
The group maintains various types of funds as follows:

Restricted Pension funds
Restricted pension reserves are resources or liabilities relating to the group's obligations to the Local Government Pension Scheme, of which some of its employees are members.

Restricted fixed asset funds
Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted funds
Restricted funds represent grant, donations and legacies received which are allocated by the donor for specific purposes.

Unrestricted funds
Revaluation reserves relate to the measurement of the fair value of certain freehold property. Designated funds are funds that the trustees have designated to be used for specific purposes. General unrestricted funds represent funds which are expendable at the discretion of the trustees in the furtherance of the objects of the Charity.

Critical accounting estimates and areas of judgement
In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements:

a) *Local Government Pension Scheme liability*
The present value of the Local Government Pension Schemes defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

b) *Useful Economic Lives of Intangible Assets*
The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advances, future investments and economic utilisation. Goodwill and computer software impairment reviews are performed annually. These reviews require an estimation of the value is use of the cash generating units to which goodwill and software has been allocated and the public benefit derived from the services provided to beneficiaries in fulfilment of the company and group's charitable objectives.

c) *Impairment of Investments in Subsidiaries*
Impairment reviews of investment in subsidiaries are carried out annually. These reviews require an estimation of both the expected future cash generation of the charitable subsidiaries to which the investments relate, and consideration of the public benefit derived from the services provided to beneficiaries in fulfilment of the company and group's charitable objectives.

d) *Land and buildings transferred on conversion*
Long leasehold title of land and buildings has been transferred to the Catch22 Multi Academies Trust at £nil consideration. The premises have been recognised in the Trust's accounts at their fair value as at the date of transfer. This has been estimated at the most recent valuation figures provided by the transferring local authority, as a best approximation of fair value.

e) *Impairment of Long Leasehold Land & Buildings*
Impairment reviews of long leasehold land and buildings are carried out annually. These reviews require an estimation of their market value of the land and buildings and the public benefit derived from the charitable group's services provided to beneficiaries in fulfilment of the company and group's charitable objectives. The trustees recognise the significant uncertainty in the valuation of commercial property caused by the Covid-19 pandemic but do not think there is sufficient evidence to indicate that that the value of the company's long leasehold land and buildings has been materially impaired.
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

Comparative Consolidated Statement of Financial Activities for the year ended 31 August 2021

	Note	Restricted Pension Funds (MAT)	Restricted Fixed Assets Funds (MAT)	Restricted Funds	Unrestricted Funds	Year to 31 August 2021	Year to 31 August 2020
		£'000	£'000	£'000	£'000	£'000	£'000
Income from							
Donations and legacies	2	-	-	38	843	**881**	964
Grants	2	-	1,003	3,555	314	**4,872**	2,589
Donations – academy transfers (MAT)	3	-	17,879	-	-	**17,879**	6,533
Income from charitable activities	6	-	-	13,442	27,500	**40,942**	42,528
Income from trading activities		-	-	-	338	**338**	301
Income from investments	4	-	-	-	254	**254**	289
Total income		**-**	**18,882**	**17,035**	**29,249**	**65,166**	**53,204**
Expenditure on							
Raising funds		-	-	-	223	**223**	**261**
Charitable activities							
Ordinary activities	6	1,000	8,480	16,251	27,795	**53,526**	**46,930**
Exceptional	6	-	-	206	387	**593**	**(886)**
Trading activities		-	-	-	389	**389**	**417**
Total expenditure		**1,000**	**8,480**	**16,457**	**28,794**	**54,731**	**46,722**
Net gains/(losses) on investments	11	-	-	-	1,327	1,327	(517)
Net income/(expenditure) for the period		**(1,000)**	**10,402**	**578**	**1,782**	**11,762**	**5,965**
Transfers between funds	17,18	377	(58)	(930)	611	**-**	-
Net income/(expenditure) before other recognised gains/(losses)		**(623)**	**10,344**	**(352)**	**2,393**	**11,762**	**5,965**
Other recognised gains/(losses)							
Actuarial gain/(loss) on defined benefit pension scheme	21	(453)	-	-	-	**(453)**	**(469)**
Net movement in funds		**(1,076)**	**10,344**	**(352)**	**2,393**	**11,309**	**5,496**
Reconciliation of funds							
Total funds brought forward		(2,682)	26,327	4,378	9,329	**37,352**	**31,856**
Total funds carried forward		**(3,758)**	**36,671**	**4,026**	**11,722**	**48,661**	**37,352**

The Group had no recognised gains or losses other than those dealt with in the Statement of Financial Activities

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

2. Donations, legacies and grants

	Year to 31 August 2022				Year to 31 August 2021			
	Fixed Asset Restricted £'000	Restricted £'000	Unrestricted £'000	Total funds £'000	Fixed Asset Restricted £'000	Restricted £'000	Unrestricted £'000	Total funds £'000
NCS & employability	-	4,784	995	**5,779**	-	2,451	-	**2,451**
Education	60	-	-	**60**	1,003	-	-	**1,003**
Justice	-	-	22	**22**	-	-	-	**-**
Young people & families	-	471	157	**628**	-	219	215	**434**
Place based delivery and early action	-	704	499	**1,203**	-	366	286	**652**
Other	-	175	192	**367**	-	557	448	**1,005**
Transfer from Ripplez CIC	-	-	-	**-**	-	-	208	**208**
	60	**6,134**	**1,865**	**8,059**	**1,003**	**3,593**	**1,157**	**5,753**

The group has benefited from the support of several private donors, trusts, foundations and corporate entities including The Social Business Trust, 3i, Barclays Bank plc, The Clothworkers' Foundation, Garfield Weston, Salesforce, J.P.Morgan, The National Lottery Community Fund, The Postcode Lottery, Microsoft, The Rothschild Foundation, National Grid and Tik Tok. The group has also received grant funding from national and local government.

3. Donations – academy transfers (MAT)

	Year to 31 August 2022 Restricted Pension Funds £'000	Year to 31 August 2021 Restricted Fixed Assets Fund £'000
Transferred from Department for Education (note a)	-	5,158
Transfer of new academies (note b)	-	12,460
Transfer from local authority (note c)	-	261
Transfer of existing academies out of the academy trust (note d)	262	-
	262	**17,879**

a) Transfer on conversion (transferred from Department for Education)

On 11 March 2020 the land and building of the Spires Academy were transferred to Catch22 Multi Academies Trust from Northamptonshire County Council for £nil consideration.

The transfer was accounted for in the comparative period as a combination that is in substance a gift. The land and buildings transferred were valued at the best estimate of their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as 'Donations – academy transfers (MAT)'.

During 2021 the land and buildings at this academy were revalued following receipt of the land and buildings valuation as at 31 August 2021 performed by Eddisons. The increase in valuation of land and buildings is as follows:

	Year to 31 August 2022 Transfer in recognised	Year to 31 August 2021 Transfer in recognised £'000
Tangible fixed assets		
Long leasehold land and buildings in respect of prior periods	-	5,158

b) Transfer of new academies

On 1 April 2021 the Austen Academy was opened by Catch22 Multi Academies Trust. During the period the land and buildings transferred were valued as at 31 August 2021 by Hampshire County Council Property Services. The value of the land and buildings transferred is as follows:

	Year to 31 August 2022 Transfer in recognised	Year to 31 August 2021 Transfer in recognised £'000
Tangible fixed assets		
Long leasehold land and buildings	-	12,460

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

3. Donations – academy transfers (MAT) (continued)

c) Transfer from local authority
During the previous year Torbay Council transferred long leasehold land and buildings to the Catch22 Multi Academies Trust valued as £261k

d) Transfer out of academy
During the year the Everitt Academy transferred out of the Catch22 Multi Academies Trust. The below assets and liabilities transferred with Everitt Academy. There were no transfers out of academies in the prior year.

	Restricted Pension Fund £000	Restricted Fixed Asset £000	Restricted £000	Total Funds £000
Tangible fixed assets				
Long leasehold land and buildings (included with expenditure on ordinary activities)	-	(1,958)	-	(1,958)
Pension scheme assets	(262)	-	-	(262)
Pension scheme liabilities	524	-	-	524
Net assets/(liabilities) transferred	**262**	**(1,958)**	**-**	**(1,696)**

4. Investment income

	Restricted funds £'000	Unrestricted funds £'000	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
Investment income	-	209	**209**	254
	-	**209**	**209**	254

All prior year investment income was also unrestricted

5. Net income for the year

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
This is stated after charging:		
Depreciation of tangible fixed assets	422	395
Loss on disposal of tangible fixed assets	190	10
Loss on disposal of tangible fixed assets – academy transfer out	1,958	-
Amortisation of goodwill and intangible fixed assets	96	110
Loss on disposal of intangible fixed assets	25	-
Property rental	1,061	828
Auditor's remuneration		
Audit fees for Charity's annual accounts	39	35
Audit fees for other services:		
- the audit of the Charity's subsidiaries, pursuant to legislation	22	40
- other fees and taxation advice	20	6

6. Charitable activities

Analysis of income from charitable activities for the year ended 31 August 2022

	Restricted Funds	Unrestricted Funds	Year to 31 August 2022
	£'000	**£'000**	**£'000**
NCS & Employability	1,274	5,744	**7,018**
Education	12,645	6,004	**18,649**
Justice	255	9,799	**10,054**
Young people & families	2,248	4,222	**6,470**
Vocational training	-	2,419	**2,419**
Place based delivery and early action	55	991	**1,046**
Other	-	88	**88**
Total	**16,477**	**29,267**	**45,744**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

6. Charitable activities (continued)

Analysis of income from charitable activities for the year ended 31 August 2021

	Restricted Funds	Unrestricted Funds	Year to 31 August 2021
	£'000	£'000	£'000
NCS & Employability	63	4,276	**4,339**
Education	11,295	6,033	**17,328**
Justice	271	8,012	**8,283**
Young people & families	1,448	5,259	**6,707**
Vocational training	-	2,755	**2,755**
Place based delivery and early action	361	947	**1,308**
Other	4	218	**222**
Total	**13,442**	**27,500**	**40,942**

Analysis of expenditure on charitable activities for the year ended 31 August 2022

	Restricted Pension Funds	Restricted Fixed Assets Funds	Restricted Funds	Unrestricted Funds	Year to 31 August 2022
NCS & employability	-	-	3,981	5,981	**9,962**
Education	1,239	2,834	12,236	7,581	**23,890**
Justice	-	-	255	9,442	**9,697**
Young people & families	-	-	2,420	4,597	**7,017**
Vocational training	-	-	-	2,834	**2,834**
Place based delivery and early action	-	-	873	1,311	**2,184**
Other	-	-	82	58	**140**
Exceptional items (see below)	-	-	-	-	**-**
Total	**1,239**	**2,834**	**19,847**	**31,804**	**55,724**

Analysis of expenditure on charitable activities for the year ended 31 August 2021

	Restricted Pension Funds	Restricted Fixed Assets Funds	Restricted Funds	Unrestricted Funds	Year to 31 August 2021
	£'000	£'000	£'000	£'000	£'000
NCS & employability	-	-	1,848	3,234	**5,082**
Education	1,000	8,480	10,502	7,254	**27,236**
Justice	-	-	866	7,179	**8,045**
Young people & families	-	-	1,615	5,648	**7,263**
Vocational training	-	-	-	3,111	**3,111**
Place based delivery and early action	-	-	827	1,214	**2,041**
Other	-	-	593	155	**748**
Exceptional items (see below)	-	-	206	387	**593**
Total	**1,000**	**8,480**	**16,457**	**28,182**	**54,119**

Included within unrestricted income and expenditure on Justice charitable activities Is income of £359k (2021: £21k) from the Local Leadership and Integration Fund with related expenditure of £359k (2021: £21k). The project started in July 2021.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

6. Charitable activities (continued)

Support Costs

The group operates a shared services approach with the majority of support services being provided by Catch22 Charity Limited to the other companies within the group. Support costs incurred directly by other companies within the group, mainly relating to management and administration, are included within the direct costs of the activity carried out by that company. An analysis of the cost of support services (which are included in the charitable expenditure above) provided by Catch22 Charity Limited to the group is set out below. Costs have been allocated to charitable activities as a proportion of the direct expenditure incurred on that activity.

Year Ended 31 August 2022	Business development, marketing and communications £'000	Facilities & IT £'000	Finance and commercial £'000	Human resources £'000	Management and strategy £'000	Compliance and risk management £'000	Total £'000
Raising Funds	**4**	**6**	**4**	**6**	**3**	**3**	**26**
Charitable activities:							
NCS & employability	150	195	124	215	96	88	**868**
Education	358	468	298	514	231	212	**2,081**
Justice	146	190	121	209	93	86	**845**
Young people & families	105	137	87	152	68	62	**611**
Vocational training	43	56	35	61	27	25	**247**
Place based delivery and early action	33	43	27	47	21	19	**190**
Other	2	3	2	3	1	1	**12**
	837	**1,092**	**694**	**1,201**	**537**	**493**	**4,854**
Trading activities	**8**	**10**	**6**	**11**	**5**	**5**	**45**
	849	**1,108**	**704**	**1,218**	**545**	**501**	**4,925**

On 1 September 2021 responsibility for the charitable group's payroll function transferred from Finance and Commercial to Human Resources
Governance costs included in the above support costs amount to £61k (2021: £75k)

Year Ended 31 August 2021	Business development, marketing and communications £'000	Facilities & IT £'000	Finance and commercial £'000	Human resources £'000	Management and strategy £'000	Compliance and risk management £'000	Total £'000
Raising Funds	3	3	5	4	2	2	**19**
Charitable activities:							
NCS & employability	63	79	109	86	39	37	**413**
Education	338	425	584	456	205	197	**2,208**
Justice	100	126	173	136	61	58	**654**
Young people & families	90	113	156	123	55	52	**589**
Vocational training	39	49	67	52	24	22	**253**
Place based delivery and early action	25	32	44	35	16	15	**167**
Other	9	12	16	13	6	5	**61**
	664	**836**	**1,149**	**904**	**406**	**386**	**4,345**
Trading activities	**5**	**6**	**8**	**7**	**3**	**3**	**32**
	672	**845**	**1,162**	**915**	**411**	**391**	**4,396**

Exceptional Items

Included within Cost of Charitable Activities are the following exceptional items:

	Year to 31 August 2022 Restricted £'000	Year to 31 August 2022 Unrestricted £'000	Year to 31 August 2022 Total £'000	Year to 31 August 2021 Total £'000
Organisational restructuring and service and site closures	-	-	**-**	180
Clawback / (Expected Recovery from third party) of funding relating to non-delivery by subcontractors	-	-	**-**	131
Impairment of tangible fixed assets	-	-	**-**	223
Loss on disposal of Only Connect UK from the charitable group (note 12)	-	-	**-**	59
Total	**-**	**-**	**-**	**593**

In the prior year £206k of the Exceptional Items were Restricted - Impairment of tangible fixed assets (£196k) and Loss on disposal of Only Connect UK (£10k).

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

7. Staff costs

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
Salaries	29,681	26,370
Redundancies	129	101
National Insurance contributions	2,910	2,488
Pension contributions	2,698	2,403
	35,418	31,362
The average number of employees during the period split as follows:		
Charitable Activities	958	871
Trading	5	4
Support	79	78
Total	**1,042**	953

During the period payments to agencies for temporary staff amounted to £2,429k (2021: £1,156k)
Agency staff are used to cover temporary vacancies and to meet short-term needs.

The number of employees whose annual emoluments were £60,000 and above excluding pension contributions were as follows:

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
£60,001 - £70,000	13	15
£70,001 - £80,000	7	4
£80,001 - £90,000	2	-
£90,001 - £100,000	3	3
£110,001-£120,000	1	-
£140,001-£150,000	-	1
£160,001-£170,000	1	-

Employer's pension contributions of £230,462 (2021: £208,634) were paid on behalf of the above staff.
No trustees received any remuneration during the period (2021: none). No trustees were reimbursed expenses during the year (2021: £nil).

Key Management Personnel
The total employee benefits of the Key Management Personnel were £1,085,565 (2021: 990,719).

Volunteers
The average number of volunteers for the year to 31 August 2022 totalled 90 (2021: 130). 39 volunteers worked in Young People & Families on various projects, 10 volunteers worked in Justice, 39 worked in Place Based Delivery & Early Action and 2 worked in our other delivery hubs.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

8. Intangible fixed assets – Consolidated

	Computer Software £'000	Goodwill £'000	Total £'000
Cost			
1 September 2021	1,961	345	2,306
Additions	110	-	110
Disposals	(1,646)	-	(1,646)
31 August 2022	**425**	**345**	**770**
Amortisation			
1 September 2021	1,713	345	2,058
Charge for the year	96	-	96
Disposals	(1,621)	-	(1,621)
31 August 2022	**188**	**345**	**533**
Net book value			
At 31 August 2022	**237**	**-**	**237**
At 31 August 2021	248	-	248

9. Intangible fixed assets – Charity only

	Computer Software £'000	Total £'000
Costs		
1 September 2021	1,961	1,961
Additions	110	110
Disposals	(1,646)	(1,646)
31 August 2022	**425**	**425**
Amortisation		
1 September 2021	1,713	1,713
Charge for the year	96	96
Disposals	(1,621)	(1,621)
31 August 2022	**188**	**188**
Net book value		
At 31 August 2022	**237**	**237**
At 31 August 2021	248	248

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

10. Tangible fixed assets – Consolidated

	Long leasehold land and buildings £'000	Freehold land & buildings £'000	Furniture & equipment £'000	Motor Vehicles £'000	Total £'000
Cost or Revaluation					
1 September 2021	49,581	782	795	30	51,188
Transfers relating to prior years	(232)	-	237	(5)	-
Additions	161	-	104	-	265
Transfer out of academy (see note 3)	(3,375)	-	-	-	(3,375)
Disposals	(658)	(57)	(685)	(25)	(1,425)
31 August 2022	**45,477**	**725**	**451**	**-**	**46,653**
Depreciation					
1 September 2021	8,714	154	506	30	9,404
Transfers relating to prior year	(70)	4	71	(5)	-
Transfer out of academy (see note 3)	(1,417)	-	-	-	(1,417)
Disposals	(658)	(57)	(495)	(25)	(1,235)
Charge for the year	292	12	118	-	422
31 August 2022	**6,861**	**113**	**200**	**-**	**7,174**
Net book value					
At 31 August 2022	**38,616**	**612**	**251**	**-**	**39,479**
At 31 August 2021	**40,867**	**628**	**289**	**-**	**41,784**

10. Tangible fixed assets – Charity only

	Long leasehold land and buildings £'000	Freehold land & buildings £'000	Furniture & equipment £'000	Total £'000
Cost or Revaluation				
1 September 2021	5,266	782	993	7,041
Transfers relating to prior years	39	-	(39)	-
Additions	161	-	99	260
Disposals	(658)	(57)	(685)	(1,400)
31 August 2022	**4,808**	**725**	**368**	**5,901**
Depreciation				
1 September 2021	650	154	565	1,369
Transfers relating to prior years	34	4	(38)	-
Disposals	(658)	(57)	(495)	(1,210)
Charge for the year	61	12	104	177
31 August 2022	**87**	**113**	**136**	**336**
Net book value				
At 31 August 2021	**4,721**	**612**	**232**	**5,565**
At 31 August 2020	**4,616**	**628**	**363**	**5,672**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

11. Investment in subsidiary – Charity only

	Investment in Associate	Investment in Subsidiary	Total
	£'000	£'000	£'000
Cost			
31 August 2021	-	**475**	**475**
Share of loss	-	**-**	**-**
31 August 2022	-	**475**	**475**
Impairment			
1 September 2021	-	475	475
Charge for the year	-	-	-
31 August 2022	-	**475**	**475**
Net book value			
At 31 August 2022	-	**-**	**-**
At 31 August 2021	-	-	-

11. Investments – Consolidated

	31 August 2022 £'000	31 August 2021 £'000
Investment in associate – Jobs 22 Limited	-	-
Investment in associated LLP	105	105
Other investments at market value	10,590	11,468
Investments at market value	**10,695**	**11,573**
Quoted investments	10,043	11,214
Cash held by investment managers	542	249
Unlisted investments	110	110
	10,695	**11,573**
1 September 2021	11,573	10,642
Acquisitions at cost	16,591	6,508
Disposal proceeds	(16,637)	(6,622)
Increase/(decrease) in cash in the portfolio	(108)	(282)
Change in market value	(724)	1,327
Market value at 31 August 2022	**10,695**	**11,573**
Historic cost at 31 August 2022	11,081	10,418

	31 August 2022			31 August 2021		
	Market value		Original cost	Market value		Original cost
					%	
HSBC - equity	6,708	*63*	6,936	7,223	*62*	6,077
HSBC – fixed income	3,331	*31*	3,489	2,963	*26*	2,973
HSBC - others	-	-	-	1,024	*9*	1.005
HSBC - cash	542	*5*	542	249	*2*	249
Other - listed	4	-	4	4	-	4
Other - unlisted	110	*1*	110	110	*1*	5
	10,695	*100*	11,081	**11,573**	*100*	10,313

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

11. Investments – Consolidated (continued)

Associates

The charity owns 20% of the equity share capital of Jobs 22 Limited (2021:50%) During the year, the charity sold 30% interest in the ordinary share capital of Jobs 22 Limited. The net sale proceeds were £5.2m and the share of the associates loss was £nil. The address of the registered office of Jobs 22 Limited is 289 Silbury Boulevard, Milton Keynes, MK9 1NA.

11. Investments – Charity only

	31 August 2022 £'000	31 August 2021 £'000
Investment in associate – Jobs 22 Limited	-	-
Other investments at market value	10,590	11,468
	10,590	**11,468**
Quoted investments	10,043	11,214
Unquoted investments	5	5
Cash held by investment managers	542	249
	10,590	**11,468**
1 September 2021	11,468	10,528
Acquisitions at cost	16,591	6,517
Disposal proceeds	(16,637)	(6,622)
Increase/(decrease) in cash in the portfolio	(108)	(282)
Change in market value	(724)	1,327
Market value at 31 August 2022	**10,590**	**11,468**
Historic cost at 31 August 2022	10,976	10,313

	31 August 2022			31 August 2021		
	Market value		**Original cost**	**Market value**		**Original cost**
		%		**£'000**	**%**	**£'000**
HSBC – equities	**6,708**	*63*	6,936	7,223	*63*	6,077
HSBC – fixed income	**3,331**	*32*	3,489	2,963	*26*	2,973
HSBC – others	**-**	-	-	1,024	*9*	1.005
HSBC – cash	**542**	*5*	542	249	*2*	249
Other - listed	**4**	-	4	4	-	4
Other - unlisted	**5**	-	5	5	-	5
	10,590		10,976	**11,468**	*100*	10,313

12. Subsidiaries

The charity is the parent of the following subsidiaries:

Name of subsidiary	Country of incorporation	Registered Office	Activity	Level of control	Aggregate amount of assets, liabilities and funds £'000	Turnover incl. invest income £'000	Costs £'000	Surplus/ (deficit) for the year £'000
The Royal Philanthropic Society incorporating the Rainer Foundation *Charity Number 229132*	England and Wales	N/A	Dormant	100%	-	-	-	-
Crime Concern Trust Limited *Company Number: 02259016 Charity Number 800735*	England and Wales	(1)	Dormant	100%	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
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12. Subsidiaries (continued)

Name of subsidiary	Country of incorporation	Registered Office	Activity	Level of control	Aggregate amount of assets, liabilities and funds £'000	Turnover incl. invest income £'000	Costs £'000	Surplus/ (deficit) for the year £'000
Catch22 Social Enterprise Limited *Company Number: 06166785*	England and Wales	(1)	Dormant	100%	(646)	-	-	-
Catch22 Social Enterprise Solutions Limited *Company Number: 07971380*	England and Wales	(1)	Providing training and employment opportunities for the unemployed	100%	(5)	-	-	-
Pupil Parent Partnership Limited Company Number: 04872659	England and Wales	(2)	Dormant	100%	-	-	-	-
Include Company Number: 02429781 Charity Number 0803333	England and Wales	(2)	Dormant	100%	-	-	-	-
Catch22 Multi Academies Trust Limited Company Number: 08299181	England and Wales	(2)	Advancing for the public benefit, education in the UK through the operation of alternative provision schools	100%	34,792	13,117	(12,871)	246
Community Links Trust Limited *Company Number: 02661182 Charity Number 1018517*	England and Wales	(3)	Dormant	100%	See 'B' below			
Community Links Trading Limited *Company Number: 05737749*	England and Wales	(3)	Events management, production services and storage	100%	(283)	358	(471)	(113)
Ripplez Community Interest Company *Company Number: 07484690*	England and Wales	(2)	Support vulnerable women and families	100%	See 'C' below			
Not consolidated:								
Launch22 Limited *Company Number: 08789117 Charity Number 1156715*	England and Wales	(2)	Dormant	100%	Ceased operating July 2020			

Launch22 is not included in the consolidated financial statements of Catch22 Charity Limited as the company has taken advantage of the exemption provided by section 479A of the Companies Act 2006 not to include Launch22, as it is immaterial to the group.

The list of Registered Offices is set out below:

(1) Rectory Lodge, High Street, Brasted, Kent, TN16 IJF
(2) 27 Pear Tree Street, London, EC1V 3AG
(3) 105 Barking Road, London, E16 4HQ

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

12. Subsidiaries (continued)

The following changes to the group took place during the financial year ended 31 August 2021:

(A) Only Connect UK

On 1 September 2020, Catch 22 Charity Limited ceased to be a member of Only Connect UK and that company left the charitable group. The net assets at the time of transfer were £59k, giving a loss on disposal of £59k in Catch22's consolidated accounts. This was included as an exceptional expenditure (see note 6).

(B) Community Links Trust Limited

On 1 February 2021 the charitable undertaking of Community Links Trust was transferred as a going concern Catch 22 Charity Limited. All the assets and liabilities were transferred to Catch 22 Charity on this date and Community Links Trust ceased to trade as a separate charitable company from 1 February 2021.

A summary of the results are shown below:

	2022 £'000	2021 £'000
Income	-	899
Expenditure	-	(696)
Net assets transferred to Catch22	-	(3,641)
Net movement in funds	-	(3,438)
Fixed assets	-	-
Current assets	-	-
Current liabilities	-	-
Net assets	-	-
Restricted funds	-	-
Unrestricted general funds	-	-
Total funds	-	-

(C) Ripplez Community Interest Company

Catch 22 Charity Limited became the sole member of Ripplez Community Interest Company on 1 January 2021 (a company limited by guarantee, company number 07484690) and accordingly on that date Ripplez became a subsidiary of the group. On that date, Ripplez, transferred all of its trade and net assets to Catch 22 Charity Limited, except for one contract which continued to be delivered by Ripplez CIC.

A summary of the results are shown below:

	2022 £'000	17 months to 31 August 2021 £'000
Income	-	1,549
Expenditure	(1)	(1,668)
Net assets transferred to Catch22	-	(208)
Net movement in funds	(1)	(326)
Fixed assets	-	-
Current assets	19	15
Current liabilities	(103)	(96)
Net assets	(84)	(81)
Unrestricted general funds	(84)	(81)

The net assets transferred at the time of acquisition were:	£'000
Fixed assets	16
Current assets	380
Current liabilities	(188)
	208

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

13. Debtors: amounts due within one year

	31 August 2022 £'000	31 August 2021 £'000
Consolidated		
Grant and trade debtors	3,014	1,846
Other debtors	1,079	1,454
Prepayments and accrued income	3,160	2,551
	7,253	**5,851**

Included within other debtors is £500k due in more than one year (2021: £nil)

Charity only		
Grant and trade debtors	2,836	1,728
Other debtors	909	1,098
Prepayments and accrued income	2,375	1,438
Amounts owed by other group companies	522	376
	6,642	**4,640**

Included within other debtors is £500k due in more than one year (2021: £nil)

14. Creditors: amounts falling due within one year

	31 August 2022 £'000	31 August 2021 £'000
Consolidated		
Bank overdraft	-	2,000
Bank loan	73	110
Trade creditors	1,190	1,433
Accrued expenditure and income in advance	7,332	5,833
Other taxes and social security	1,250	1,562
Other creditors	562	331
	10,407	**11,269**

Included in other creditors are outstanding pension contributions amounting to £225k (2021: £226k). The bank overdraft of £nil (2021: £2,000k) is secured by a fixed charge over the investments of the charity. It is provided by HSBC Private Bank and is repayable on demand and interest is charged at 1.25% above the base rate. The overdraft was repaid in the year, but is still available. In addition, the charitable group has a £500k unsecured overdraft available from Barclays Bank with interest charged at 3% above the base rate.

Charity only		
Bank overdraft	-	2,000
Bank loan	73	110
Trade creditors	851	913
Accrued expenditure and income in advance	6,539	5,390
Other taxes and social security	1,123	1,438
Other creditors	443	171
	9,029	**10,022**

Included in other creditors are outstanding pension contributions amounting to £104k (2021: £87k). The bank overdraft of £nil (2021: £2,000k) is secured by a fixed charge over the investments of the charity. It is provided by HSBC Private Bank and is repayable on demand and interest is charged at 1.25% above the base rate. The overdraft was repaid in the year, but is still available. The total facility available is £5,000k. In addition, the charitable group has a £500k unsecured overdraft available from Barclays Bank with interest charged at 3% above the base rate.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

14. Creditors: amounts falling due within one year

Consolidated – deferred income movement	**£'000**
Balance at 1 September 2021	4,270
Amount released in the period	(4,270)
Amount deferred in the period	5,290
Balance at 31 August 2022 – all due within one year	**5,290**

Charity only – deferred income movement	**£'000**
Balance at 1 September 2021	4,205
Amount released in the period	(4,205)
Amount deferred in the period	5,025
Balance at 31 August 2022 – all due within one year	**5,025**

15. Creditors: amounts falling after more than one year

	31 August 2022 £'000	31 August 2021 £'000
Consolidated		
Bank loan	-	73
Other loan	96	-
Other creditors	682	-
	778	**73**
Charity only		
Bank loan	-	73
Other loan	96	
Other creditors	682	-
	778	**73**

A bank loan of £1.1m was received in May 2013 and is repayable in 120 monthly instalments of £9,167. The amount outstanding at the 31 August 2022 is £73k – shown as £nil due in more than one year and £73k due in less than one year (2021: £183k). The bank loan is secured by a fixed charge over the charity's leasehold property at Pear Tree Street, London. Interest is charged at 3.28% above base rate.

Included within other loans is a loan of £125k received in October 2021 and is repayable over 84 months. The amount outstanding at the 31 August 2022 is £113k – shown as £96k due in more than one year and £17k due in less than one year (2021: £nil). The loan is secured by a floating charge over the charity's assets. Interest is charged at 3%.

Included in other creditors is the clawback of funding relating to non-delivery by subcontractors. The repayment terms have been agreed over 4 to 5 years (see note 16).

16. Provisions

	31 August 2022	31 August 2021
	£'000	£'000
Consolidated		
Pension fund deficit (note 18)	526	3,758
Potential clawback of funding relating to non-delivery by subcontractors	-	1,103
	526	**4,861**
Charity only		
Potential clawback of funding relating to non-delivery by subcontractors	**-**	1,103
	-	**1.103**

The clawback has now been agreed with repayment spread over 4 to 5 years and has therefore been disclosed in other creditors due in less and more than one year.

17. Restricted funds

	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Total Restricted funds £'000
Consolidated				
Balance at 1 September 2021	(3,758)	36,671	4.026	**36,939**
Income	262	60	22,611	**22,933**
Expenditure	(1,239)	(2,834)	(19,847)	**(23,920)**
Transfers between funds	379	-	(621)	**(242)**
Actuarial gain/(loss) on defined benefit pension scheme	3,830	-	-	**3,830**
Balance at 31 August 2022	**(526)**	**33,897**	**6,169**	**39,540**
Charity only				
Balance at 1 September 2021	-	-	**2,523**	**2,523**
Income	-	-	9.966	9.966
Expenditure	-	-	(7,611)	(7,611)
Transfers between funds			-	-
Balance at 31 August 2022	**-**	**-**	**4,878**	**4,878**

The specific purposes for which the funds are to be applied are as follows:

Restricted pension funds

These arise in Catch22 Multi Academies Trust and represent the negative reserve in respect of the liability on the LGPS defined benefit pension scheme.

Restricted fixed asset funds

These arise in Catch22 Multi Academies Trust and represent the net book value of the land and buildings of academies transferred from the local authority on conversion.

Restricted funds

These arise from donations, grants and fees to fund activities or services as specified by the donor. Income represents donations, grants and fees from government bodies and corporate and trust donors. Expenditure represents expenditure on specific services linked to these restricted donations, grants and fees. Restricted funds also include the activities of the subsidiary company, Catch 22 Multi Academies Trust Limited.

An analysis of restricted funds by activity is set out below:

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

17. Restricted funds (continued)

Transfers between funds

Restricted pension funds: £379k (2021: £377k) – this represents the actual employer contributions in year to the LGPS scheme, transferred from restricted funds in the Catch22 Multi Academies Trust

Restricted fixed asset funds: £nil (2021: (£58k)) – this represents property maintenance expenditure transferred to restricted funds in the Catch22 Multi Academies Trust
Restricted funds: (£621k) (2021: (£930k)). Transfers relating to the Catch22 Multi Academies trust, as described above amount to (£379k) (2021: (£319k)). A further (£242k) (2021: (£126k) represents net charges for services between the Charity and Catch22 Multi Academies Trust, transferred from/(to) general funds. In the previous year there was also a transfer of (£485k) relating to the acquisition of fixed assets using restricted funds.

Prior year	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Total Restricted funds £'000
Consolidated				
Balance at 1 September 2020	(2,682)	26,327	4,378	**28,023**
Income	-	18,882	17,035	**35,917**
Expenditure	(1,000)	(8,480)	(16,457)	**(25,937)**
Transfers between funds	377	(58)	(930)	**(611)**
Actuarial gain/(loss) on defined benefit pension scheme	(453)	-	-	**(453)**
Balance at 31 August 2021	**(3,758)**	**36,671**	**4.026**	**36,939**
Charity only				
Balance at 1 September 2020	-	-	**2,156**	**2,156**
Income	-	-	6,599	6,599
Expenditure	-	-	(5,747)	(5,747)
Transfers between funds	-	-	(485)	(485)
Balance at 31 August 2021	**-**	**-**	**2,523**	**2,523**

Current year

Consolidated by charitable activity	Balance 1 September 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2021 £'000
NCS and employability	1,357	6,090	(3,980)	-	**3,467**
Education	1,503	12,645	(12,236)	(621)	**1,291**
Justice	-	255	(255)	-	**-**
Young people and families	528	2,686	(2,422)	208	**1,000**
Place based delivery and early action	386	759	(872)	-	**273**
1Other	252	176	(82)	(208)	**138**
Total restricted funds	**4,026**	**22,611**	**(19,847)**	**(621)**	**6,169**

Charity only by charitable activity	Balance 1 September 2021 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2022 £'000
NCS and employability	1,357	6,090	(3,980)	-	**3,467**
Justice	-	255	(255)	-	**-**
621Young people and families	528	2,686	(2,422)	208	**1,000**
Place based delivery and early action	386	759	(872)	-	**273**
Other	252	176	(82)	(208)	**138**
Total restricted funds	**2,523**	**9.966**	**(7,611)**	**-**	**4,878**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

17. Restricted funds (continued)

Prior year

Consolidated by charitable activity	Balance 1 September 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2021 £'000
NCS and employability	690	2,515	(1,848)	-	**1,357**
Education	1,155	11,295	(10,502)	(445)	**1,503**
Justice	605	271	(876)	-	**-**
Young people and families	476	1,667	(1,615)	-	**528**
Place based delivery and early action	832	727	(827)	(346)	**386**
Place based delivery and early action – fixed assets	335	-	(196)	(139)	**-**
Other	285	560	(593)	-	**252**
Total restricted funds	**4,378**	**17,035**	**(16,457)**	**(930)**	**4,026**

Prior year

Charity only by charitable activity	Balance 1 September 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2021 £'000
NCS and employability	690	2,515	(1,848)	-	**1,357**
Justice	705	271	(976)	-	**-**
Young people and families	476	1,667	(1,615)	-	**528**
Place based delivery and early action	-	1,251	(519)	(346)	**386**
Place based delivery and early action – fixed assets		335	(196)	(139)	**-**
Other	285	560	(593)	-	**252**
Total restricted funds	**2,156**	**6,599**	**(5,747)**	**(485)**	**2,523**

18. Unrestricted funds

	Balance 1 September 2021 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Net gains/(losses) on investments £'000	Balance 31 August 2022 £'000
Consolidated						
Revaluation reserve	**2,479**	-	(43)	-	-	**2,436**
Designated fund	**-**			1,054		**1,054**
General fund	**9,243**	37,058	(32,573)	(812)	(724)	**12,192**
Total	**11,722**	**37,058**	**(32,616)**	**242**	**(724)**	**15,682**
Charity						
Revaluation reserve	**2,479**	-	(43)	-	-	**2,436**
Designated fund	**-**			1,054		**1,054**
General fund	**8,998**	37,220	(32,506)	(1,054)	(724)	**11,934**
Total	**11,477**	**37,220**	**(32,549)**	**-**	**(724)**	**15,424**

Revaluation reserve

This represents the difference between the net book value and valuation of revalued property.

Designated fund

This represents funds that the trustees have allocated to specific projects. These projects are:

- Use of data and analytics to improve impact and deliver reform objectives; £604k over the next 3 years
- Reducing the organisation's environmental impact; £150k over the next 3 years
- Growing the organisation to reach more beneficiaries and deliver greater impact/ £300k over the next 3 years

General fund

This represents funds which are not restricted or designated for specific purposes. General funds are expendable at the discretion of the trustees to further the charitable objects of the Catch22 group.

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YEAR ENDED 31 August 2022

18. Unrestricted funds (continued)

Prior year

	Balance 1 September 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Net gains/(losses) on investments £'000	Balance 31 August 2021 £'000
Consolidated						
Revaluation reserve	2,522	-	(43)	-	-	**2,479**
Designated fixed assets	51	-	-	(51)	-	**-**
General fund	6,756	29,249	(28,751)	662	1,327	**9,243**
Total	**9,329**	**29,249**	**(28,794)**	**611**	**1,327**	**11,722**
Charity						
Revaluation reserve	1,649	869	(39)	-	-	**2,479**
General fund	5,188	30,090	(28,092)	485	1,327	**8,998**
Total	**6,837**	**30,959**	**(28,131)**	**485**	**1,327**	**11,477**

Designated fixed assets

This represented the net book value of fixed assets held by Community Links Trust, which were not purchased with restricted funds. Depreciation relating to such fixed assets was charged to this fund.

19. Analysis of net assets between funds

	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Unrestricted funds £'000	31 August 2022 Total £'000
Consolidated **Fund balances at 31 August 2022 are represented by:**					
Tangible fixed assets	-	33,897	-	5,582	**39,479**
Intangible fixed assets	-	-	-	237	**237**
Investments	-	-	-	10,695	**10,695**
Current assets/(liabilities)	-	-	6,169	(54)	**6,115**
Long term liabilities	-	-	-	(778)	**(778)**
Provisions	(526)	-	-	-	**(526)**
Total net assets	**(526)**	**33.897**	**6,169**	**15,682**	**55,222**
Charity Only **Fund balances at 31 August 2022 are represented by:**					
Tangible fixed assets	-	-	-	5,565	**5,565**
Intangible fixed assets	-	-	-	237	**237**
Investments	-	-	-	10,590	**10,590**
Current assets/(liabilities)	-	-	4,878	(190)	**4,688**
Long term liabilities	-	-	-	(778)	**(778)**
Total net assets	**-**	**-**	**4,878**	**15,424**	**20,302**

NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds (continued)

Consolidation	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Unrestricted funds £'000	31 August 2021 Total £'000
Fund balances at 31 August 2021 are represented by:					
Tangible fixed assets	-	36,084	-	5,700	**41,784**
Intangible fixed assets	-	-	-	248	**248**
Investments	-	-	-	11,573	**11,573**
Current assets/(liabilities)	-	587	4,026	(4,623)	**(10)**
Long term liabilities	-	-	-	(73)	**(73)**
Provisions	(3,758)	-	-	(1,103)	**(4,861)**
Total net assets	**(3,758)**	**36,671**	**4,026**	**11,722**	**48,661**

Charity only

Fund balances at 31 August 2021 are represented by:					
Tangible fixed assets	-	-	-	5,672	**5,672**
Intangible fixed assets	-	-	-	248	**248**
Investments	-	-	-	11,468	**11,468**
Current assets/(liabilities)	-	-	2,523	(4,735)	**(2,212)**
Long term liabilities	-	-	-	(73)	**(73)**
Provisions	-	-	-	(1,103)	**(1,103)**
Total net assets	**-**	**-**	**2,523**	**11,477**	**14,000**

20. Commitments under operating leases

Consolidation

At 31 August 2022 the group had future minimum commitments under non-cancellable operating leases as follows:

	31 August 2022 £'000	31 August 2021 £'000
Land and buildings:		
expiring in the first year	697	467
expiring in the second to fifth year	704	567
expiring after five years	288	319
	1,689	**1,353**

Charity only

At 31 August 2022 the charity had future minimum commitments under non-cancellable operating leases as follows:

	31 August 2022 £'000	31 August 2021 £'000
Land and buildings:		
expiring in the first year	697	467
expiring in the second to fifth year	704	567
expiring after five years	288	319
	1,689	**1,353**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

21. Pension and Similar Obligations

Employees of The Catch22 Multi Academies Trust (MAT) belong to five principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and Local Government Pension Scheme (LGPS') for non-teaching staff, consisting of the Hampshire County Council Pension Fund which is managed by Hampshire County Council for Ashwood Academy, The Coppice Springs Academy and The Austen Academy staff, the Northamptonshire Pension Fund which is managed by Northamptonshire County Council for the Spires Academy staff,

the Devon County Council Pension Fund which is managed by Devon County Council for the Burton Academy and Brunel Academy staff in Torbay, and the Norfolk County Council Pension Fund which is managed by Norfolk County Council for Fen Rivers Academy staff.

Teachers' Pension Scheme

The (MAT) participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £934,347 (2021: £915,186) and at the year-end £121,412 (2021:£138,537) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

Local Government Pension Schemes (LGPS)

The LGPS' are funded defined benefit pension schemes, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £494k (2021: £486k), of which employer's contributions totalled £379k (2021: £377k) and employees' contributions totalled £115k (2021: £109k). The agreed contribution rates for future years is 22.9 per cent for employers and is between 5.5 and 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

Principal Actuarial Assumptions	At 31 August 2022	At 31 August 2022	At 31 August 2022	At 31 August 2022	At 31 August 2022
	Hampshire	**Norfolk**	**Northamptonshire**	**Suffolk**	**Torbay**
Rate of increase in salaries	3.70%	3.75%	3.55%	-	2.90%
Rate of increase for pensions in payment/inflation	2.70%	3.05%	3.05%	-	2.90%
Discount rate for scheme liabilities	4.10%	4.25%	4.25%	-	4.20%
Inflation assumption (CPI)	2.70%	3.05%	3.05%	-	2.90%

	At 31 August 2021	At 31 August 2021	At 31 August 2021	At 31 August 2021	At 31 August 2021
	Hampshire	**Norfolk**	**Northamptonshire**	**Suffolk**	**Torbay**
Rate of increase in salaries	3.60%	3.60%	3.40%	3.60%	3.85%
Rate of increase for pensions in payment/inflation	2.60%	2.90%	2.90%	2.90%	2.85%
Discount rate for scheme liabilities	1.70%	1.65%	1.65%	1.65%	1.70%
Inflation assumption (CPI)	2.60%	2.90%	2.90%	2.90%	2.85%

Sensitivity Analysis
Approximate monetary increase to the obligation as a result of the following changes in assumptions at 31 August 2022 are set out below:

	At 31 August 2022	At 31 August 2021
	£000	£000
Hampshire		
0.1% increase in the salary increase rate	4	6
0.1% increase in the pension increase rate	47	72
0.1% decrease in real discount rate	51	81
Norfolk		
0.5% increase in the salary increase rate	-	1
0.5% increase in the pension increase rate	10	15
0.5% decrease in real discount rate	11	16
Northamptonshire		
0.5% increase in the salary increase rate	-	-
0.5% increase in the pension increase rate	9	15
0.5% decrease in real discount rate	9	15
Suffolk		
0.5% increase in the salary increase rate	-	-
0.5% increase in the pension increase rate	-	19
0.5% decrease in real discount rate	-	19
Torbay		
0.1% increase in the salary increase rate	1	1
0.1% increase in the pension increase rate	43	85
0.1% decrease in real discount rate	43	87

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 August 2022 Hampshire	At 31 August 2022 Norfolk	At 31 August 2022 Northamptonshire	At 31 August 2022 Suffolk	At 31 August 2022 Torbay
Retiring today					
Males	22.9 years	21.7 years	21.7 years	-	21.7 years
Females	25.4 years	24.1 years	24.1 years	-	22.9 years
Retiring in 20 years					
Males	24.7 years	22.9 years	22.8 years	-	23.0 years
Females	27.1 years	26.0 years	25.8 years	-	24.3 years

	At 31 August 2021 Hampshire	At 31 August 2021 Norfolk	At 31 August 2021 Northamptonshire	At 31 August 2021 Suffolk	At 31 August 2021 Torbay
Retiring today					
Males	23.1 years	21.9 years	21.7 years	22.1 years	22.7 years
Females	25.5 years	24.3 years	24.1 years	24.5 years	24.0 years
Retiring in 20 years					
Males	24.8 years	23.2 years	22.8 years	23.2 years	24.0 years
Females	27.3 years	26.2 years	25.8 years	26.4 years	25.4 years

The charitable group's share of the assets and liabilities in the scheme and the expected rate of return were:

	Fair value at 31 August 2022	Fair value at 31 August 2021
	£000	£000
Equities	1,985	2.098
Government Bonds	439	647
Property	328	262
Cash	36	40
Other	725	476
Total market value of assets	**3,513**	3,523

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

Amounts recognised in the statement of financial activities:

	2022	2021
	£000	£000
Current service cost	(1,181)	(955)
Net interest cost	(58)	(45)
Total operating charge	**(1,239)**	(1,000)

Changes in the present value of defined benefit obligations were as follows:

	2022	2021
	£000	£000
At 1 September	7,281	5,174
Transfer of existing academy	(524)	-
Current service cost	1,181	955
Interest cost	116	91
Employee contributions	115	109
Actuarial (gain)/loss	(4,058)	919
Benefits paid	(72)	33
At 31 August	**4,039**	7,281

Changes in the fair value of the charitable group's share of scheme assets:

		2022	2021
		£000	**£000**
At 1 September		3,523	2,492
Transfer out of existing academy	(note 3)	(262)	-
Interest income		58	46
Contributions by members		115	109
Contributions by the employer		379	377
Actuarial (loss)/gain		(228)	466
Benefits paid		(72)	33
At 31 August		**3,513**	**3,523**

The Northamptonshire pension fund moved from a deficit as at 31 August 2021 to a surplus as at 31 August 2022. Therefore, the pension fund surplus has been restricted to £nil as at 31 August 2022.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2022

22. Related party transactions

a) During the year Catch22 provided services and recharged costs to The Catch22 Multi Academies Trust Ltd (MAT) amounting to £741k (2021: £573k). The MAT provided services to Catch22 amounting to £593k (2021: £316k). At the balance sheet date Catch22 was owed £413k by the MAT (2021: £266k).

b) There were no transactions between Catch22 and Catch22 Social Enterprise Solutions Ltd (Solutions) during the year. At the balance sheet date Catch22 was owed £109k (2021: £109k) by Solutions.

c) There were no transactions between Catch22 and Catch22 Social Enterprise Ltd (Auto22) during the year. The amount that was due to Catch22 from Auto22 at 31 August 2022 amounting to £646k (2021: £646k) was written off as irrecoverable in prior years and therefore the balance due at 31 August 2022 included within the Catch22 financial statements was £nil (2021: £ nil).

d) There were no transactions between Catch22 and Community Links Trust during the year and there were no balances outstanding at 31 August 2022. In the previous year:
   i. Catch22 made payments on behalf of Community Links Trust (net of amounts repaid) by Community Links Trust of £31k. At the balance sheet date Catch22 was owed £1k by Community Links Trust.
   ii. On 1 February 2021. The charitable undertaking of Community Links Trust was transferred as a going concern Catch 22 Charity Limited. All the assets and liabilities were transferred to Catch22 on this date and Community Links Trust ceased to trade as a separate charitable company from 1 February 2021 (see note 12).

e) During the year Catch22 sold services amounting to £109k (2021: £nil) and recharged costs (net of amounts reimbursed) of £27k (2021: £88k) to Community Links Trading. At the balance sheet date Catch22 was owed £396k (2021: £260k) by Community Links Trading. A provision for £260k was made in Catch22's financial statements for the year ended 31 August 2021 and a further provision of £136k was made in the year ended 31 August 2022. Therefore, the balance due at 31 August 2022 included within the Catch22 financial statements is £nil (2021: £nil).

f) Catch 22 Charity Limited became the sole member of Ripplez Community Interest Company on 1 January 2021. On that date, Ripplez, transferred all of its trade and net assets to Catch 22 Charity Limited, except for one contract which continued to be delivered by Ripplez CIC (see note 12). During the year Catch22 paid £5k (2021: £nil) on behalf of Ripplez. At the balance sheet date Catch22 was owed £103k (2021: £112k) by Ripplez. A provision for the full amount of this debt has been made in Catch22's financial statements for the year ended 31 August 2022 and 2021 and therefore the balance due at 31 August 2022 included within the Catch22 financial statements is £nil (2021: £nil).

g) Launch22:
   i. On 31 March 2015 Catch22 made a loan of £125k to another charity, Launch22 Limited (formerly Launchpad Labs Limited), at an interest rate of LIBOR plus 0.75% per annum. The amount remained due to Catch22 at 31 August 2022 (2021: £125k). The loan was due for repayment in four equal annual instalments commencing on the second anniversary of the agreement but remains outstanding and Catch22 made a full provision against this debt in the financial year ended 31 August 2016.
   ii. Catch22 became the sole member of Launch22 on 23 May 2017 and paid amounts totalling £10k on behalf of Launch22 during the financial year (2021: £2k). £312k was due to Catch22 at the balance sheet date (2021: £302k). At the balance sheet date, a provision against the full amount of the debt has been made, including an additional £10k provision in the financial year (2021: £2k). Launch22 has not been consolidated into the results of the group for the year ended 31 August 2022 as it is not material. Launch22 closed in July 2020 and is in the process of being wound-up.

h) Catch22 Social Enterprise Solutions Limited is a member of Public Services Lab LLP (PSL), which was incorporated on 24 November 2016, and it controls 49.49% of the voting rights in that entity. There were no transactions between PSL and the Catch22 group during the year and there were no balances outstanding between these entities at the balance sheet date (2021: £nil).

i) Catch22 owns 20% (2021: 50%) of the voting rights in Jobs22 Limited, see note 11 for further details of the disposal of investment. During the year Catch22 provided services amounting to £84k (2021: £218k) to Jobs22. At the balance sheet date Jobs22 owed £2k (2021: £209k) to Catch22.

23. Post balance sheet events

a) **Catch22 Multi Academies Trust (MAT)** – the trustees and members of the MAT have come to the decision, working collaboratively with the Regional Schools Commissioners, to re-broker all the academies to new trusts. This is anticipated to be completed by 31 August 2023, and

CATCH22 PEOPLE

Patron

HRH The Princess Royal

Board of Trustees

Terry Duddy, Chairman
Caroline Artis, Treasurer
Mike Adamson (resigned 16 December 2021)
Alison Alexander (appointed 23 June 2022)
Kieron Boyle (resigned 5 July 2022)
Ben Cooper (resigned 10 December 2021)
Natasha Finlayson (appointed 27 February 2023)
Matthew Halstead
Jeff Jacobs
Gita North
Tove Okunniwa (resigned 29 September 2022)
Samantha Olsen (appointed 20 January 2022 and resigned 28 October 2022)
Pria Rai
Harvey Redgrave (appointed 27 February 2023)
Benoit Salama (appointed 1 February 2023)
Ufuoma Irene Sobowale (appointed 1 February 2023)
Claire Starza-Allen
Jonathan Thomas (appointed 20 January 2022)
Sean Williams (resigned 15 December 2022)

Chief Executive

Chris Wright (to 20 June 2022)
Naomi Hulston (from 20 June 2022)

Company Secretary

Nigel Richards

Registered Office

27 Pear Tree Street
London
EC1V 3AG

Bankers

Barclays
Level 27, 1 Churchill Place
London
E14 5HP

Solicitors

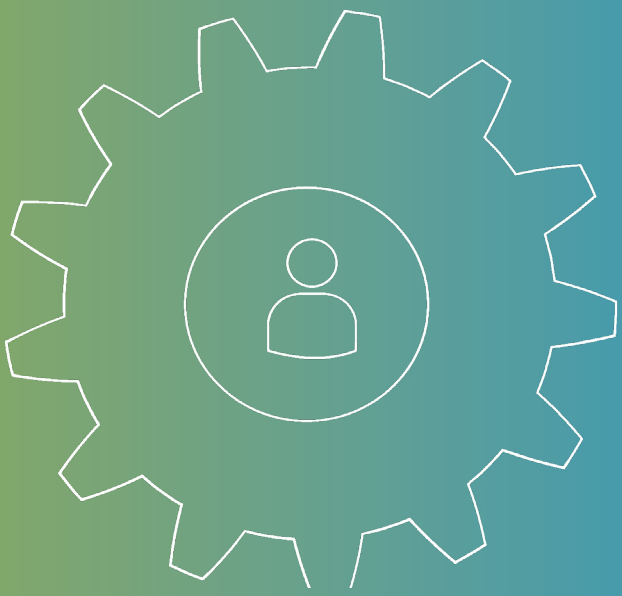
Stone King LLP
Boundary House
91 Charterhouse Street
Clerkenwell
London
EC1M 6BHR

Investment Managers

HSBC Private Bank (UK) Limited
78 St James's Street
London SW1A 1JB

Auditors

Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP



catch 22

catch-22.org.uk

Catch22 charity limited. Registered charity no. 1124127
Company limited by guarantee. Company no. 06577534

CATCH 22 CHARITY LIMITED

England & Wales - Charity number 1124127

Accounts

CATCH 22 CHARITY LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

Company number: 06577534
Registered charity number: 1124127



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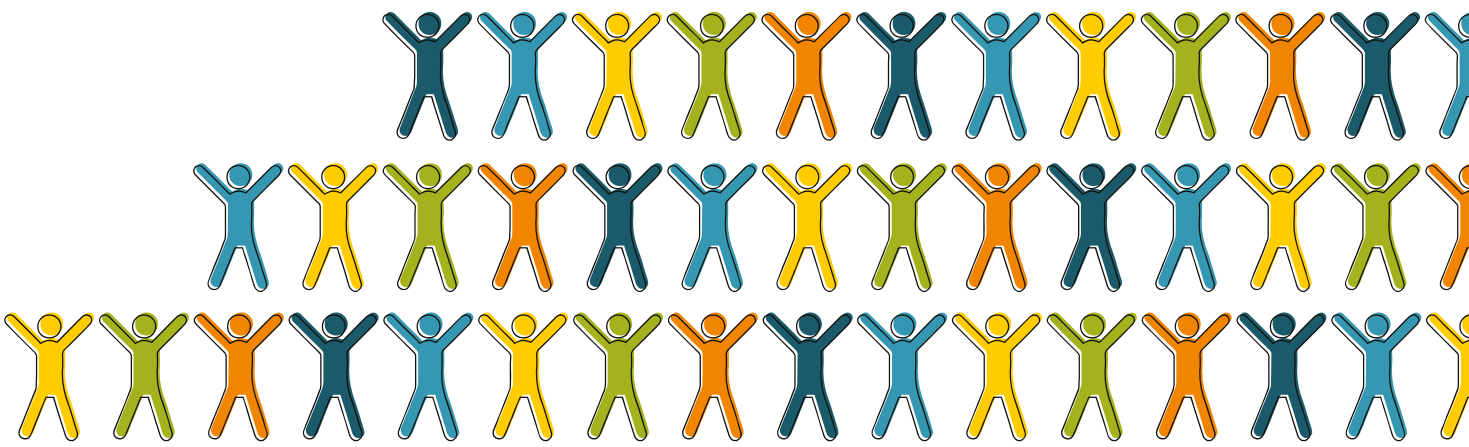
p52 CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2021

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INTRODUCTION

THIS REPORT LOOKS BACK ON WHAT WAS THE SECOND YEAR OF THE PANDEMIC, A YEAR IN WHICH WE BECAME USED TO DOING THINGS DIFFERENTLY. WE DEMONSTRATED WHAT HAS BECOME THE NORM FOR CATCH22; AN **ABILITY TO BE AGILE, FLEXIBLE, AND RESPONSIVE TO THE NEEDS OF THOSE WE WORK WITH**, WHETHER IT IS THOSE WHO PARTICIPATE IN OUR SERVICES OR THOSE WHO COMMISSION US.

We have stated before that Catch22 is an optimistic organisation, an organisation that consistently looks to find solutions and support those we work with to move forward in their lives. This optimism is critical when working with our constituents, many of whom have been disproportionately impacted by the pandemic. From those who are digitally excluded to those who have gone missing, been subject to exploitation, got caught up in gangs and violence to those who have needed support in finding work or in finding somewhere safe to live. The capacity of our colleagues to maintain their own positivity has been crucial in their ability to provide the support required by those we work with.

This report captures the breadth of Catch22's activity – a set of stories and insights that clearly demonstrates the concept of cradle to career support. It was the year in which Ripplez Community Interest Company joined us, bringing with them a capability to work with women who repeatedly have children who are removed into the care system. This way of working exemplifies our fundamental belief in the importance of relationships in creating sustainable change in the lives of those blighted by a range of seemingly insurmountable obstacles.

The report highlights several **significant developments in the ongoing evolution of Catch22**, these include the opening of the Catch22 MAT's state of the art school, The Austen Academy, in Basingstoke for children with autistic spectrum disorders to the securing of nine personal well-being contracts from the Ministry of Justice to engage with individuals working to break free from cycles of offending and re-offending. **In addition, we continued to develop new ways of reaching those we aim to work with and in achieving our charitable objectives.** To this end, we created a new joint venture company with our Australian Partners, The Angus Knight Group and through this venture secured a Restart contract with the Department of Work and Pensions.

So, this has been yet another busy, energising, and engaging year. A year in which we touched the lives of **over 160,000 individuals across England and Wales.** None of this can be achieved without the considerable insight, foresight and sheer professionalism of our board, the trust placed in us by our commissioners and funders, the enthusiasm and commitment of our volunteers and fundamentally the energy, drive and undying passion and belief of the staff who go to work every day to try and make a difference.

TERRY DUDDY,
Chair of Trustees





CHRIS WRIGHT,
Chief Executive Officer

IN THE LAST YEAR...

More than
160,000
service users
supported

Over 100
services

1,500 staff

JUSTICE

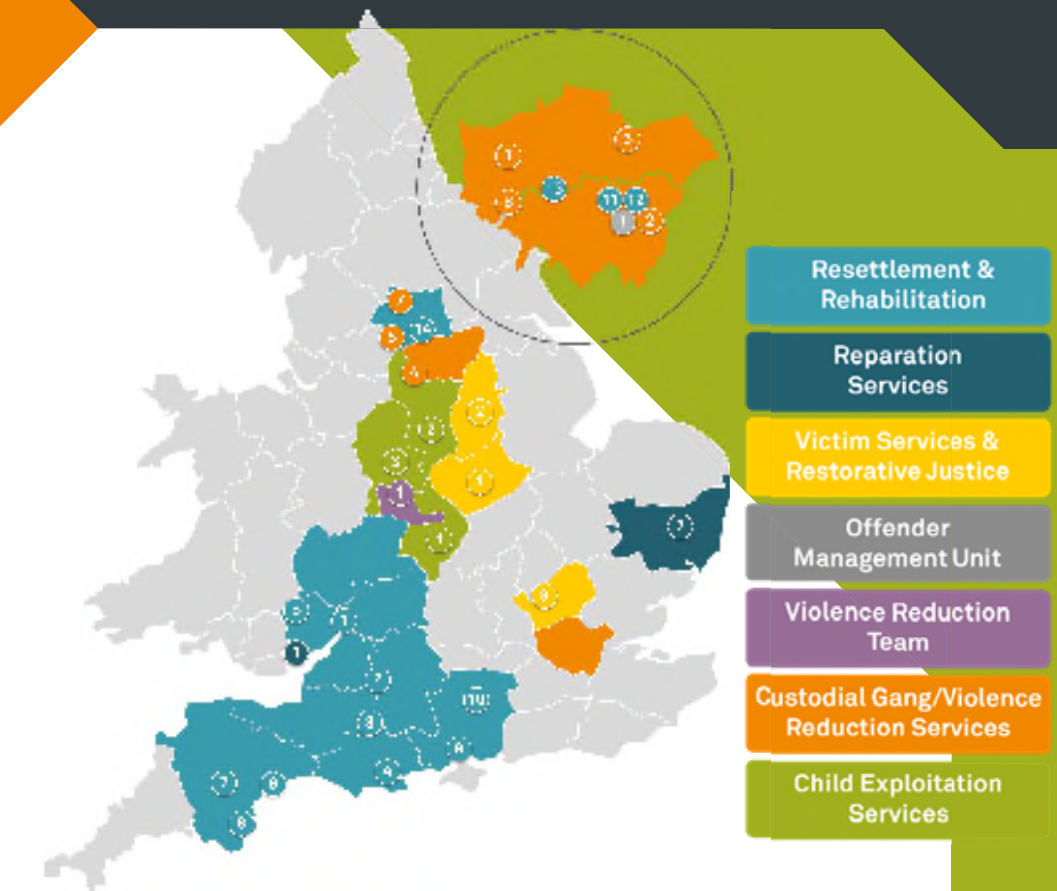
"IT'S BEEN A YEAR PACKED WITH **NEW ACTIVITY** THANKS TO THE 9 MINISTRY OF JUSTICE PERSONAL WELLBEING CONTRACTS WE SECURED – AND THE FANTASTIC CODE4000 MERGING WITH CATCH22.

"OUR VICTIMS' SERVICES GO FROM STRENGTH TO STRENGTH, **HELPING THOUSANDS OF PEOPLE WHO HAVE BEEN VICTIMS OF CRIME**. CATCH22'S ROYAL PATRON, HRH THE PRINCESS ROYAL, VISITED OUR GANGS SERVICE IN WOLVERHAMPTON, AND OUR THROUGH THE GATE WORK RECEIVED HIGH PRAISE FROM THE INDEPENDENT MONITORING BOARD.

"WE'RE EXPECTING THIS YEAR TO BE NO LESS BUSY AND NO LESS IMPACTFUL!"

Lisa Smitherman, Director of Justice





LAST YEAR

- More than **42,000 service users** supported
- **100% commissioners satisfied** or very satisfied with our work
- Our **Straight Up** service launched, supporting people aged 16-30 associated or at risk of involvement in gang culture into training and work

GANGS, VIOLENCE REDUCTION AND PERSONAL WELLBEING

LAST YEAR WE SUPPORTED 2,642 SERVICE USERS THROUGH OUR GANGS, VIOLENCE REDUCTION, PERSONAL WELLBEING AND REPARATION SERVICES

Take a look at this Channel 4 piece featuring our Wolverhampton Gangs Service



In May 2021, Catch22 was awarded 9 contracts to deliver personal wellbeing support for prison leavers on licence, those requiring post-sentence supervision and those serving community or suspended sentences. The contracts form part of the Ministry of Justice's Commissioned Rehabilitative Services and we deliver across the following Police and Crime Commissioner (PCC) regions: London, West Mercia, Avon and Somerset, Dorset, Thames Valley, Hampshire and Isle of Wight, Devon and Cornwall, Wiltshire and Gloucestershire.

Service users accessing Personal Wellbeing engage in interventions in 4 key areas:

FAMILY & SIGNIFICANT OTHERS:



Helping service users develop positive family relationships and avoid harmful ones

LIFESTYLE & ASSOCIATES:



Helping service users improve their pro-social self-identity and ability to access community-based support networks

EMOTIONAL WELLBEING:



Helping service users to develop coping skills and strategies to regulate mood and demonstrate perspective-taking and self-care by avoiding risky situations

SOCIAL INCLUSION:



Helping service users to develop and sustain social networks to reduce initial social isolation and develop resilience and perseverance

THROUGH THE GATE

LAST YEAR WE WORKED WITH **26,069 SERVICE USERS** WITHIN THE CUSTODIAL ESTATE

OFFENDER MANAGEMENT AT HMP THAMESIDE

Catch22 provides Offender Management services and support for adult male prisoners from entry to prison right through to their transition back into community life. Support is aimed at improving each prisoner's prospects on release – from accessing education and training to addressing criminogenic needs – and is prioritised according to sentence length, risk level and complexity of need.

As a London reception prison taking from the surrounding community, there is a significant cohort of prisoners from local gangs. At the end of the year, Thameside held 160 prisoners with a known gang membership from 67 separate gangs. Catch22 runs the dedicated gangs service to support the management of the prison environment to reduce the risk posed by gang-involved prisoners. Our approach focuses on rehabilitation and offering alternatives to the status and safety provided by gangs, which has been shown to be more effective than the suppression-only approaches used in many prisons.

"IT IS PLEASING TO NOTE THAT THIS **NEW APPROACH** TO GANGS APPEARS TO BE WORKING, WITH THE PERCENTAGE OF **VIOLENCE** ATTRIBUTED TO GANG MEMBERS **FALLING FROM 15%** IN THE THREE-MONTH PERIOD JULY TO SEPTEMBER 2020 **TO 11% IN THE THREE-MONTH** PERIOD APRIL TO JUNE 2021."

"THE OFFENDER MANAGEMENT UNIT CONTINUED TO **OPERATE EFFECTIVELY DURING THE PANDEMIC**"

Independent Monitoring Board report, 2021

"OFFENDER MANAGEMENT UNIT (OMU) STAFF WERE DOING SOME **EXCELLENT WORK IN THE PRISON** – THEY PROACTIVELY CONTACTED PRISONERS, WERE A VISIBLE PRESENCE ON THE WINGS AND PROVIDED GOOD SUPPORT. THIS WAS **THE BEST PROVISION I HAD SEEN DURING THE LAST YEAR**

CODE4000

Newly merged with Catch22, Code4000 delivers computer programming training, or coding, in UK prisons and is the first organisation of its kind in Europe. Our curriculum guides a novice programmer through their very first steps in coding to becoming a full-stack (fully trained) software developer.

"WE BELIEVE THAT ANYONE CAN LEARN TO CODE, AND WE SUPPORT OUR STUDENTS THROUGH A TRANSFORMATIVE JOURNEY THAT NOT ONLY BUILDS THEIR CODING SKILLS BUT HAS A MARKABLE EFFECT ON CONFIDENCE, SELF-ESTEEM, AND WELLBEING."

Jim Taylor, Director, Code4000

Many Code4000 graduates have gone on to set up their own web-development agencies, and we have pioneered employment into the Financial Technology sector with graduates now working as software developers in high-street banks. With more prison leaders looking to secure a Code4000 academy in their establishment, we hope to reach more people with our innovative curriculum and change yet more lives through teaching tech.



VICTIM SERVICES



12,000 victims of crime supported

95% satisfied with the support they've received

Our Hertfordshire Beacon service retrieved **£696,370 for victims of fraud** in the last year

beacon Hertfordshire victim care centre

Victim First Leicester, Leicestershire & Rutland

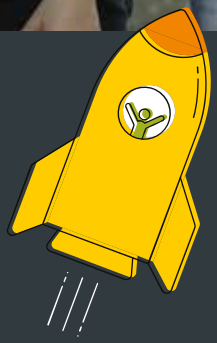
Nottinghamshire Victim CARE Cope And Recovery Empowerment

Our victims services continue to thrive, providing emotional and practical support in the home and community for victims of crime, along with crime prevention advice. We have experience delivering a range of victim services including restorative justice, domestic abuse, substance misuse and gangs. We use this experience to inform the development of our victim services, in order to create innovative and localised services with strong partnerships to meet the needs of victims in each area.

'YOU HAVE HELPED ME TO GET BACK ON TRACK, **I AM PROUD OF HOW FAR I HAVE COME** AND I AM LOOKING FORWARD TO THE FUTURE',

Jane, Service User, Leicestershire Victim First





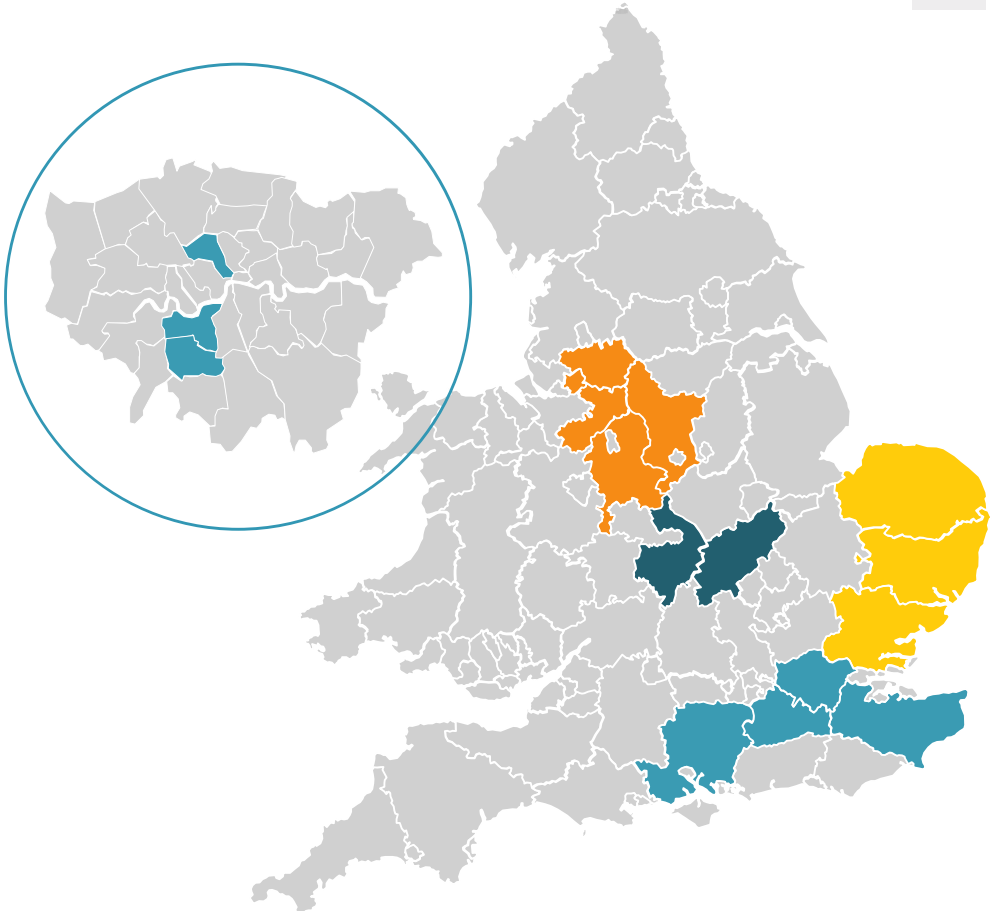
YOUNG PEOPLE AND FAMILIES

"THE EFFECTS OF THE PANDEMIC HAVE HIT MANY OF THE YOUNG PEOPLE AND FAMILIES WE WORK WITH INCREDIBLY HARD. INCIDENTS OF CHILDREN GOING MISSING AND BEING EXPLOITED CONTINUE TO RISE. **MANY PEOPLE ARE SUFFERING WITH POOR MENTAL HEALTH** AND STRUGGLING TO COPE WITH THE FINANCIAL AND SOCIAL IMPACT OF MONTHS OF LOCKDOWNS AND UNCERTAINTY.

THERE HAS NEVER BEEN MORE DEMAND FOR THE SERVICES WE OFFER, AND IT'S TESTIMONY TO THE **HARD WORK OF OUR STAFF** THAT THE **9,000 PLUS PEOPLE WE WORK** WITH ARE SATISFIED WITH OUR SUPPORT, FEEL SAFER AS A RESULT AND REPORT IMPROVED MENTAL HEALTH."



KATE WAREHAM,
Director of Young People and Families



MIDLANDS

Northampton Crisis Intervention & Appropriate Adults - Northampton
Coventry Life Long links Service - Coventry
Coventry Child Exploitation Service - Coventry

NORTH WEST

Wigan Floating Support - Wigan
Stoke & Staffs Child Exploitation Services/Missing from home - **Wirral IDVA**
Pan Merseyside Child Exploitation Service and Missing from home inclusive of St Helens/Wirral and Knowsley contracts
Trafford Missing from Care Service
Derby and Derbyshire CARES
NLCBF – National

LONDON

The Hive - Camden
The Hive - Social Enterprise - Camden
Camden Mediation - Camden
Wandsworth YPH - Wandsworth
Merton – Risk and Resilience Service - Merton
Merton – Wimbledon Foundation Health & Wellbeing - Merton

SOUTH EAST

Young Persons Substance Misuse - Surrey
Music to my Ears - Surrey
Hampshire 24/7 Service - Hampshire
YP&F Bespoke - Essex
CHIP - Colchester
Kent SAiFE - Kent

EAST

Suffolk Reparation - Suffolk
Suffolk Mentoring - Suffolk
Norfolk Mediation - Norfolk
Suffolk Positive Futures - Suffolk

LAST YEAR

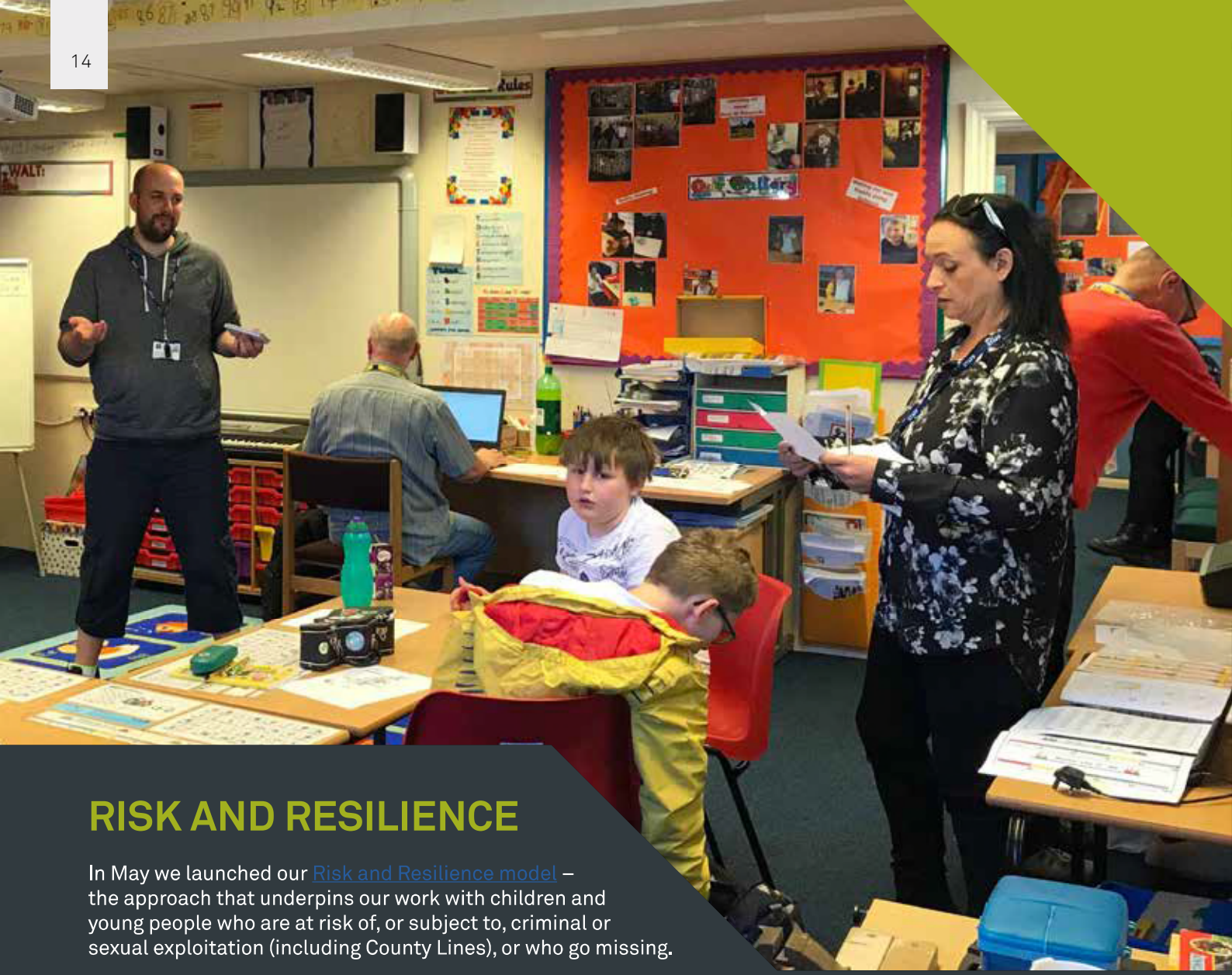
OVER 9000 PEOPLE ENGAGED

95% REPORTED **IMPROVED MENTAL HEALTH**

96% OF **SERVICE USERS FEEL SAFER** AFTER USING OUR SERVICES

98% SERVICE **USER SATISFACTION**

100% COMMISSIONER **SATISFACTION**



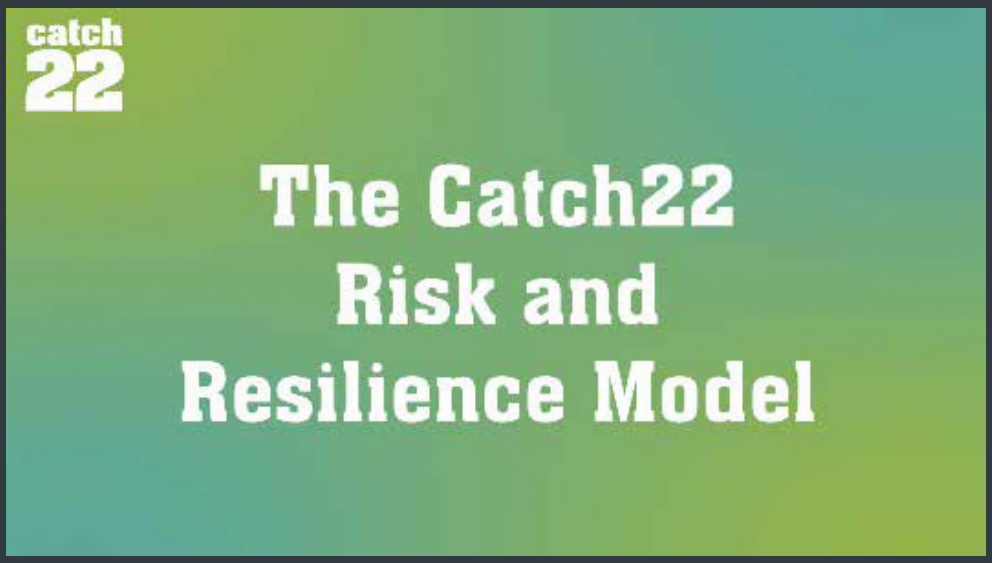
RISK AND RESILIENCE

In May we launched our Risk and Resilience model – the approach that underpins our work with children and young people who are at risk of, or subject to, criminal or sexual exploitation (including County Lines), or who go missing.

Support to prevent missing from home or care episodes from recurring includes return home interviews, CE screening and assessment, followed by programmes of direct work which enable young people to reflect upon and recognise the causes, signs and symptoms of CE. Our key workers build holistic trusting relationships through individual and therapeutic support, group activities, and signposting to other services.

Our model rests on 5 key principles:

- Identifying CYP at Risk
- Awareness and skills
- Volunteers
- Bespoke Case Management System
- Flexible and responsive to need



INCLUSION 22

Inclusion22 is a dedicated service for children of drug and alcohol using parents and carers. Its aims are to:

- reduce the risks and negative social and health impacts for children of substance misusing parents
- support young people to develop an understanding of the impact of parental substance misuse
- safeguard children of substance misusing parents
- break inter-generational substance misuse

The Inclusion22 project began as a pilot project as part of the wider Hampshire 24/7 substance misuse treatment service provided in Hampshire by Catch22, in partnership with Inclusion.

"**I'M SO GRATEFUL AND THANKFUL FOR YOUR HELP**. MY DAUGHTER HAS BECOME A CONFIDENT YOUNG LADY, SHE HAS **LEARNT MANY SKILLS**; EYE CONTACT WITH PEOPLE, EXPRESSING WHAT SHE REALLY FEELS AND NOT WHAT SHE THINKS PEOPLE EXPECT. **INCLUSION22 HAS WORKED BRILLIANTLY** WITH MY DAUGHTER AND ME. THEY HAVE **MADE A BIG DIFFERENCE TO OUR LIVES**, THEY ARE **VERY SPECIAL PEOPLE**"

Mother of 'B'





EDUCATION

"THIS YEAR, CATCH22 EDUCATION'S SCHOOLS HAVE CONTINUED TO THRIVE IN KEY AREAS OF PERSONAL DEVELOPMENT, **SHARING EXPERIENCE AND BEST PRACTICE ALONG THE WAY**. OUR TRAUMA INFORMED SCHOOLS HAVE FOCUSSED ON ENHANCING THEIR THERAPEUTIC OFFER, WITH IN-SCHOOL INTEGRATIVE THERAPISTS AND MENTAL HEALTH LEADERS PROVIDING STRONG PASTORAL SUPPORT TO STUDENTS DURING WHAT HAS, FOR MANY, BEEN A DIFFICULT YEAR. **PROGRESS HAS ALSO BEEN MADE WITH OUR INVOLVEMENT IN THE BEHAVIOUR HUBS PROGRAMME**, BASED ON A THERAPEUTIC AND TRAUMA INFORMED MODEL OF POSITIVE REINFORCEMENT WHICH FOCUSES ON DEVELOPING SELF-MANAGEMENT AND EMOTIONAL REGULATION.

OTHER ACHIEVEMENTS INCLUDE ALL SCHOOLS BEING ACCREDITED WITH THE MATRIX STANDARD FOR INFORMATION, ADVICE AND GUIDANCE (IAG) SERVICES AND SCHOOLS' PARTICIPATION IN THE UNICEF RIGHTS RESPECTING SCHOOLS INITIATIVE AND DELIVERY OF A RIGHTS RESPECTING CURRICULUM, FOR WHICH THE FEN RIVERS ACADEMY HAS BEEN AWARDED ITS **SILVER ACCREDITATION**. THE FEN RIVERS ACADEMY ALSO ACHIEVED ITS **NATIONAL ONLINE SAFETY**

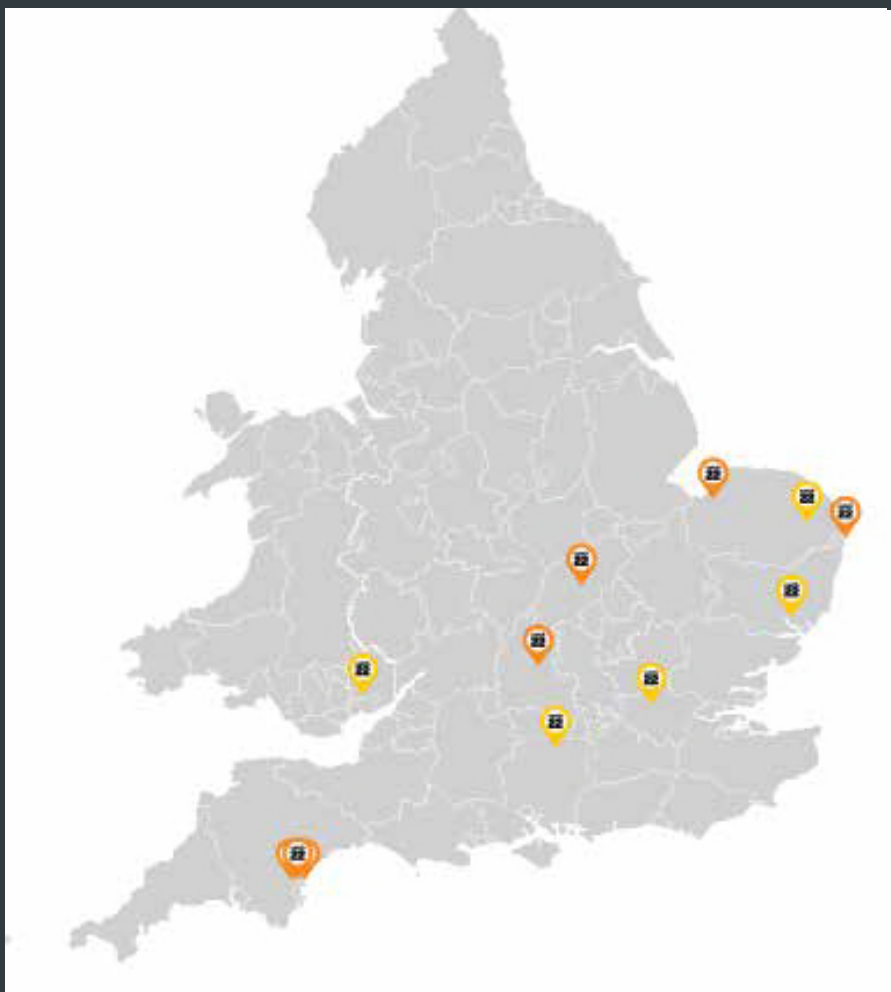
CERTIFIED SCHOOL STATUS IN RECOGNITION OF ITS COMMITMENT TO ONLINE SAFETY.

WE'VE FELT THE RECRUITMENT PRESSURES THAT OTHERS IN THE SECTOR HAVE EXPERIENCED, COUPLED WITH LEGACY CHALLENGES FROM THE PANDEMIC. WE CONTINUE TO PRIORITISE THE **PROFESSIONAL DEVELOPMENT OF OUR DEDICATED STAFF, HIGH QUALITY TEACHING IN ALL OUR CLASSROOMS AND MEETING THE SAFETY AND WELLBEING NEEDS OF OUR PUPILS AND SCHOOL COMMUNITIES.**

WITH **82% ACHIEVEMENT AT GCSE AND THE VAST MAJORITY OF SCHOOL LEAVERS TRANSITIONING TO FURTHER EDUCATION, EMPLOYMENT OR TRAINING OPPORTUNITIES**, THE EDUCATION HUB CONTINUES TO DRIVE FORWARD ITS MISSION – ENABLING YOUNG PEOPLE TO ACHIEVE MEANINGFUL QUALIFICATIONS AND PROGRESS AND SUCCEED IN POSITIVE DESTINATIONS."



JANE REED,
Education CEO



MULTI ACADEMY TRUST
The Ashwood Academy - Basingstoke
The Austen Academy - Basingstoke
The Brunel Academy - Paignton
The Burton Academy - Torquay
The Coppice Spring Academy - Basingstoke
The Everitt Academy - Lowestoft
The Fen Rivers Academy - King's Lynn
The Spires Academy - Northampton

INDEPENDENT
Norfolk - Norwich
PPP - Ladbrook Grove, West London
Suffolk - Ipswich
Oxford - Oxford
Wales- Newport

LAST YEAR ACROSS OUR INDEPENDENT AND MAT SCHOOLS

726 PUPILS TAUGHT

82% OF GCSE ENTRIES WERE **ACHIEVED**

4 SCHOOLS SAW **100%** OF THEIR LEAVERS PROGRESS INTO **POSITIVE DESTINATIONS** (82% ACROSS ALL OUR SCHOOLS)

THE AUSTEN ACADEMY

Opened in April 2021, The Austen Academy is a Special Educational Needs (SEN) school for learners from Year 1 to Year 11 whose needs cannot be met within a mainstream environment. All students will have an Education, Health and Care Plan (EHCP) in relation to their Social, Communication Needs (SCN) associated with a diagnosis of Autism.

Housed in a purpose built two-storey building with specialist classrooms and extensive external grounds, the Academy will grow to offer spaces for up to 128 full time pupils with personalised academic and therapeutic programmes to help them progress in life.

The high-quality and professional team of staff help children and young people build the skills, confidence and the emotional resilience they need to manage their everyday lives. The staff also help them develop the language and communication abilities necessary to engage positively in the community and eventually to live an independent life through employment and further education.

Watch this ITV Meridian feature on The Austen Academy



"IT HAS BEEN A CHALLENGING COUPLE OF YEARS FOR EVERYONE, OUR STUDENTS INCLUDED. WE ARE THRILLED TO **WELCOME THEM AND OUR COMMUNITY** TO A SCHOOL WHICH IS THE FIRST IN THE AREA SPECIFICALLY DESIGNED TO **IMPROVE THE FUTURE OPPORTUNITIES OF CHILDREN** WITH AUTISM. OUR STUDENTS ARE DOING EXCEPTIONALLY WELL."

Liz Cooper, Headteacher, The Austen Academy



INCLUDE WALES

100% OF ALL LEAVERS SUSTAINED THEIR **POSITIVE DESTINATION** UP TO **12 MONTHS AFTER LEAVING**

Catch22 Include Wales, which is an Estyn registered Independent School. The school provides full-time, alternative education for Key Stage 1 and 2 students, most of whom have Social, Emotional, and/or Mental Health Needs (SEMH). Pupils attend the school for assessment, social nurture and academic intervention, before being supported back into appropriate mainstream or specialist schooling.

Catch22 Include Wales was inspected by Estyn in November 2021. The annual monitoring visit was very positive, with the report noting how staff have worked together to enable the school to remain open, keep pupils safe and support their well-being and learning. The inspection team saw that our pupils engage well, display enthusiasm during tasks and are eager to demonstrate their ability. Catch22 Include Wales were also mentioned in the ESTYN Annual Report regarding the extended pastoral care offered in the face of the pandemic.

"I'M VERY **PROUD OF THE PROGRESS** THAT HAS BEEN MADE AT INCLUDE WALES. IT IS CREDIT TO THE HARD WORK AND ENTHUSIASM OF OUR STAFF AND STUDENTS THAT **ESTYN HAVE ACKNOWLEDGED OUR STRENGTHS AND SUCCESSES**."

Gemma Wall, Headteacher, Include Wales

EMPLOYABILITY AND SKILLS

"THIS YEAR WE'VE **SUPPORTED MORE THAN 11,000 PEOPLE** TO BETTER PREPARE THEMSELVES FOR THE WORLD OF WORK – AND REMAINED **COMMITTED TO OUR APPROACH OF HELPING PEOPLE** SECURE NOT JUST ANY JOB, BUT A GOOD JOB. THANKS TO OUR FANTASTIC PARTNERS AND DEDICATED STAFF, WE'RE DELIVERING PROGRAMMES THAT ARE EQUIPPING PEOPLE WITH THE SKILLS NEEDED FOR GROWTH SECTORS; DIGITAL AND TECH, GREEN JOBS AND HOSPITALITY.

"WE HAVE EMBRACED THE KICKSTART PROGRAMME, D**ELIVERING HIGH QUALITY PLACEMENTS** THROUGH OUR **KICKSTART COMMUNITY** AND LATTERLY YEAR OF SERVICE. OUR **NCS PROGRAMMES CONTINUE TO THRIVE** AND WE'RE EXCITED TO BE BUILDING CLOSER LINKS BETWEEN OUR COLLEGE STUDENTS AND EMPLOYABILITY PROGRAMMES THROUGH A NEW PARTNERSHIP IN THE COMING YEAR."

Victoria Head, Director, Employability and Skills

COLLEGES

Bishop Auckland
Great Yarmouth
Kent Maidstone
Nottingham
Peterlee
Southend
Thetford

EMPLOYABILITY

Barclays LifeSkills *(London, Liverpool and Manchester)*
Bright Light *(London)*
Digital Edge *(London and Manchester)*
Social Switch *(London)*
Inspiring Connections *(London)*
Digital Leap
JP Morgan
Inspiring Families
Family Works
JETs

NCS

North East: Durham County, Newcastle, North Tyneside
West Midlands: Herefordshire, Shropshire, Telford and Wrekin, Wolverhampton, Worcestershire
North West: Cheshire East (Macclesfield), Liverpool, Manchester, Oldham, Sefton, Stockport, Tameside, Wirral
South East: Bracknell Forest, East Sussex, Hampshire, West Berkshire, Windsor and Maidenhead, Wokingham
East Midlands: Bakewell, Belper, Buxton, Chesterfield, Glossop, Ilkeston, Kettering, Wellingborough
South West: Bath and Bristol



LAST YEAR IN EMPLOYABILITY...

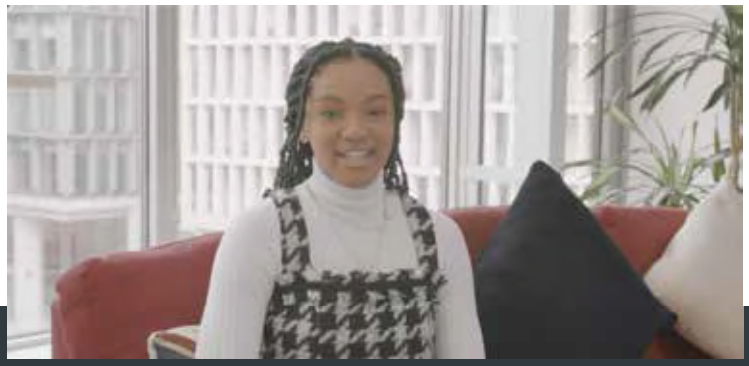
11,000 PEOPLE SUPPORTED THROUGH OUR PROGRAMMES

BRIGHT LIGHT **WINS THE CARE LEAVERS CATEGORY** IN THE CHILDREN AND YOUNG PEOPLE AWARDS **2021**

JETS WINS ERSA **'HIDDEN HEROES'** TEAM OF THE YEAR AWARD

NEW PARTNERS INCLUDING **JP MORGAN & CHASE,** SALESFORCE

JPMorgan Chase & Co.



Watch this video of Lauren who has secured a job following her participation on our Digital Edge Programme

CATCH22 DIGITAL

Catch22 Digital provides a series of pre-employment and apprenticeship programmes designed to provide opportunities for people from excluded groups to get working in digital or tech enabled roles.

Digital Edge (funded by Microsoft) and Digital Leap (funded by Salesforce) have collectively seen 190 participants complete the programmes, resulting in 85 job starts in the last year.

C22 DIGITAL

HORIZONS

Launched in early 20201, Horizons was set up to initially help 400 people who face barriers to work into jobs and training. Supported by JP Morgan, and most recently Rothschild Foundation, the programme is one of the first programmes to address both unemployment and underemployment; where work is either low paid, unstable or without opportunities to progress.

Participants received:

- Support from Career Advisors
- Group pre-employability support
- Volunteer-supported inspiration sessions
- A menu of technical training options
- In-work support: Participants will receive up to 6 months in-work support from the Catch22 team.

The programme also provides access to laptops and connectivity support for young people where digital exclusion presents a barrier.

JOBS 22

Jobs 22 - the new joint venture created by Catch22 and Australian provider of human service and skills, Angus Knight – was awarded a major contract as part of the Department for Work and Pensions' Restart Programme. The contract is for 4.5 years from July 2021, with the aim of securing jobs for around 40,000 people and is worth more than £200m.

Jobs 22 is providing employability support for job seekers in East Central England – covering the East Midlands, Lincolnshire, Bedfordshire, Luton and Stoke and Staffordshire.

Take a look at the Jobs 22 customer journey



NCS

LAST YEAR IN NCS...

87% OF PARTICIPANTS **COMPLETED THE PROGRAMME**

£66,998 RAISED OVER THE SUMMER FOR **LOCAL GOOD CAUSES**

Designed for 16-17 year olds, NCS is a youth programme that runs every summer and autumn, during school holidays. The experience is all about emboldening young people, by giving them the buzz of being an adult (without all the responsibilities). As a national youth programme, over 150 partner organisations come together to form the NCS network.

Catch22 has worked with NCS since 2010, delivering the life-changing experience for young people in these regions: North East, North West, West Midlands, East Midlands, South East, South West

As well as the NCS programmes, Catch22 has been in schools delivering 15 hours of personal development workshops on for more than 700 pupils on topics including:

- Health & Wellbeing
- Post-COVID Socialisation
- Preparing to return to education
- Career Progression
- Employability
- Skills for Independent Living
- British Values & Citizenship
- Volunteering & Social Action





COLLEGES

LAST YEAR

446 LEARNERS

777 AIMS WERE ACHIEVED, INCLUDING QUALIFICATIONS AND WORK EXPERIENCE PLACEMENTS

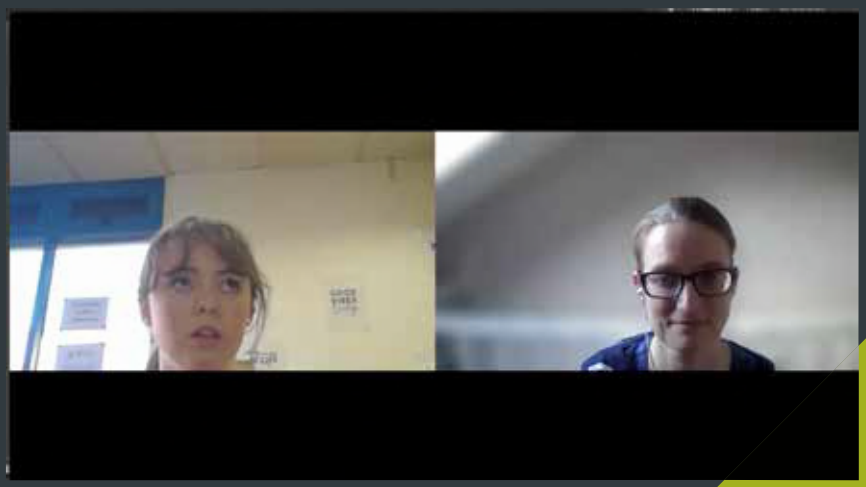
81% OF OUR YOUNG PEOPLE PROGRESSED INTO A **POSITIVE DESTINATION**

STUDY PROGRAMME RATED **GOOD BY OFSTED**

Listen to Bonnie who attends our College in Peterlee, talking about her experience at Catch22.

We run 7 colleges for learners aged 16-19 which are focussed on the education and employment goals of our individual learners.

We work with students to develop a tailored learning programme which is matched to their interests and goals for the future. Students can pick from a range of learning options covering five key areas: 1. Functional skills 2. Vocational qualification 3. Life skills 4. Work experience 5. Progression Our learners have enjoyed courses on life skills and wellbeing, employability skills, IT skills, construction, land-based studies, hair and beauty, hospitality and catering – as well as English and Maths functional skills.



"**CATCH 22 HAS IMPROVED MY CONFIDENCE** AND I CAN NOW GET THE GRADES THAT I WANT."

Shayla Gordon, Student

"THEY'VE **HELPED ME PASS MY GCSE MATHS** AND ILL SOON GET MY ENGLISH AS WELL. SINCE BEING HERE, MY ATTITUDE TOWARDS LEARNING HAS ALSO CHANGED DRASTICALLY."

Billy Rutterford, Student

"CATCH 22 IS A GREAT PLACE TO BE. **AND HELP STUDENTS REACH WHAT THEY WANT TO ACHIEVE** IN THEIR LIVES."

Malgorzata Lipinska, Student



APPRENTICESHIPS

"WHEN I SAT DOWN TO WRITE MY REVIEW OF 2020, WE WERE STILL IN THE MIDST OF THE COVID-19 PANDEMIC, AND WHILST THE RECOVERY IS STILL ONGOING AND FOR MANY, STILL IN THE EARLY STAGES, THERE HAVE BEEN SOME DEFINITE GREEN SHOOTS THAT SHOULD BE CELEBRATED.

THE LAUNCH AND **SUCCESS OF STEP22** – HELPING PEOPLE TO FORGE A CAREER WITHIN THE HOSPITALITY SECTOR AND AIDING THE SECTOR SPRING BACK FROM THE PANDEMIC AND RECRUIT GREAT PEOPLE HAS BEEN A REAL HIGHLIGHT FOR ME.

WE LAUNCHED OUR TRAINEESHIP PROVISION, DELIVERING POSITIVE OUTCOMES TO A NUMBER OF YOUNG PEOPLE IN LONDON.

AND THE **QUALITY OF OUR APPRENTICESHIP PROVISION IMPROVED, DELIVERING FANTASTIC TRAINING** TO OUR APPRENTICES ACROSS THE HOSPITALITY, HOUSING AND BUSINESS SERVICES SECTORS.

THE LAST 12 MONTHS HAVE MOST CERTAINLY BEEN A PERIOD OF BOTH RECOVERY AND GROWTH."



CHRIS STOKER-JONES,
Director of Vocational Training

LAST YEAR

OUR APPRENTICESHIP AND COLLEGE PROVISION WAS RATED **GOOD BY OFSTED**

67% OF APPRENTICES REPORT THAT THEY HAVE **RECEIVED A PAY RISE** AS A RESULT OF ACHIEVING THEIR APPRENTICESHIP

61% OF OUR APPRENTICES ACHIEVE A **DISTINCTION GRADE** IN THEIR END POINT

ATTENDANCE AT TUTORIALS HAVE **INCREASED FROM 39% TO 98%** SINCE THE NEW BLENDED APPROACH WAS IMPLEMENTED

77% OF OUR TRAINEESHIP STUDENTS PROGRESSED TO A **POSITIVE DESTINATION** OF EMPLOYMENT, FE OR APPRENTICESHIPS

97% OF NEW **EMPLOYERS ENGAGED** WITH IN 2021 ARE NEW TO USING APPRENTICES

HYBRID DELIVERY

94% REPORTED THAT THE NEW **BLENDED DELIVERY MODEL IS MORE SUITED TO THEIR BUSINESS NEEDS.**

Following on from a transition to a fully digital delivery model during lockdowns, over the last year the apprenticeship team have been able to physically visit our apprentices - spending time with them and their employers delivering some face-to-face training as we moved to a blended delivery model.

This new approach to our teaching and training is being very well received by both our apprentices and our employers.

STEP 22

During National Apprenticeships Week 2021, we launched Step22 - our hospitality apprenticeship brand. Set up to support the sector recover from the fallout of the pandemic as well as Brexit, it provides the highest quality of hospitality apprenticeships available on the market. Now with four programmes (and a fifth in development) that cover all aspects of roles within the hospitality sector, Step22 is able to provide a service across the vast majority of hospitality businesses and the take up has been phenomenal. From a standing start, the team has seen growth ahead of budget and employers are already feeling the positive impact of recruiting an apprentice into their team.

step22



PROPERTY

In our Property division, the team continues to go from strength to strength, and our newest apprenticeship programme, Junior Estate Agent Level 2, is proving to be incredibly popular with independent estate agencies as they look to cope with the demands of their sector. In fact, this programme has seen the highest increase of new apprentices under 24 in our entire provision.

TRAINEESHIPS

We also created our first Traineeship programme to support 16–18-year-olds to access hospitality jobs in London. Working in collaboration with Compass Group and Hej Coffee, our first cohort embarked upon a Barista focused programme and the success was startling, with the vast majority progressing to a positive destination. This year we will be offering further hospitality traineeships but also a Music Production course based out of our Links Studio at Community Links in Canning Town.

COMMUNITY LINKS

"WE ARE IMMENSELY **PROUD OF THE REAL IMPACT COMMUNITY LINKS HAS HAD** IN NEWHAM AND BEYOND OVER THE LAST 12 MONTHS. FACED WITH ONE OF THE MOST CHALLENGING ENVIRONMENTS IN RECENTLY HISTORY OUR RESPONSE HAS BEEN IMMEDIATE, EXTENSIVE, AND SUSTAINED. ALL THIS HARD WORK HAS ONLY BEEN POSSIBLE THROUGH THE GOODWILL AND GENEROSITY OF OUR MANY FUNDERS AND SUPPORTERS FROM ACROSS THE COUNTRY. PUT SIMPLY, NONE OF OUR ACHIEVEMENTS WOULD HAVE BEEN POSSIBLE WITHOUT YOU - SO THANK YOU SINCERELY."

Chi Kavindele, Director, Community Links

ADVICE TEAM SUPPORTED A TOTAL OF **3,841 PEOPLE.**

HEALTH TEAM **INTERACT WITH 79,621 PEOPLE**

COVID-19 HELPLINE **SUPPORTED MORE THAN 12,000** NEWHAM RESIDENTS

In February 2021, Community Links merged with Catch22. The two organisations have shared back office and corporate services since early 2017 when Community Links joined the Catch22 Group. The merger is the next step in their relationship, after both boards decided to strengthen the partnership and merge fully.

Benefits of the merger will be recognised in three broad areas: Sustainability, Scope and Scale. Although not solely about cost saving, it will come as no surprise that the Covid-19 pandemic has accelerated the speed of integration given pressure on existing funds and the increased need for Community Links' work – demand for some services over summer 2020 increased by up to 400%. Community Link's name, branding and logo established over 40 years ago will continue, as will its commitment to the community in Newham and East London.

LINKS STUDIOS

In August 2021, Links Studios - a recording studio for young people aged 11- 19 who are based in the Newham community – was launched. The studio was formally opened by Ronnie Wood from the Rolling Stones, and we were joined by many familiar faces at the launch event, which felt even more poignant after 18 months of not being able to spend time together in person. Young people will have access to song writing workshops, music production courses, video and photography workshops, sound engineering workshops, and courses to develop social media skills. Alongside this, Links Studios is supporting young people to move into sustainable creative and digital employment pathways.



DRIVING CHANGE

REFORM AGENDA

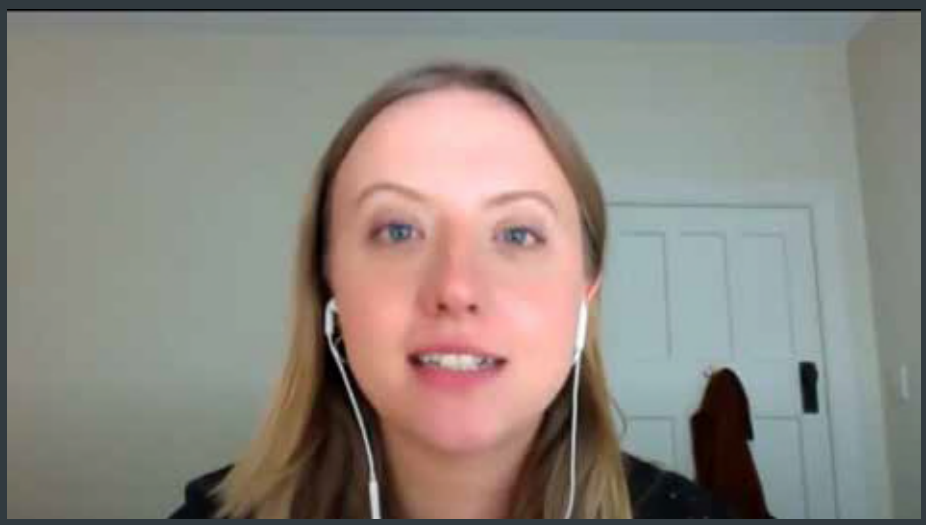
Catch22 has an ambitious reform agenda. We want to reform the youth employment system in order to level the playing field for every young person out of work. Our aim is to tackle both youth unemployment and underemployment (where work is insecure, short term or low paid).

View this animation



ONLINE HARMS

In 2021 we launched our major research report entitled: Children and Young Peoples' Experiences of Online Harms: 'Acceptable Use' and Regulation, thanks to funding from the Mayor of London's Violence Reduction Unit.



DIGITAL EXCLUSION

In June we launched our Vision for a Digitally Included Britain in the attempt to end digital poverty and achieve 100% digital inclusion by 2030, by ensuring:

- Everyone is able to access appropriate devices that allow them to connect to the internet,
- Everyone has easy access to high speed, quality, broadband,
- Every school-aged child is given, or has access to a personal, age-appropriate device, data and skills package upon starting school,
- Basic digital skills training is available to everyone, regardless of age, through local community hubs, and
- Everyone has access to the information they need to stay safe online.

Through our partnership with Nominet, we're looking at the barriers to digital skills that many young people face. Through this year we'll be producing a series of research papers and making recommendations on what needs to happen to create a truly digitally included nation.

OUR PARTNERS

Microsoft

salesforce

BARCLAYS | LifeSkills

SUPPORTED BY MAYOR OF LONDON

grid for good
From National Grid

JPMorgan Chase & Co.

ROTHSCHILD FOUNDATION

Deloitte. CAST

THE CLOTHWORKERS' FOUNDATION

Avast Foundation

NOMINET

nfpSynergy
helping non-profits thrive

BIG SOCIETY CAPITAL

Social Business Trust

L&W LEARNING AND WORK INSTITUTE

NPC
New Philanthropy Capital

FINANCIAL HIGHLIGHTS



THE GROUP'S **FINANCIAL PERFORMANCE OVER THE YEAR WAS STRONG**, DESPITE THE COVID-19 PANDEMIC THAT IMPACTED THE WHOLE OF THIS FINANCIAL YEAR. THE CONTINUED SUPPORT OF OUR COMMISSIONERS AND FUNDERS, TOGETHER WITH THE FLEXIBLE AND INNOVATIVE APPROACHES OF OUR STAFF ENABLED US TO **CONTINUE TO DELIVER QUALITY SERVICES TO MEET THE NEEDS OF OUR BENEFICIARIES**. WE WERE ALSO ABLE TO MAINTAIN STRONG CONTROL OVER OUR OPERATING COSTS, WHILST CONTINUING TO INVEST IN THE ORGANISATION, AND GENERATE A STRONG INCOME SURPLUS FOR THE YEAR.

We are grateful for the support provided by the National Lottery Communities Fund to both the organisation and our beneficiaries in response to the Covid-19 pandemic.

In addition, the value of our investment portfolio recovered significantly, following last years falls triggered by the outbreak of the pandemic, which combined with our operating surplus had led to a significant increase in the group's unrestricted reserves.

During the year Community Links Trust, an existing charity within the group, merged with Catch22. The aims of the merger were to secure the sustainability of Community Links' work in Newham and Greater London and to provide a platform for this work to grow in both scope and scale along with providing some overall cost efficiencies.

Also, during the year Ripplez CIC merged with Catch22. Ripplez delivered a range of evidence-based early intervention and intensive home visiting services in the East Midlands, Catch22 aim to continue with this work and will seek to expand it into other geographies.

Our partnership work with corporate funders continued to expand with new funding partnerships secured with Salesforce, J.P. Morgan, and National Grid amongst others. This is a funding area we aim to continue to grow as this type of funding allow us the flexibility to innovate and deliver on our reform agenda.

Our Justice 'through-the-gate' contracts ended in June 2021, but we successfully secured 9 contracts, mainly in London and the South West of England, to provide 'personal wellbeing' support for prisoner leavers on licence and those serving community sentences.

The group is well positioned financially for 2021/22 and beyond, with resources available for the organisation to grow into new geographies and new areas of support whilst investing in the organisations infrastructure to improve efficiency and providing some shelter from the economic headwinds and the ever-increasing needs of our service users.

The group's financial performance for the year to 31 August 2021 is set out in the Statement of Financial Activities.

Movements in the Restricted Pension Funds and Restricted Fixed Asset Funds relate to the operations of the Catch22 Multi Academies Trust (MAT) and in particular the establishment of new academies. The underlying financial performance of the group is therefore better represented by the movements on Restricted Funds, decrease of £0.4m (2020: decrease of £0.1m) and Unrestricted Funds, increase of £2.4m (2020: decrease of £0.3m).

The increase in Unrestricted Funds is after net exceptional items expenditure of £0.6m (2020: income of £0.9m), relating to the clawback of funds due to non-delivery by a subcontractor, the costs of organisational restructures, the impairment of tangible fixed assets, and the loss on disposal of Only Connect UK from the group.

Overall, the group's consolidated balance sheet has strengthened further during the year, with Restricted Reserves of £4.0m (2020: £4.4m) and Unrestricted Reserves of £11.7m

(2020: £9.3m). These reserves provide a solid base for the future of the organisation and the trustees have chosen to invest some of the Unrestricted Reserves to improve the group's systems, better demonstrate its impact, strengthen its project governance, and grow its voluntary income from corporate funders. The strong balance sheet will also help to shelter the group from the impact of the current inflationary pressure being experienced within the economy.

As a result of the group's strong financial performance and its focus on partnership income, which tends to be paid in advance of delivery, the cash position has improved significantly with the bank overdraft as at 31 August 2021 reduced to £2.0m (2020: £3.75m). Since the balance sheet date this has been fully repaid.

The diverse nature of the group's income streams allows it to take a 'balanced portfolio' approach, with some services contributing a greater amount to the cost of support services than others. However, we continually review the financial viability of all our services, paying particular attention to those that consume a disproportionate amount of resources from our support services or require significant additional support maintain or improve quality. Where it is not financially viable for the group to continue to deliver services, we are proactive in taking measures to restructure them to ensure their future viability, or reluctantly close them where necessary.

We aim to continue to growth the organisation as we believe that scale offers financial protection for the organisation and allows us to continue to offer a platform to social entrepreneurs and smaller organisations to develop their ideas and secure their future impact. We think there are particular growth opportunities for the organisation in its Justice work, the expansion of its children's home offer (first home opened in early 2022) and corporate partnerships. We will also seek to maintain the diversity of the group's income streams as this also offers financial protection to the organisation and helps secure its long-term sustainability to continue to deliver impact for its service users and deliver reform of public services.

INCOME

Total income for the year to 31 August 2021 was

£65.2m

compared with

£53.2m

for the previous year.



Voluntary income in the period included **£17.9m**

(2020: £6.5m) of long leasehold land and buildings transferred from local authorities used by new academies in the Catch22 Multi Academies Trust.

After adjusting for these 'one-off' income amounts, income for the year is **£47.3m, compared to £46.7m in the previous year.**

Donations, legacies, and grants were 12% of income excluding 'one-offs' (2020: 7%). This is the result our successful strategy to increase voluntary income from corporate funders and we are grateful for the support of continuing and new funders including Barclays Bank pls, The Clothworkers' Foundation, Salesforce, J.P. Morgan, The National Lottery Community Fund, Microsoft, and National Grid amongst others.

Income from charitable activities fell to £40.9m (2020: £42.5m). This was the result of a combination of contracts coming to an end and not being renewed, decisions that were taken to close unviable services last year, and the disposal of Only Connect UK from the group.



EXPENDITURE

TOTAL EXPENDITURE FOR THE YEAR THE YEAR TO 31 AUGUST 2021 WAS £54.7M, COMPARED WITH £46.7M FOR THE PREVIOUS FINANCIAL YEAR. INCLUDED WITHIN THE COST OF CHARITABLE ACTIVITIES ARE EXCEPTIONAL ITEMS, WHICH ARE EXPLAINED ABOVE, AND THE IMPAIRMENT OF LONG LEASEHOLD LAND AND BUILDINGS HELD BY THE MAT £7.4M (2020: £NIL).

Support costs

Support costs reduced by 6% during the year to £4.4m (2020: £4.7m).

We constantly review our support services to ensure they are operating efficiently and effectively and meeting the needs of our services. During the year we were supported by Bain & Company, through our relationship with the Social Business Trust (SBT) to review both our financial and human resources systems and processes. Following this work, we have implemented some changes in our structures and improvements in our processes and, with the continued, support of SBT we will be implementing a new finance system during the next financial year which is expected to go-live in September 2022.

Surplus on investment assets

The net gain on investments during the year was £1.3m (2020: loss £0.5m) and at 31 August 2021, after withdrawals, the portfolio was valued at £11.5m (31 August 2020: £10.5m), in addition, income earned from the portfolio was £0.3m (2020: £0.3m).

This is a strong recovery following the impact of the pandemic. Since the balance sheet date, the trustees have chosen to take an increased ethical approach to the investments, with a particular focus on sustainability.

HSBC Private Bank, the investment managers, offer a working capital facility (currently with an agreed limit of £5.0m) secured against the portfolio at a very competitive interest rate. The trustees regularly consider the cost of borrowing to finance working capital against expected investment returns in order to decide whether investments should be sold to fund working capital requirements. The trustees' current opinion is that market returns are likely to exceed the cost of borrowing for the foreseeable future and therefore investments should not be sold. At 31 August 2021 £2.0m of this facility has been drawn (2020: £3.75m).

Investments

All investments were acquired within the Trustees' powers. The portfolio is held in general funds and is managed in accordance with an Investment Policy, which sets out the objectives of the fund, considers risk and liquidity requirements and sets out how the fund should be managed including the Board's expectations around ethical investment. The objective of the general fund is to provide a regular flow of income to support the daily activity of Catch22 and in addition, to achieve a level of capital growth which will preserve the real value of the fund over time and provide a capital fund for investment in approved development projects within Catch22.

Our investment portfolio is managed by a firm of professional investment managers. The Trustees consider the performance of those managers and the investment portfolios they manage to be satisfactory and that our underlying investments are sound.



Reserves

The Finance Growth and External Audit Committee, on behalf of the Board of Trustees, conducts an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items.

The level of Free Reserves that should be maintained by the organisation is determined by balancing two competing objectives. On the one hand ensuring we have maximum and speedy use of resources to deliver real impact for beneficiaries and realise our reform ambitions and, on the other hand, ensuring we have adequate resources to continue to deliver our services through periods of financial challenge and uncertainty and can be here for our beneficiaries over the medium and long term.

The trustees assess the risks that the charity is exposed to on a regular basis and determine a range for Free Reserves considering these risks. The principle risks include:

- an unexpected change in the level of our income;
- the need to maintain services over the short term if funding streams reduce;
- the likelihood of unexpected expenditure; and
- working capital requirements.

In determining the figures trustees also consider future plans for the group and the need to protect vulnerable beneficiaries, staff and volunteers in the unlikely event of unplanned closure of some of its services.

Whilst this process cannot come up with a precise figure for Free Reserves, after taking these factors into consideration the trustees believe that the appropriate level for Free Reserves is between £2.35m and £3.6m for the group.

Free Reserves are those that are freely available at the trustees' discretion to help manage financial variability i.e. Unrestricted Reserves excluding fixed assets and bank borrowing secured against those fixed assets.

At 31 August 2021 the group's total reserves amounted to £48.7m (2020: £37.4m) of which £37.0m was restricted (2020: £28.0m) and £11.7m was unrestricted (2020: £9.3m). Of the unrestricted amount £5.95m (2020: £3.9m) is deemed to be free reserves. This is above the range set by the trustees and since the balance sheet date the trustees have agreed to invest £0.7m in the organisation to ensure its continued and enhanced success in improving the lives of its beneficiaries. The trustees consider it prudent, given the current inflationary pressure in the economy, and the potential impact of the cost-of-living crisis on the group's staff and beneficiaries to hold free reserves more than the current maximum amount set out under the reserves policy.



FINANCIAL RISKS

LIQUIDITY RISK	The Group's objective is to maintain a balance between cash balances and long-term investments. The Group's policy on liquidity risk is to ensure there are sufficient cash balances to meet the day-to-day needs of the organisation while investing surplus balances in fixed asset investments.
MARKET RISK	The Group's exposure to market risk arises primarily from the Group's fixed asset investments. The Group's policy is to utilise the services of professional investment managers to manage the fixed asset investments. Performance of these investments and therefore the investment managers is reviewed every month by the senior management team. The Finance, Growth and External Audit Committee have been appointed by the Board to oversee the performance of our investment managers.
CREDIT RISK	The Group is mainly exposed to credit risk in relation to money due from commissioners in relation to its delivery of services. The vast majority of these commissioners have proved to be extremely credit worthy. Nevertheless, we operate a proactive credit control system designed to ensure payment is received quickly and that problems are identified as early as possible, and the appropriate action is taken. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.
FOREIGN EXCHANGE RISK	The Group does not have any significant exposure to foreign exchange risk.
OTHER RISK	The impact of increasing inflation has been considered on the charity's future plans and budgeting processes, and the potential impact of this coupled with restrictions on future government spending, will continue to be a risk into the August 2022 year end and beyond.


15%
40%
15%
25%
10%
43%
57%



STRUCTURE, GOVERNANCE AND MANAGEMENT



Formation and structure of the Charity

Catch22 was incorporated as a Company Limited by Guarantee on 28 April 2008. It was registered as a charity on 19 May 2008.

Its objectives, as stated in its memorandum of association, are: 'to promote opportunities for the development, education and support of young people in need to lead purposeful, stable and fulfilled lives and to promote safer, crime free communities for the benefit of the public.'

We have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2). In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set, taking account of the available guidance on public benefit.

The trustees are satisfied that Catch22 has aims and objectives and carries out activities that are for the public benefit in that the support provided to individuals, families and communities directly benefits each of those groups and therefore the wider public.

Catch22 is the sole trustee of The Royal Philanthropic Society incorporating the Rainer Foundation and is the sole member of The Crime Concern Trust Limited. Both are charities. The Rainer Foundation has released its permanent endowment and is now dormant. Crime Concern is also now dormant.

Catch22 holds 100% of the share capital of Catch22 Social Enterprise Limited

Catch22 owns 100% of Pupil Parent Partnership Limited, a company limited by guarantee.

Catch22 also owns 100% of Catch22 Social Enterprise Solutions Limited.

Catch22 also owns 100% of Include, a company limited by guarantee.

Catch22 also owns 100% of Catch22 Multi Academies Trust Limited, a company limited by guarantee.

Catch22 also owns 100% of Community Links Trust Limited, a company limited by guarantee.

Catch22 also owns 100% of Community Links Trading Limited.

Catch22 also owns 100% of Launch22 Limited, a company limited by guarantee.

Catch22 also owns 100% of Ripplez CIC, a company limited by guarantee – ownership acquired 1 January 2021

Please see note 12 for disclosure of activities and performance of each subsidiary.

GOVERNANCE

Safeguarding

Catch22 is a diverse and dispersed organisation, supporting some very vulnerable service users. We have a dedicated post within the organisation to ensure that we appropriately manage risk and drive improvements in our practice across our various delivery arms particularly education and social care. This post of Safeguarding Manager has been in place since January 2018 and is focussed on continuous improvement to our safeguarding practice.

Over this financial year, there were various safeguarding incidents, as we would expect given the nature of our work, primarily made up of disclosures made by the vulnerable young people and adults that we work with. Where appropriate these were escalated to the Local Authority Designated Officer (LADO).

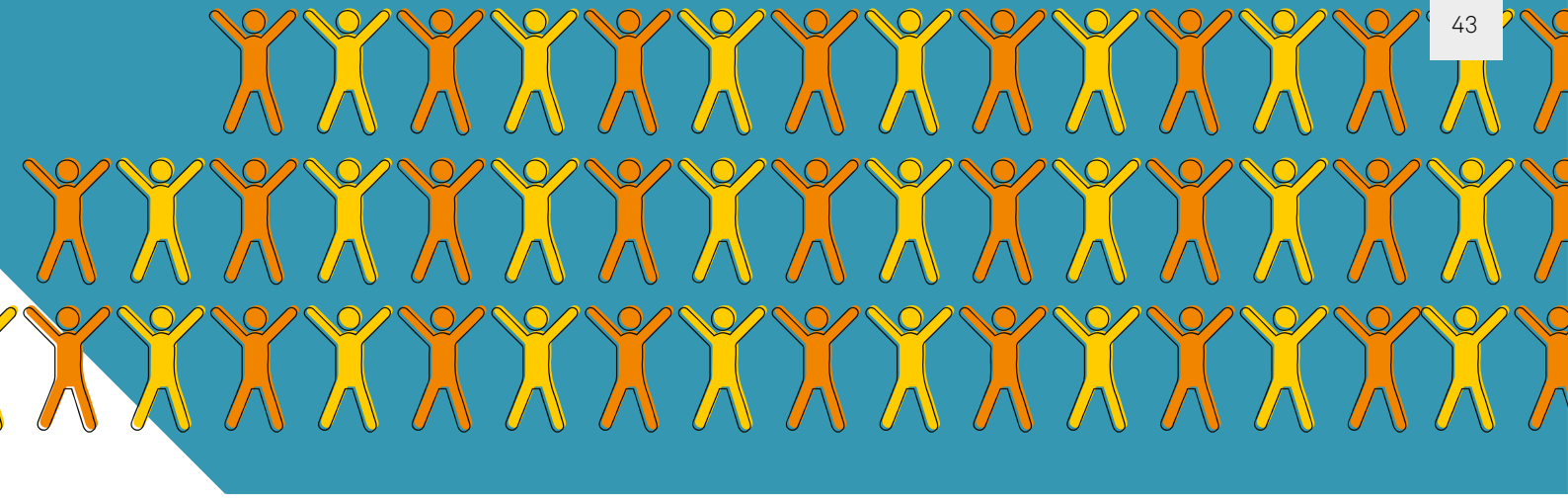
We have rolled-out an IT platform for safeguarding incident reporting and management in our schools to improve communication and reduce the bureaucratic burden, both at the point of reporting and in the administration of the monitoring and follow up actions so that more resources can be focussed on keeping our service users safe.

Modern Slavery

Catch22 has a zero-tolerance approach to modern slavery, and we are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to endeavour to ensure that modern slavery is not taking place anywhere in our own business or in any of our supply chains.

We are also committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015. We expect the same high standards from all of our contractors, suppliers and other business partners, and as part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children. We also expect that our suppliers will hold their own suppliers to the same high standards.





Trustee Board and Committees

The board of trustees are aware of its duty under Section 172 of the Companies Act 2006 to act in a way they consider, in good faith, would be most likely, as an organisation that exists to deliver public benefit, to promote the success of the charitable group to achieve its charitable purposes, and in doing so have regard (amongst other matters) to:

a) the likely consequences of any decision in the long term,
b) the interests of the company's employees,
c) the need to foster the company's business relationships with suppliers, customers and others,
d) the impact of the company's operations on the community and the environment,
e) the desirability of the company maintaining a reputation for high standards of business conduct, and
f) the need to act fairly between members of the company.

On joining the board of trustees, a new trustees will be briefed on their duties, which are partly fulfilled through the governance structure set out below, including the delegation of day-to-day decision making the Chief Officer Group.

All trustees embrace our vision to build a strong society, where everyone has good people around them, a purpose, and a good place to live and promote our organisational values to ensure:

- we are compassionate – we care about people, supporting them to move forward
- we empower others – we give people the knowledge, skills and opportunities to thrive
- we are collaborative – we do things with people, not to them
- we are curious – we explore, innovate and challenge to improve what we do.

The trustees consider that they have fulfilled their obligations under Section 172, as evidenced throughout this report.

Governance Structure

The Trustee board meets at least four times a year and has established three committees to which certain functions are delegated. These are: the Finance, Growth and External Audit Committee, the Governance, Risk and Internal Audit Committee and the People and Performance Committee.

Each committee meets at least four times a year and reports back to the Trustee Board.

The committees monitor progress against goals and targets that flow from the strategic plan set by the Trustee board.

Catch22 complies with 'Good Governance: A Code for the Voluntary and Community Sector' issued by the Governance Code Steering Group.

There is a scheme of delegation in place which sets out what matters are reserved for the trustee board and what is delegated to the chief executive and senior management.

Matters reserved for the board include (among others):

- Setting the charity's strategy;
- Approval of the organisational business plan and annual budget;
- Approval of any changes to the group structure;
- Appointment of the chief executive

Matters delegated to the chief executive include (among others):

- Establishing partnerships and joint working arrangements;
- Development of new services;
- Tenders for new contracts (with a value of up to £2m);
- Appointment of the executive management team

Valuing our Trustees – recruitment, induction and ongoing training

The People and Performance Committee oversees the recruitment of Trustees and undertakes a periodic skills audit of the Board. Applications for Trusteeship are sought through open advertisement, use of a specialist agency and personal contacts. Applicants are assessed against a trustee job description and shortlisted candidates are interviewed by a panel of Trustees and appointed by the Trustee Board. Trustees are normally appointed for three years and may be reappointed for a further three years subject to agreement of the Board. A further three-year period is available if it is considered to be in the best interest of Board stability.

New Trustees are provided with induction meetings with key staff and are given a detailed governance pack. Arrangements are made for Trustees to visit Catch22's projects and services. Trustees receive information newsletters, presentations on aspects of Catch22's work and on matters affecting the voluntary sector.

Catch22 looks to all those involved in its governance to make a reasonable commitment to ongoing development and training. This may involve away days, visits, presentations and other internal functions as well as opportunities to attend relevant external events such as seminars, courses and conferences.

Catch22 also circulates publications of general interest and provides access to magazines, articles, newsletters, policy briefings and other documents of more specialist interest.

Setting Pay and Remuneration of Key Management Personnel

Setting Pay and Remuneration of key management personnel is the responsibility of the People and Performance Committee. In setting pay and remuneration, they consider performance management information and relevant benchmarks within the sector.

Engagement with our People

We recognise that our people, both staff and volunteers, are key to the success of the organisation and to delivering the impact we seek for our beneficiaries. We engage with our people through a variety of channels to keep them informed, seek their views, encourage their involvement and develop common awareness. These channels include, amongst others:

- regular service visits by the Chief Officer Group and trustees,
- a monthly question & answer session with the Chief Office Group,
- an annual staff conference which trustees attend,
- a monthly newsletter, supported with information on our intranet,
- an annual staff survey

Information gathered by the senior leadership team is fed back to trustees via reports submitted to and discussions held at the People and Performance Committee.

Business Relationships

We recognise that relationships with business stakeholders is key to our success and long-term sustainability. Strong, collaborative relationships with our commissioners and funders enables us to work with them during the pandemic to find new ways of supporting our beneficiaries and to respond to their changing needs. These relationships are also key to securing ongoing funding.

We also seek to engage with the wider sector through professional bodies and interest groups to both seek and share best practice and collaborate on finding solutions to shared challenges.

We value all our suppliers and look to identify our key suppliers and put multiyear contracts in place and adopt a partnership approach to the relationship where any concerns are worked through together to find mutually beneficial solutions. We also have several small subcontractor organisations who deliver services on our behalf, and we adopt a supportive approach to contract management and help them to build their capacity. For example, we have used our own internal cyber and information security expertise to assist some of these organisations to harden their security environments and achieved certification where necessary.

Environment

We recognise the importance of minimising our impact on the environment and that environmental issues are a significant concern for both our people and those we support. We use our school and college curriculums to promote environmental sustainability and we also have a 'Go Green' working group that shares ideas to minimise environmental impact. We actively encourage our staff to use transport options that result in less CO2 emissions.

We have created a carbon reduction plan with the aim of achieving Net Zero by 2050. We have established an Environment cross-cutting initiative task force in our business plan with chief officer sponsorship. Future measures we hope to implement are:

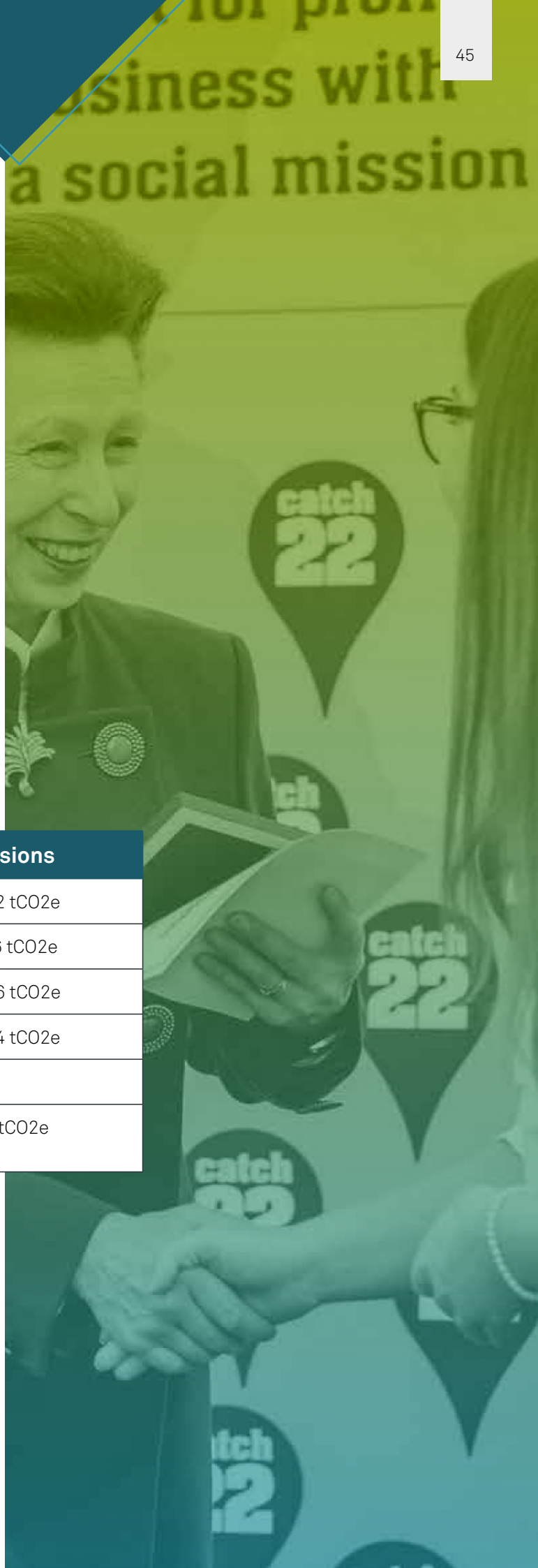
- sourcing energy from 1005 renewable sources,
- replacing gas boilers in the properties we control with decarbonised energy systems,
- working with landlords of our short leasehold premises to drive sustainability measures,
- reducing our employees use of petrol and diesel vehicles,
- obtaining Net Zero commitments from our supply chain partners:

Our consumption and emissions for 2020/21 were as follows:

Energy Type	Consumption	Emissions
Gas	1,772,333 KWh	324.62 tCO2e
Electricity	743,478 KWh	157.86 tCO2e
Vehicles*		120.36 tCO2e
Total Emissions		602.84 tCO2e
Intensity ratio per £m/turnover **		12.74 tCO2e

*Vehicles includes petrol and diesel purchased plus employee mileage claims

** Turnover excludes MAT land & buildings transferred





TRUSTEES' RESPONSIBILITIES

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

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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and charity and of the surplus or deficit of the Group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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 financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.
- observe the methods and principles in the Charities SORP.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Risk management

The Trustees have in place a robust risk management process. The process identifies the types of risks the Charity faces, prioritises them in terms of likelihood of occurrence and potential impact, identifies the means of managing these risks and monitors how they are managed. Development and review of the risk management arrangements are the responsibility of the Governance, Risk and Internal Audit Committee. The Chief Officer Group are responsible for managing risk across the organisation and receive regular updates at their fortnightly meetings on key risks and they ensure that collaborative mitigating action is taken.

The internal audit programme is agreed annually with the Governance, Risk and Internal Audit Committee and focuses on the key areas of risk within the organisation. Audit findings and progress on implementing actions is reported quarterly to the committee.

The key risks identified by Catch22 at the end of 2021/22, together with the actions taken or intended to be taken in response to these risks are as follows:

- Loss of income due to public sector spending cuts following the pandemic in addition to rising costs due to inflationary pressure. Catch22's response is to continue to focus resources in our business development and partnerships teams, maintain our diversified income streams, keep our quality high in order to secure repeat business and our costs competitive to ensure that our cost basis is sustainable over the longer-term. We also continue to be focussed on securing an increased proportion of voluntary grant income and developing income streams from trading activity along with ensuring our support teams are appropriately structured and deliver value for money. Financial performance, future forecasts and our income pipeline is regularly monitored by the Finance, Growth and External Audit Committee.
- Loss of control of personal or sensitive data. Mitigated by robust data protection and information security policies, in line with the General Data Protection Regulation (GDPR), supported by staff briefings and compulsory training. We review the risk of a breach of our IT platforms on an ongoing basis and take appropriate mitigating action to keep them secure. We achieved Cyber Essentials Plus certification in June 2021 and at the end of 2021/22 we were working towards ISO27001: Information Security Management certification for our core central processes and infrastructure. This certification was achieved in April 2022.
- Failure to keep our service users safe. Established policies and procedures with clear training and staff competency expectations embedded throughout the organisation, monitored through regular supervisions and internal audit, overseen by a Safeguarding Manager. Designated safeguarding leads appointed in all our services. Our schools and colleges use a specific safeguarding monitoring system, and a similar system will be rolled out to our other services in autumn 2022.
- Failure to ensure the wellbeing and safety of staff, particularly those working with vulnerable beneficiaries. Our People team continuing to develop our wellbeing offer and our policy on staff supervision meetings includes the requirement to discuss staff welfare. Increased focus on mental health support within the organisation. We have a professional health and safety team in post with embedded health and safety polices and procedures, underpinned by compulsory training for managers and regular health and safety inspections with follow-up of actions. Emphasis on learning from incidents and near misses and we are in the process of introducing a new incident management system to enable us to react more quickly to incidents, learn lessons and identify trends.
- Serious incident results in adverse publicity leading to reputational damage. Appropriate policies and procedure are in place to mitigate the risk of a serious incident occurring. Crisis Management policy in place and crisis management training provided to key staff. Reactive communication strategy prepared. New critical incident process introduced.
- Lack of organisational capacity to bid for new work and deliver existing work due to changing work patterns, increased labour market opportunities and cost of living crisis. We have identified mission critical roles across the organisation, talent strategy and review of Catch22 employee value proposition underway along with a new pay strategy being developed. Delivery capacity and quality continually monitored through management arrangements and the internal audit and impact board. Development capacity boosted when necessary through the use of the freelance resources.

Further information about Catch2, including our Social Business Review can be found at: **www.catch-22.org.uk**

Signed on behalf of the Board of Trustees on 25 May 2022.



Terry Duddy
Chair, Catch22 Charity Ltd

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATCH22 CHARITY LIMITED

Opinion

We have audited the financial statements of Catch 22 Charity Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise as the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement 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 group's and the parent charitable company's affairs as at 31 August 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

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 in 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 there is 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 the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 46, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

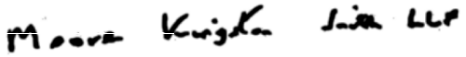
Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are [the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council]
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Neil Finlayson
(Senior Statutory Auditor)

for and on behalf of
Moore Kingston Smith LLP, Statutory Auditor
26 May 2022

Devonshire House
60 Goswell Road
London

EC1M 7AD

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT for the year ended 31 August 2021

	Note	Restricted Pension Funds (MAT) £'000	Restricted Fixed Assets Funds (MAT) £'000	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
Income from							
Donations and legacies		-	-	38	843	**881**	964
Grants	2	-	1,003	3,555	314	**4,872**	2,589
Donations – academy transfers (MAT)	3	-	17,879	-	-	**17,879**	6,533
Income from charitable activities	6	-	-	13,442	27,500	**40,942**	42,528
Income from trading activities		-	-	-	338	**338**	301
Income from investments	4	-	-	-	254	**254**	289
Total income		**-**	**18,882**	**17,035**	**29,249**	**65,166**	**53,204**
Expenditure on							
Raising funds		-	-	-	223	**223**	**261**
Charitable activities							
Ordinary activities	6	1,000	8,480	16,251	27,795	**53,526**	**46,930**
Exceptional	6	**-**	**-**	206	387	**593**	**(886)**
Trading activities		**-**	**-**	**-**	389	**389**	**417**
Total expenditure		**1,000**	**8,480**	**16,457**	**28,794**	**54,731**	**46,722**
Net gains/(losses) on investments	11	**-**	**-**	**-**	1,327	1,327	(517)
Net income/(expenditure) for the period		**(1,000)**	**10,402**	**578**	**1,782**	**11,762**	**5,965**
Transfers between funds	17,18	377	(58)	(930)	611	**-**	**-**
Net income/(expenditure) before other recognised gains/(losses)		**(623)**	**10,344**	**(352)**	**2,393**	**11,762**	**5,965**
Other recognised gains/(losses)							
Gain on revaluation of Fixed Assets		**-**	**-**	**-**	**-**	**-**	**-**
Actuarial gain/(loss) on defined benefit pension scheme	21	(453)	**-**	**-**	**-**	**(453)**	**(469)**
Net movement in funds		**(1,076)**	**10,344**	**(352)**	**2,393**	**11,309**	**5,496**
Reconciliation of funds							
Total funds brought forward		(2,682)	26,327	4,378	9,329	**37,352**	**31,856**
Total funds carried forward		**(3,758)**	**36,671**	**4,026**	**11,722**	**48,661**	**37,352**

The Group had no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

All income and expenditure derive from continuing activities.

The statement provides the consolidated information for the charitable company and its subsidiary undertakings. Total income for the charitable company alone was £37,558k (2020: £33,281k) and net income was £5,007k (2020: net expenditure £662k).

The notes on pages 55 to 82 form part of these financial statements.

CONSOLIDATED BALANCE SHEET - 31 August 2021
Company number: 06577534

	Note	31 August 2021 £'000	£'000	31 August 2020 £'000	£'000
Fixed assets					
Intangible assets	9		248		358
Tangible fixed assets	10		41,784		31,547
Investments	11		11,573		10,642
			53,605		**42,547**
Current assets					
Stock		8		9	
Debtors	13	5,851		5,539	
Cash at bank and in hand		5,394		5,642	
		11,253		11,190	
Current liabilities					
Creditors: amounts due within one year	14	(11,263)		(12,506)	
Net current assets/(liabilities)			**(10)**		1187 **(1,316)**
			53,595		**41,231**
Creditors: amounts falling due after more than one year	15		**(73)**		(183)
Provisions	16		**(4,861)**		(3,696)
Net assets	19		**48,661**		**37,352**
Funds					
Restricted pension funds	17		(3,758)		(2,682)
Restricted fixed asset funds	17		36,671		26,327
Restricted funds	17		4,026		4,378
General fund	18		11,722		9,329
			48,661		**37,352**

The financial statements were approved by the Board of Trustees and authorised for issue on 25 May 2022

Terry Duddy

Terry Duddy
Chair

The notes on pages 55 to 82 form part of these financial statements.

CHARITY BALANCE SHEET - 31 August 2021
Company number: 06577534

	Note	31 August 2021 £'000	£'000	31 August 2020 £'000	£'000
Fixed assets					
Intangible assets	9		248		358
Tangible fixed assets	10		5,672		4,424
Investment in subsidiary	11		-		-
Investments	11		11,468		10,528
			17,388		**15,310**
Current assets					
Stock		8		9	
Debtors	13	4,640		4,519	
Cash at bank and in hand		3,162		3,594	
		7,810		**8,122**	
Current liabilities					
Creditors: amounts due within one year	14	**(10,022)**		**(13,242)**	
Net current assets/(liabilities)			**(2,212)**		**(5,120)**
			15,176		**10,190**
Creditors: amounts falling due after more than one year	15		(73)		(183)
Provisions	16		(1,103)		(1,014)
Net assets			**14,000**		**8,993**
Funds					
Restricted funds	17		2,523		2,156
General fund	18		11,477		6,837
			14,000		**8,993**

As permitted by s408 of the Companies Act 2006, the company has not presented its own statement of financial activities and income and expenditure account. The company's net income in 2021 was £5,007k (2020: net expenditure £662k)

The financial statements were approved by the Board of Trustees and authorised for issue on 25 May 2022



Terry Duddy
Chair

Company Registration No. 06577534

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 August 2021

	Note	Year to 31 August 2021 £'000	£'000	Year to 31 August 2020 £'000	£'000
Net income/(expenditure) for the reporting period			**11,762**		**5,965**
Adjusted for:					
Fair value of assets acquired on acquisition of subsidiary	12		(208)		-
Fair value of assets disposed on disposal of subsidiary	12		59		-
Net (gains)/losses on investments	11		(1,327)		517
Tangible fixed assets brought in on academy transfer	10		(12,721)		(6,831)
Revaluation of academy tangible fixed assets	10		(5,158)		-
Impairment of tangible fixed assets	10		7,652		-
Loss on disposal of tangible fixed assets	10		8		5
Depreciation charges	10		395		339
Amortisation charges	9		110		104
Defined benefit pension scheme deficit brought in on academy transfer			-		297
Defined benefit pension scheme cost less contributions payable	21		578		382
Defined benefit pension scheme finance cost	21		45		35
Interest receivable			-		(5)
Investment income receivable			(254)		(289)
Interest payable			73		94
Capital grants received			(1,003)		(555)
(Increase)/Decrease in stock			1		(1)
(Increase)/Decrease in debtors			(128)		1,972
Increase/(Decrease) in liabilities			353		1,191
Net cash provided by/(used in) operating activities			**237**		**3,220**
Investing activities					
Cash inflow from acquisition of subsidiary	12	241		-	
Cash outflow from acquisition of subsidiary	12	(48)		-	
Purchase of intangible fixed assets	9	-		(181)	
Purchase of tangible fixed assets	10	(398)		(381)	
Capital grants received		1,003		555	
Proceeds from sale of investments		50		62	
Interest received		-		5	
Investment income received		600		69	
Net cash generated from investing activities			**1,448**		**129**
Financing Activities					
Repayment of borrowings		(110)		(110)	
Interest paid		(73)		(94)	
Net cash used in financing activities			**(183)**		**(204)**
Net increase/(decrease) in cash and cash equivalents in the reporting period			**1,502**		**3,145**
Cash and cash equivalents at beginning of year			1,892		(1,253)
Cash and cash equivalents at end of year			**3,394**		**1,892**
Relating to:					
Bank balances and short-term deposits			5,394		5,642
Bank overdrafts			(2,000)		(3,750)
Cash and cash equivalents			**3,394**		**1,892**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently except where noted), judgements and key sources of estimated uncertainty, is set out below.

Catch22 Charity Limited is a charitable company (no. 06577534), limited by guarantee, incorporated in England and Wales and registered with the Charity Commission (no 1124127). The registered office is 27 Pear Tree Street, London EC1V 3AG.

Basis of preparation
The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the 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 (the FRS 102 Charities SORP) and the Companies Act 2006.

Going concern
The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charitable company's forecast and projections and have considered the potential impact of the continuing Covid-19 outbreak on the viability of the charitable group. Whilst some income lines continue to be affected, they are partly mitigated by costs savings. The trustees have also taken action to rationalise the charitable group to save cost and strengthen its financial position by merging subsidiary charities fully into Catch22 and relinquishing membership of organisations that are not core to the charitable groups' objectives. Annual budgets and forecasts have been revised taking this into account with prudent figures for both income and expenditure. The charity has an investment portfolio held in relatively liquid funds valued at £11.47m as at 31 August 2021 with an available working capital facility secured against this of up to £5.0m (£2.0m drawn as at 31 August 2021). This facility is due for renewal in December 2022, but the trustees expect that it will be renewed on similar terms. This amounts to £9.5m of available cash should it be required and in addition there is a £0.5m unsecured overdraft facility available with Barclays Bank plc (£nil utilised at 31 August 2021). After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest thousand pounds.

The charity has taken advantage of the exemption in the Companies Act 2006 not to present its own statement of financial activities. The results of the charity for the year ended 31 August 2021 are set out here: total income of £37,558k (2020: £33,281k) total expenditure of £33,878k (2020: £33,417k), net gains on investments £1,327k (2020: £526k net loss), resulting in net movement in funds of £5,007k (2020:(£662k)).

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below:

Basis of consolidation
The consolidated financial statements incorporate those of Catch22 Charity Limited and all its subsidiaries apart from Launch22 Limited. The company has taken advantage of the exemptions provided by section 405 of the Companies Act 2006 not to include Launch22 as it is not material to the group.

On acquisition of subsidiaries, acquisition accounting is used. All of the assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. Where subsidiaries are acquired for nil consideration and are akin to a gift, the fair value of the assets and liabilities at the date of acquisition are recognised as voluntary income in the statement of financial activities. All changes to those assets and liabilities and the resulting surpluses or deficits that arise after the group has gained control of the subsidiary are charged to the post-acquisition statement of financial activities. All intra-group transactions and balances between group companies are eliminated on consolidation.

Income
All income is recognised when there is entitlement to the funds, the receipt is probable, and the amount can be measured reliably. The following accounting policies are applied to income.

Grants and fees
Where contract and grant funding is subject to specific performance conditions, the income is recognised as earned (as the related services are provided or outcomes delivered). Any amounts received in excess of what has been earned by the year end are included within deferred income in current liabilities. Other grant income is recognised where there is entitlement, receipt is probable, and the amount can be measured with sufficient reliability.

Donations
Donations and all other receipts from fundraising are reported gross and are accounted for on a receivable basis. The related fundraising costs are reported in costs of raising funds.

Investment Income
Investment income is accounted for when receivable and includes the related tax recoverable.

Expenditure
Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligations can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies area applied to expenditure:

Allocation of overhead and support costs
Overhead, support and governance costs are allocated between the cost of raising funds and charitable activities. Overhead, support and governance costs relating to charitable activities have been apportioned between activities.

Governance costs
Governance costs are included within support costs and consist of trustees' expenses and annual audit and non-audit fees.

Costs of raising funds
The costs of generating funds consist of investment management fees and the costs of raising funds, including an apportionment of overhead, support and governance costs.

Charitable activities
Costs of charitable activities include grants payable and other costs directly associated with providing the services and support provided by the charity and an apportionment of overhead, support and governance costs.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

1. Accounting policies (continued)

Expenditure (continued)

Trading activities
Costs of trading activities include costs directly associated with providing the services provided through trading and an apportionment of overhead, support and governance costs.

Intangible Assets
Development costs for future IT projects are capitalised at cost, provided it is likely to bring future economic benefit to the group. If the criteria for recognition as assets are not met, the expense is recognised in the statement of financial activities in the period in which it is incurred. Capitalised IT costs include all direct and indirect costs that are directly attributable to the development process. The costs are amortised using the straight-line method over 3 to 5 years being their estimated useful lives.

Capitalisation of assets
Assets with a value of greater than £10,000 (and some lower value vehicles and IT equipment with an estimated useful life of at least 4 or 3 years respectively) are capitalised and depreciated to write off the cost of the assets over their estimated useful lives.

Tangible fixed assets
Land and buildings and equipment are stated in the balance sheet at cost or, in the case of certain freehold and long leasehold land and buildings, valuation less depreciation which is provided in equal annual instalments over the estimated useful life of the assets. The rates of depreciation are:

- Freehold property – 2% per annum
- Long leasehold property – over term of lease
- Furniture and equipment – 20% and 33% per annum
- Motor vehicles – 25% per annum

Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Goodwill has been amortised on a straight-line basis over three or five years.

Investments
Investments are stated at market value at the balance sheet date. Any change in the market value of investments is taken to the relevant fund together with any profits or losses on disposal of investments during the year.

Stock
Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal

Financial Instruments
Cash and cash equivalents
Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less.

Debtors and creditors
Debtors or creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense. 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.

Pension costs – Defined Contribution Schemes
The Group makes payments to defined contribution pension schemes on behalf of qualifying employees. Such contributions are charged in the Statement of Financial Activities as they fall due. The contributions are invested separately from the charity's assets.

Pension benefits – Defined Benefit Pension Schemes
Retirement benefits to employees of the Catch22 Multi Academies Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS' are funded schemes, and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Leased assets
Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the period of the leases.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

1. Accounting policies (continued)

In kind funding/support
The Group benefits from the services of secondees, many thousands of voluntary hours and unclaimed out-of-pocket expenses by a very large number of supporters. In addition, companies, organisations and individuals have, in many cases, provided the use of facilities, equipment and premises for various activities and meetings without charge. The value of such gifts in kind have been estimated and included in the consolidated statement of financial activities as income and expenditure when there is a cost to the third party of donating the gift/service. Although our systems are not set up to summarise the total value of these gifts in kind, we do know they are worth in excess of £100k (2020: £50k). This figure does not include a value for the volunteer work which is indispensable to the work that the Group undertakes.

Taxation
The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, it is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively for charitable purposes.

Fund Accounting
The group maintains various types of funds as follows:

Restricted Pension funds
Restricted pension reserves are resources or liabilities relating to the group's obligations to the Local Government Pension Scheme, of which some of its employees are members.

Restricted fixed asset funds
Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted funds
Restricted funds represent grant, donations and legacies received which are allocated by the donor for specific purposes.

Unrestricted funds
Revaluation reserves relate to the measurement of the fair value of certain freehold property. Designated funds are funds that the trustees have designated to be used for specific purposes. General unrestricted funds represent funds which are expendable at the discretion of the trustees in the furtherance of the objects of the Charity.

Critical accounting estimates and areas of judgement
In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements:

a) *Local Government Pension Scheme liability*
The present value of the Local Government Pension Schemes defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

b) *Useful Economic Lives of Intangible Assets*
The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advances, future investments and economic utilisation. Goodwill and computer software impairment reviews are performed annually. These reviews require an estimation of the value is use of the cash generating units to which goodwill and software has been allocated and the public benefit derived from the services provided to beneficiaries in fulfilment of the company and group's charitable objectives.

c) *Impairment of Investments in Subsidiaries*
Impairment reviews of investment in subsidiaries are carried out annually. These reviews require an estimation of both the expected future cash generation of the charitable subsidiaries to which the investments relate, and consideration of the public benefit derived from the services provided to beneficiaries in fulfilment of the company and group's charitable objectives.

d) *Land and buildings transferred on conversion*
Long leasehold title of land and buildings has been transferred to the Catch22 Multi Academies Trust at £nil consideration. The premises have been recognised in the Trust's accounts at their fair value as at the date of transfer. This has been estimated at the most recent valuation figures provided by the transferring local authority, as a best approximation of fair value.

e) *Impairment of Long Leasehold Land & Buildings*
Impairment reviews of long leasehold land and buildings are carried out annually. These reviews require an estimation of their market value of the land and buildings and the public benefit derived from the charitable group's services provided to beneficiaries in fulfilment of the company and group's charitable objectives. The trustees recognise the significant uncertainty in the valuation of commercial property caused by the Covid-19 pandemic but do not think there is sufficient evidence to indicate that that the value of the company's long leasehold land and buildings has been materially impaired.
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

Comparative Consolidated Statement of Financial Activities for the year ended 31 August 2020

	Note	Restricted Pension Funds (MAT) £'000	Restricted Fixed Assets Funds (MAT) £'000	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2020 £'000
Income from						
Donations and legacies	2	-	-	469	495	**964**
Grants	2	-	555	1,799	235	**2,589**
Donation – academy transfers (MAT)	3	(297)	6,830	-	-	**6,533**
Income from charitable activities	6	-	-	15,585	26,943	**42,528**
Income from trading activities		-	-	-	301	**301**
Income from investments	5	-	-	-	289	**289**
Total income		**(297)**	**7,385**	**17,853**	**28,263**	**53,204**
Expenditure on						
Raising funds		-	-	-	261	**261**
Charitable activities	6					
Ordinary activities		734	241	17,637	28,318	**46,930**
Exceptional		-	-	-	(886)	**(886)**
Trading activities		-	-	-	417	**417**
Total expenditure		**734**	**241**	**17,637**	**28,110**	**46,722**
Net gains/(losses) on investments	11	-	-	-	(517)	(517)
Net income/(expenditure) for the period		**(1,031)**	**7,144**	**216**	**(364)**	**5,965**
Transfers between funds	17,18	317	(23)	(321)	27	**-**
Net income/(expenditure) before other recognised gains/(losses)		**(714)**	**7,121**	**(105)**	**(337)**	**5,965**
Other recognised gains/(losses)						
Actuarial gain/(loss) on defined benefit pension scheme	21	(469)	-	-	-	**(469)**
Net movement in funds		**(1,183)**	**7,121**	**(105)**	**(337)**	**5,496**
Reconciliation of funds						
Total funds brought forward		(1,499)	19,206	4,483	9,666	**31,856**
Total funds carried forward		**(2,682)**	**26,327**	**4,378**	**9,329**	**37,352**

The Group had no recognised gains or losses other than those dealt with in the Statement of Financial Activities

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

2. Donations, legacies and grants

	Year to 31 August 2021				Year to 31 August 2020			
	Fixed Asset Restricted £'000	Restricted £'000	Unrestricted £'000	Total funds £'000	Fixed Asset Restricted £'000	Restricted £'000	Unrestricted £'000	Total funds £'000
NCS & employability	-	2,451	-	**2,451**		693	-	693
Education	1,003	-	-	**1,003**	555	-	-	555
Justice	-	-	-	**-**	-	15	115	130
Young people & families	-	219	215	**434**	-	191	126	317
Place based delivery and early action	-	366	286	**652**	-	407	301	708
Other	-	557	448	**1,005**	-	962	188	1,150
Transfer from Ripplez CIC	-	-	208	**208**	-	-	-	-
	1,003	**3,593**	**1,157**	**5,753**	555	2,268	730	3,553

The group has benefited from the support of several private donors, trusts, foundations and corporate entities including Barclays Bank plc, The Clothworkers' Foundation, Salesforce, J.P.Morgan, The National Lottery Community Fund, Microsoft and National Grid.

3. Donations – academy transfers (MAT)

	Year to 31 August 2021 Restricted Fixed Assets Fund £'000	Year to 31 August 2020 Restricted Fixed Assets Fund £'000
Transferred from Department for Education (note a)	5,158	3,100
Transfer of new academies (note b)	12,460	-
Transfer from local authority (note c)	261	-
Transfer of existing academies into the academy trust (note d)	-	3,433
	17,879	**6,533**

a) Transfer on conversion (transferred from Department for Education)

On 11 March 2020 the land and building of the Spires Academy were transferred to Catch22 Multi Academies Trust from Northamptonshire County Council for £nil consideration.

The transfer was accounted for in the comparative period as a combination that is in substance a gift. The land and buildings transferred were valued at the best estimate of their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as 'Donations – academy transfers (MAT)'.

During the current period the land and buildings at this academy have been revalued following receipt of the land and buildings valuation as at 31 August 2021 performed by Eddisons. The increase in valuation of land and buildings is as follows:

	Year to 31 August 2020 Transfer in recognised £'000	Year to 31 August 2020 Transfer in recognised £'000
Tangible fixed assets		
Long leasehold land and buildings in respect of prior periods	5,158	-
Long leasehold land and buildings	-	3,100
	5,158	**3,100**

b) Transfer of new academies

On 1 April 2021 the Austen Academy was opened by Catch22 Multi Academies Trust. During the period the land and buildings transferred were valued as at 31 August 2021 by Hampshire County Council Property Services. The value of the land and buildings transferred is as follows:

	Year to 31 August 2020 Transfer in recognised £'000	Year to 31 August 2020 Transfer in recognised £'000
Tangible fixed assets		
Long leasehold land and buildings	12,460	-

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

3. Donations – academy transfers (MAT) (continued)

c) Transfer from local authority
During the year Torbay Council transferred long leasehold land and buildings to the Catch22 Multi Academies Trust valued as £261k (£2020: £nil).

d) Transfer from local authority for the year ended 31 August 2020 relates to the following:

	Restricted Pension Fund £000	Restricted Fixed Asset £000	Restricted £000	Total Funds £000
Tangible fixed assets				
Long leasehold land and buildings	-	3,730	-	3,730
Pension liabilities	(297)	-	-	(297)
Net Assets	**(297)**	**3,730**	**-**	**3,433**

4. Investment income

	Restricted funds £'000	Unrestricted funds £'000	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
Investment income	-	254	**254**	289
	-	**254**	**254**	289

All prior year investment income was also unrestricted

5. Net income/(expenditure) for the year

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
This is stated after charging:		
Depreciation of tangible fixed assets	395	338
Loss on disposal of tangible fixed assets	10	5
Amortisation of goodwill and intangible fixed assets	110	104
Property rental	828	1,126
Auditor's remuneration		
Audit fees for Charity's annual accounts	35	31
Audit fees for other services:		
- the audit of the Charity's subsidiaries, pursuant to legislation	40	44
- other fees and taxation advice	6	32

6. Charitable activities

Analysis of income from charitable activities for the year ended 31 August 2021

	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2021 £'000
NCS & Employability	63	4,276	**4,339**
Education	11,295	6,033	**17,328**
Justice	271	8,012	**8,283**
Young people & families	1,448	5,259	**6,707**
Vocational training	-	2,755	**2,755**
Place based delivery and early action	361	947	**1,308**
Other	4	218	**222**
Total	**13,442**	**27,500**	**40,942**

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YEAR ENDED 31 August 2021

6. Charitable activities (continued)

Analysis of income from charitable activities for the year ended 31 August 2020

	Restricted Funds	Unrestricted Funds	Year to 31 August 2021
	£'000	£'000	£'000
NCS & Employability	44	3,173	**3,217**
Education	10,088	5,948	**16,036**
Justice	3,850	6,825	**10,675**
Young people & families	1,131	6,798	**7,929**
Vocational training	-	3,165	**3,165**
Place based delivery and early action	472	1,023	**1,495**
Other	-	11	**11**
Total	**15,585**	**26,943**	**42,528**

Analysis of expenditure on charitable activities for the year ended 31 August 2021

	Restricted Pension Funds	Restricted Fixed Assets Funds	Restricted Funds	Unrestricted Funds	Year to 31 August 2021
	£'000	£'000	£'000	£'000	£'000
NCS & employability	-	-	1,848	3,234	**5,082**
Education	1,000	8,480	10,502	7,254	**27,236**
Justice	-	-	866	7,179	**8,045**
Young people & families	-	-	1,615	5,648	**7,263**
Vocational training	-	-	-	3,111	**3,111**
Place based delivery and early action	-	-	827	1,214	**2,041**
Other	-	-	593	155	**748**
Exceptional items (see below)	-	-	206	387	**593**
Total	**1,000**	**8,480**	**16,457**	**28,182**	**54,119**

Analysis of expenditure on charitable activities for the year ended 31 August 2020

	Restricted Pension Funds	Restricted Fixed Assets Funds	Restricted Funds	Unrestricted Funds	Year to 31 August 2020
	£'000	£'000	£'000	£'000	£'000
NCS & employability	-	-	1,310	3,024	4,334
Education	734	241	9,686	6,916	17,577
Justice	-	-	3,705	6,306	10,011
Young people & families	-	-	1,314	6,918	8,232
Vocational training	-	-	-	3,907	3,907
Place based delivery and early action	-	-	1,060	1,197	2,257
Other	-	-	562	50	612
Exceptional items (see below)	-	-	-	(886)	(886)
Total	**734**	**241**	**17,637**	**27,432**	**46,044**

Included in restricted income (total) and expenditure for Justice is £3,840k and £3,705k respectively for the Unlocked Graduates programme. From 1 September 2020 this project was transferred to a separate company, of which Catch22 is no longer a member.

Included in income (total) and expenditure for Justice is £474k and £495k respectively from the subsidiary Only Connect UK. With effect from 1 September 2020, the charity left the group and Catch22 ceased to be a member.

Included within unrestricted income and expenditure on Justice charitable activities Is income of £21k from the Local Leadership and Integration Fund with related expenditure of £21k. The project started in July 2021.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

6. Charitable activities (continued)

Support Costs
The group operates a shared services approach with the majority of support services being provided by Catch22 Charity Limited to the other companies within the group. Support costs incurred directly by other companies within the group, mainly relating to management and administration, are included within the direct costs of the activity carried out by that company. An analysis of the cost of support services (which are included in the charitable expenditure above) provided by Catch22 Charity Limited to the group is set out below. Costs have been allocated to charitable activities as a proportion of the direct expenditure incurred on that activity.

Year Ended 31 August 2021	Business development, marketing and communications £'000	Facilities & IT £'000	Finance and commercial £'000	Human resources £'000	Management and strategy £'000	Compliance and risk management £'000	Total £'000
Raising Funds	3	3	5	4	2	2	**19**
Charitable activities:							
NCS & employability	63	79	109	86	39	37	**413**
Education	338	425	584	456	205	197	**2,208**
Justice	100	126	173	136	61	58	**654**
Young people & families	90	113	156	123	55	52	**589**
Vocational training	39	49	67	52	24	22	**253**
Place based delivery and early action	25	32	44	35	16	15	**167**
Other	9	12	16	13	6	5	**61**
	664	**836**	**1,149**	**904**	**406**	**386**	**4,345**
Trading activities	**5**	**6**	**8**	**7**	**3**	**3**	**32**
	672	**845**	**1,162**	**915**	**411**	**391**	**4,396**

Governance costs included in the above support costs amount to £75k (2020: £88k)

Year Ended 31 August 2020	Business development, marketing and communications £'000	Facilities & IT £'000	Finance and commercial £'000	Human resources £'000	Management and strategy £'000	Compliance and risk management £'000	Total £'000
Raising Funds	4	5	6	5	2	3	**25**
Charitable activities:							
NCS & employability	66	80	117	81	40	44	**428**
Education	266	324	479	329	160	178	**1,736**
Justice	151	184	273	187	91	101	**987**
Young people & families	125	152	224	154	75	83	**813**
Vocational training	59	72	106	73	36	40	**386**
Place based delivery and early action	34	42	61	42	21	23	**223**
Other	9	11	17	11	6	6	**60**
	710	**865**	**1,277**	**877**	**429**	**475**	**4,633**
Trading activities	6	8	11	8	4	4	**41**
	720	**878**	**1,294**	**890**	**435**	**482**	**4,699**

Exceptional Items
Included within Cost of Charitable Activities are the following exceptional items:

	Year to 31 August 2021 Restricted £'000	Year to 31 August 2021 Unrestricted £'000	Year to 31 August 2021 Total £'000	Year to 31 August 2020 Unrestricted £'000
Organisational restructuring and service and site closures	-	180	**180**	81
Provision against group company debtor (not consolidated)	-	-	**-**	33
Clawback / (Expected Recovery from third party) of funding relating to non-delivery by subcontractors	-	131	**131**	(1,000)
Impairment of tangible fixed assets	196	27	**223**	-
Loss on disposal of Only Connect UK from the charitable group (note 12)	10	49	**59**	-
Total	**206**	**387**	**593**	**(886)**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

7. Staff costs

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
Salaries	26,370	26,392
Redundancies	101	133
National Insurance contributions	2,488	2,508
Pension contributions	2,403	1,728
	31,362	30,761
The average number of employees during the period split as follows:		
Charitable Activities	871	876
Trading	4	5
Support	78	86
Total	**953**	967

During the period payments to agencies for temporary staff amounted to £1,156k (2020: £1,591k)
Agency staff are used to cover temporary vacancies and to meet short-term needs.

The number of employees whose annual emoluments were £60,000 and above excluding pension contributions were as follows:

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
£60,001 - £70,000	15	17
£70,001 - £80,000	4	7
£80,001 - £90,000	-	3
£90,001 - £100,000	3	2
£100,001-£110,000	-	-
£110,001-£120,000	-	-
£140,001-£150,000	1	1

Employer's pension contributions of £208,634 (2020: £201,499) were paid on behalf of the above staff.
No trustees received any remuneration during the period (2020: none). No trustees were reimbursed expenses during the year (2020: one trustee £884 for travel expenses).

Key Management Personnel
The total employee benefits of the Key Management Personnel were £990,719 (2020: £1,052,140).

Volunteers
The average number of volunteers for the year to 31 August 2021 totalled 130 (2020: 134). 53 volunteers worked in Young People & Families on various projects, 18 volunteers worked in Justice, 57 worked in Place Based Delivery & Early Action and 2 worked in our other delivery hubs.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

8. Intangible fixed assets – Consolidated

	Computer Software £'000	Goodwill £'000	Total £'000
Cost			
1 September 2020	1,961	457	2,418
Disposals	-	(112)	(112)
31 August 2021	**1,961**	**345**	**2,306**
Amortisation			
1 September 2020	1,603	457	2,060
Charge for the year	110	-	110
Disposals	-	(112)	(112)
31 August 2021	**1,713**	**345**	**2,058**
Net book value			
At 31 August 2021	**248**	**-**	**248**
At 31 August 2020	358	-	358

9. Intangible fixed assets – Charity only

	Computer Software £'000	Total £'000
Costs		
1 September 2020	1,961	1,961
Additions	-	-
31 August 2021	**1,961**	**1,961**
Amortisation		
1 September 2020	1,603	1,603
Charge for the year	110	110
31 August 2021	**1,713**	**1,713**
Net book value		
At 31 August 2021	**248**	**248**
At 31 August 2020	358	358

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

10. Tangible fixed assets – Consolidated

	Long leasehold land and buildings £'000	Freehold land & buildings £'000	Furniture & equipment £'000	Motor Vehicles £'000	Total £'000
Cost or Revaluation					
1 September 2020	31,376	782	809	30	32,997
Transfer of academies	12,721	-	-	-	12,721
Transfers on acquisition	-	-	68	-	68
Additions	354		44	-	398
Revaluations - academies	5,158	-	-	-	5,158
Disposals	(28)	-	(126)	-	(154)
31 August 2021	**49,581**	**782**	**795**	**30**	**51,188**
Depreciation					
1 September 2020	882	141	397	30	1,450
Transfer relating to prior year	(20)	-	20	-	-
Transfers on acquisition	-	-	51	-	51
Disposals	(28)	-	(116)	-	(144)
Charge for the year	261	13	121	-	395
Impairments	7,619	-	33	-	7,652
31 August 2021	**8,714**	**154**	**506**	**30**	**9,404**
Net book value					
At 31 August 2021	**40,867**	**628**	**289**	**-**	**41,784**
At 31 August 2020	**30,494**	**641**	**412**	**-**	**31,547**

10. Tangible fixed assets – Charity only

	Long leasehold land and buildings £'000	Freehold land & buildings £'000	Furniture & equipment £'000	Total £'000
Cost or Revaluation				
1 September 2020	3,478	782	678	4,938
Transfers on acquisition – from Community Links Trust	1,534	-	312	1,846
Transfers on acquisition – from Ripplez CIC	-	-	68	68
Additions	254	-	44	298
Disposals			(109)	(109)
31 August 2021	**5,266**	**782**	**993**	**7,041**
Depreciation				
1 September 2020	58	141	315	514
Transfer relating to prior year	(20)	-	20	-
Transfers on acquisition – from Community Links Trust	364	-	143	507
Transfers on acquisition – from Ripplez CIC	-	-	51	51
Disposals	-	-	(101)	(101)
Charge for the year	57	13	104	174
Impairments	191	-	33	224
31 August 2021	**650**	**154**	**565**	**1,369**
Net book value				
At 31 August 2021	**4,616**	**628**	**428**	**5,672**
At 31 August 2020	**3,420**	**641**	**363**	**4,424**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

11. Investment in subsidiary – Charity only

	Investment in subsidiary £'000	Total £'000
Cost		
31 August 2020 and 31 August 2021	**475**	**475**
Impairment		
1 September 2020	475	475
Charge for the year	**-**	**-**
31 August 2020	**475**	**475**
Net book value		
At 31 August 2021	**-**	**-**
At 31 August 2020	**-**	**-**

11. Investments – Consolidated

	31 August 2021 £'000	31 August 2020 £'000
Investment in associated LLP	105	105
Other investments at market value	11,468	10,537
Investments at market value	**11,573**	**10,642**
Quoted investments	11,214	10,001
Cash held by investment managers	249	531
Unlisted investments	110	110
	11,573	**10,642**
1 September 2020	10,642	11,001
Acquisitions at cost	6,508	7,056
Disposal proceeds	(6,622)	(7,001)
Increase/(decrease) in cash in the portfolio	(282)	103
Change in market value	1,327	(517)
Market value at 31 August 2021	**11,573**	**10,642**
Historic cost at 31 August 2021	10,418	10,290

	31 August 2021			31 August 2020		
	Market value		Original cost	Market value		Original cost
		%		£'000	%	£'000
HSBC - equity	1,231	*11*	1,121	1,011	*10*	1,115
HSBC – funds	6,359	*54*	5,332	5,048	*43*	4,582
HSBC – fixed income	2,963	*26*	2,973	2,850	*27*	2,888
HSBC - others	657	*6*	629	1,088	*14*	1,060
HSBC - cash	249	*2*	249	531	*5*	531
Other - listed	4	-	4	4	-	4
Other - unlisted	110	*1*	110	110	*1*	110
	11,573	*100*	10,418	**10,642**	*100*	10,290

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

11. Investments – Charity only

	31 August 2021 £'000	31 August 2020 £'000
Investments at market value	11,459	10,528
Quoted investments	11,210	9,997
Cash held by investment managers	249	531
	11,459	**10,528**
1 September 2020	10,528	10,886
Acquisitions at cost	6,508	7,056
Disposal proceeds	(6,622)	(7,001)
Increase/(decrease) in cash in the portfolio	(282)	103
Change in market value	1,327	(516)
Market value at 31 August 2021	**11,459**	**10,528**
Historic cost at 31 August 2021	10,313	10,176

	31 August 2021			31 August 2020		
	Market value		Original cost	Market value		Original cost
	£'000	%	£'000	£'000	%	£'000
HSBC – equity	1,231	*11*	1,121	1,011	*10*	1,115
HSBC – funds	6,359	*55*	5,332	5,048	*43*	4,582
HSBC – fixed income	2,963	*26*	2,973	2,850	*27*	2,888
HSBC – others	657	*6*	629	1,088	*15*	1,060
HSBC – cash	249	*2*	249	531	*5*	531
Other - listed	4	-	4	-	-	-
Other - unlisted	5	-	5	-	-	-
	11,468	*100*	10,313	**10,528**	*100*	10,176

12. Subsidiaries

The charity is the parent of the following subsidiaries:13

Name of subsidiary	Country of incorporation	Registered Office	Activity	Level of control	Aggregate amount of assets, liabilities and funds £'000	Turnover incl. invest income £'000	Costs £'000	Surplus/ (deficit) for the year £'000
The Royal Philanthropic Society incorporating the Rainer Foundation *Charity Number 229132*	England and Wales	N/A	Dormant	100%	-	-	-	-
Crime Concern Trust Limited *Company Number: 02259016 Charity Number 800735*	England and Wales	(1)	Dormant	100%	-	-	-	-
Catch22 Social Enterprise Limited *Company Number: 06166785*	England and Wales	(1)	Dormant	100%	(646)	-	-	-
Catch22 Social Enterprise Solutions Limited *Company Number: 07971380*	England and Wales	(1)	Providing training and employment opportunities for the unemployed	100%	(5)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

12. Subsidiaries (continued)

Name of subsidiary	Country of incorporation	Registered Office	Activity	Level of control	Aggregate amount of assets, liabilities and funds £'000	Turnover incl. invest income £'000	Costs £'000	Surplus/ (deficit) for the year £'000
Pupil Parent Partnership Limited *Company Number: 04872659*	England and Wales	(2)	Dormant	100%	-	-	-	-
Include *Company Number: 02429781* *Charity Number 0803333*	England and Wales	(2)	Dormant	100%	-	-	-	-
Catch22 Multi Academies Trust Limited *Company Number: 08299181*	England and Wales	(2)	Advancing for the public benefit, education in the UK through the operation of alternative provision schools	100%	34,546	30,408	(20,792)	9,616
Community Links Trust Limited *Company Number: 02661182* *Charity Number 1018517*	England and Wales	(3)	Community delivery and early action	100%	See 'B' below			
Community Links Trading Limited *Company Number: 05737749*	England and Wales	(3)	Events management, production services and storage	100%	(170)	250	(357)	(107)
Ripplez Community Interest Company *Company Number: 07484690*	England and Wales	(4)	Support vulnerable women and families	100%	See 'C' below			
Not consolidated:								
Launch22 Limited *Company Number: 08789117* *Charity Number 1156715*	England and Wales	(2)	Mentoring, advice and training, access to facilities and workspace to enable persons to become self-supporting Ceased operating July 2020	100%	Ceased operating July 2020			

Launch22 is not included in the consolidated financial statements of Catch22 Charity Limited as the company has taken advantage of the exemption provided by section 479A of the Companies Act 2006 not to include Launch22, as it is immaterial to the group.

The list of Registered Offices is set out below:

(1) Rectory Lodge, High Street, Brasted, Kent, TN16 IJF
(2) 27 Pear Tree Street, London, EC1V 3AG
(3) 105 Barking Road, London, E16 4HQ
(4) Derwent Stepping Stones. St. Marks Road, Derby DE21 6AH

(A) Only Connect UK

On 1 September 2020, Catch 22 Charity Limited ceased to be a member of Only Connect UK and that company left the charitable group. The net assets at the time of transfer were £59k, giving a loss on disposal of £59k in Catch22's consolidated accounts. This is included as an exceptional expenditure (see note 6).

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

12. Subsidiaries (continued)

(B) Community Links Trust Limited

On 1 February 2021 the charitable undertaking of Community Links Trust was transferred as a going concern Catch 22 Charity Limited. All the assets and liabilities were transferred to Catch 22 Charity on this date and Community Links Trust ceased to trade as a separate charitable company from 1 February 2021.

A summary of the results are shown below:

	2021 £'000	2020 £'000
Income	899	2,364
Expenditure	(696)	(2,099)
Net assets transferred to Catch22	(3,641)	-
Net movement in funds	(3,438)	265
Fixed assets	-	1,268
Current assets	-	3,074
Current liabilities	-	(904)
Net assets	-	3,438
Restricted funds	-	1,167
Unrestricted general funds	-	2,271
Total funds	-	3,438

(C) Ripplez Community Interest Company

Catch 22 Charity Limited became the sole member of Ripplez Community Interest Company on 1 January 2021 (a company limited by guarantee, company number 07484690) and accordingly on that date Ripplez became a subsidiary of the group. On that date, Ripplez, transferred all of its trade and net assets to Catch 22 Charity Limited, except for one contract which continued to be delivered by Ripplez CIC.

A summary of the results are shown below:

	17 months to 31 August 2021 £'000
Income	1,549
Expenditure	(1,668)
Net assets transferred to Catch22	(208)
Net movement in funds	(326)
Fixed assets	-
Current assets	15
Current liabilities	(96)
Net assets	(81)
Unrestricted general funds	(81)

The net assets transferred at the time of acquisition were:	£'000
Fixed assets	16
Current assets	380
Current liabilities	(188)
	208

NOTES TO THE FINANCIAL STATEMENTS
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13. Debtors: amounts due within one year

	31 August 2021 £'000	31 August 2020 £'000
Consolidated		
Grant and trade debtors	1,846	1,755
Other debtors	1,454	1,161
Prepayments and accrued income	2,551	2,623
	5,851	**5,539**
Charity only		
Grant and trade debtors	1,728	1,362
Other debtors	1,098	1,072
Prepayments and accrued income	1,438	1,916
Amounts owed by other group companies	376	169
	4,640	**4,519**

14. Creditors: amounts falling due within one year

	31 August 2021 £'000	31 August 2020 £'000
Consolidated		
Bank overdraft	2,000	3,750
Bank loan	110	110
Trade creditors	1,433	801
Accrued expenditure and income in advance	5,833	5,822
Other taxes and social security	1,562	1,699
Other creditors	331	324
	11,269	**12,506**

Included in other creditors are outstanding pension contributions amounting to £226k (2020: £218k). £2,000k (2020: £3,750k) of the bank overdraft is secured by a fixed charge over the investments of the charity. It is provided by HSBC Private Bank and is repayable on demand and interest is charged at 1.25% above the base rate. The total facility available is £5,000k. In addition, the charitable group has a £500k unsecured overdraft available from Barclays Bank with interest charged at 3% above the base rate.

Charity only		
Bank overdraft	2,000	3,750
Bank loan	110	110
Trade creditors	913	418
Accrued expenditure and income in advance	5,390	4,728
Other taxes and social security	1,438	1,545
Amounts owing to other group companies	-	2,525
Other creditors	171	166
	10,022	**13,242**

Included in other creditors are outstanding pension contributions amounting to £87k (2020: £90k). £2,000k (2020: £3,750k) of the bank overdraft is secured by a fixed charge over the investments of the charity. It is provided by HSBC Private Bank and is repayable on demand and interest is charged at 1.25% above the base rate. the total facility available is £5,000k. In addition, the charity has a £500k unsecured overdraft available from Barclays Bank with interest charged at 3% above the base rate.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

14. Creditors: amounts falling due within one year

Consolidated – deferred income movement	**£'000**
Balance at 1 September 2020	4,296
Amount released in the period	(4,296)
Amount deferred in the period	4,270
Balance at 31 August 2021 – all due within one year	**4,270**

Charity only – deferred income movement	**£'000**
Balance at 1 September 2020	3,613
Amount released in the period	(3,613)
Amount deferred in the period	4,205
Balance at 31 August 2021 – all due within one year	**4,205**

15. Creditors: amounts falling after more than one year

	31 August 2021 £'000	31 August 2020 £'000
Consolidated		
Bank loan	73	183
	73	**183**
Charity only		
Bank loan	73	183
	73	**183**

A bank loan of £1.1m was received in May 2013 and is repayable in 120 monthly instalments of £9,167. The amount outstanding at the 31 August 2020 is £183k – shown as £73k due in more than one year and £110k due in less than one year - (2020: £293k). The bank loan is secured by a fixed charge over the charity's leasehold property at Pear Tree Street, London. Interest is charged at 3.28% above base rate.

16. Provisions

	31 August 2021 £'000	31 August 2020 £'000
Consolidated		
Pension fund deficit (note 18)	3,758	2,682
Potential clawback of funding relating to non-delivery by subcontractors	1,103	1,014
	4,861	**3,696**
Charity only		
Potential clawback of funding relating to non-delivery by subcontractors	1,103	1,014
	1.103	**1,014**

NOTES TO THE FINANCIAL STATEMENTS
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17. Restricted funds

	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Total Restricted funds £'000
Consolidated				
Balance at 1 September 2020	(2,682)	26,327	4,378	**28,023**
Income	-	18,882	17,035	**35,917**
Expenditure	(1,000)	(8,480)	(16,457)	**(25,937)**
Transfers between funds	377	(58)	(930)	**(611)**
Actuarial gain/(loss) on defined benefit pension scheme	(453)	-	-	**(453)**
Balance at 31 August 2021	**(3,758)**	**36,671**	**4,026**	**36,939**
Charity only				
Balance at 1 September 2020	-	-	**2,156**	**2,156**
Income	-	-	6,599	6,599
Expenditure	-	-	(5,747)	(5,747)
Transfers between funds			(485)	(485)
Balance at 31 August 2021	-	-	**2,523**	**2,523**

The specific purposes for which the funds are to be applied are as follows:

Restricted pension funds

These arise in Catch22 Multi Academies Trust and represent the negative reserve in respect of the liability on the LGPS defined benefit pension scheme.

Restricted fixed asset funds

These arise in Catch22 Multi Academies Trust and represent the net book value of the land and buildings of academies transferred from the local authority on conversion.

Restricted funds

These arise from donations, grants and fees to fund activities or services as specified by the donor. Income represents donations, grants and fees from government bodies and corporate and trust donors. Expenditure represents expenditure on specific services linked to these restricted donations, grants and fees. Restricted funds also include the activities of the subsidiary company, Catch 22 Multi Academies Trust Limited.

An analysis of restricted funds by activity is set out below:

Transfers between funds

Restricted pension funds: £377k (2020: £317k) – this represents the actual employer contributions in year to the LGPS scheme, transferred from restricted funds in the Catch22 Multi Academies Trust
Restricted fixed asset funds: (£58k) (2020: (£23)) – this represents property maintenance expenditure transferred to restricted funds in the Catch22 Multi Academies Trust
Restricted funds: (£319k) (2020: £(321k)) - (£377k) and £58k as described above. A further (£126k) (2020: (£27k) represents charges for services between the Charity and Catch22 Multi Academies Trust, transferred from/(to) general funds. The remaining transfer of (£485k) (2020: £nil) relates to the acquisition of fixed assets using restricted funds.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

17. Restricted funds (continued)

Prior year	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Total Restricted funds £'000
Consolidated				
Balance at 1 September 2019	(1,499)	19,206	4,483	**22,190**
Income	(297)	7,385	17,853	**24,941**
Expenditure	(734)	(241)	(17,637)	**(18,612)**
Transfers between funds	317	(23)	(321)	**(27)**
Actuarial gain/(loss) on defined benefit pension scheme	(469)	-	-	**(469)**
Balance at 31 August 2020	**(2,682)**	**26,327**	**4,378**	**28,023**
Charity only				
Balance at 1 September 2019	-	-	2,285	**2,285**
Income	-	-	6,712	6,712
Expenditure	-	-	(6,841)	(6,841)
Balance at 31 August 2020	**-**	**-**	**2,156**	**2,156**

Current year

Consolidated by charitable activity	Balance 1 September 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2021 £'000
NCS and employability	690	2,515	(1,848)	-	**1,357**
Education	1,155	11,295	(10,502)	(445)	**1,503**
Justice	605	271	(876)	-	**-**
Young people and families	476	1,667	(1,615)	-	**528**
Place based delivery and early action	832	727	(827)	(346)	**386**
Place based delivery and early action – fixed assets	335	-	(196)	(139)	**-**
Other	285	560	(593)	-	**252**
Total restricted funds	**4,378**	**17,035**	**(16,457)**	**(930)**	**4,026**

Charity only by charitable activity	Balance 1 September 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2021 £'000
NCS and employability	690	2,515	(1,848)	-	**1,357**
Justice	705	271	(976)	-	**-**
Young people and families	476	1,667	(1,615)	-	**528**
Place based delivery and early action	-	1,251	(519)	(346)	**386**
Place based delivery and early action – fixed assets		335	(196)	(139)	**-**
Other	285	560	(593)	-	**252**
Total restricted funds	**2,156**	**6,599**	**(5,747)**	**(485)**	**2,523**

Prior year

Consolidated by charitable activity	Balance 1 September 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2020 £'000
NCS and employability	1,264	736	(1,310)	-	**690**
Education	1,074	10,088	(9,686)	(321)	**1,155**
Justice	206	4,104	(3,705)	-	**605**
Young people and families	467	1,323	(1,314)	-	**476**
Place based delivery and early action	817	1,039	(1,024)	-	**832**
Place based delivery and early action – fixed assets	372	-	(37)	-	**335**
Other	283	563	(561)	-	**285**
Total restricted funds	**4,483**	**17,853**	**(17,637)**	**(321)**	**4,378**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

17. Restricted funds (continued)

Prior year

Charity only by charitable activity	Balance 1 September 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2020 £'000
NCS and employability	1,264	736	(1,310)	-	**690**
Education	271	4,090	(3,656)	-	**705**
Justice	467	1,323	(1,314)	-	**476**
Young people and families	283	563	(561)	-	**285**
Total restricted funds	**2,285**	**6,712**	**(6,841)**	**-**	**2,156**

18. Unrestricted funds

	Balance 1 September 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Net gains/(losses) on investments £'000	Net gain on revaluation of fixed assets £'000	Balance 31 August 2021 £'000
Consolidated							
Revaluation reserve	2,522	-	(43)	-	-	-	**2,479**
Designated fixed assets	51	-	-	(51)	-	-	**-**
General fund	6,756	29,249	(28,751)	662	1,327	-	**9,243**
Total	**9,329**	**29,249**	**(28,794)**	**611**	**1,327**	**-**	**11,722**
Charity						-	
Revaluation reserve	1,649	869	(39)	-	-	-	**2,479**
General fund	5,188	30,090	(27,961)	485	1,327	**-**	**9,129**
Total	**6,837**	**30,959**	**(28,000)**	**485**	**1,327**	**-**	**11,608**

Revaluation reserve

This represents the difference between the net book value and valuation of revalued property.

Designated fixed assets

This represents the net book value of fixed assets held by Community Links Trust, which were not purchased with restricted funds. Depreciation relating to such fixed assets is charged to this fund.

General fund

This represents funds which are not restricted or designated for specific purposes. General funds are expendable at the discretion of the trustees to further the charitable objects of the Catch22 group.

Prior year

	Balance 1 September 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Net gains/(losses) on investments £'000	Net gain on revaluation of fixed assets £'000	Balance 31 August 2020 £'000
Consolidated							
Revaluation reserve	2,589	**-**	(67)	**-**	**-**	**-**	**2,522**
Designated fixed assets	55	**-**	(4)	**-**	**-**	**-**	**51**
General fund	7,022	28,263	(28,029)	27	(527)	**-**	**6,756**
Total	**9,666**	**28,263**	**(28,100)**	**27**	**(527)**	**-**	**9,329**
Charity							
Revaluation reserve	1,707	**-**	(58)	**-**	**-**	**-**	**1,649**
General fund	5,663	26,569	(26,518)	**-**	(526)	**-**	**5,188**
Total	**7,370**	**26,569**	**(26,576)**	**-**	**(526)**	**-**	**6,837**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

19. Analysis of net assets between funds

	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Unrestricted funds £'000	31 August 2021 Total £'000
Consolidated **Fund balances at 31 August 2021 are represented by:**					
Tangible fixed assets	-	36,084	-	5,700	**41,784**
Intangible fixed assets	-	-	-	248	**248**
Investments	-	-	-	11,573	**11,573**
Current assets/(liabilities)	-	587	4,026	(4,623)	**(10)**
Long term liabilities	-	-	-	(73)	**(73)**
Provisions	(3,758)	-	-	(1,103)	**(4,861)**
Total net assets	**(3,758)**	**36,671**	**4,026**	**11,722**	**48,661**
Charity Only **Fund balances at 31 August 2021 are represented by:**					
Tangible fixed assets	-	-	-	5,672	**5,672**
Intangible fixed assets	-	-	-	248	**248**
Investments	-	-	-	11,468	**11,468**
Current assets/(liabilities)	-	-	2,523	(4,735)	**(2,212)**
Long term liabilities	-	-	-	(73)	**(73)**
Provisions	-	-	-	(1,103)	**(1,103)**
Total net assets	**-**	**-**	**2,523**	**11,477**	**14,000**

	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Unrestricted funds £'000	31 August 2020 Total £'000
Consolidation Fund balances at 31 August 2020 are represented by:					
Tangible fixed assets	-	25,819	335	5,393	**31,547**
Intangible fixed assets	-	-	-	358	**358**
Investments	-	-	-	10,642	**10,642**
Current assets/(liabilities)	-	508	4,043	(5,867)	**(1,316)**
Long term liabilities	-	-	-	(183)	**(183)**
Provisions	(2,682)	-		(1,014)	**(3,696)**
Total net assets	**(2,682)**	**26,327**	**4,378**	**9,329**	**37,352**
Charity Only Fund balances at 31 August 2020 are represented by:					
Tangible fixed assets	-	-	-	4,424	**4,424**
Intangible fixed assets	-	-	-	358	**358**
Investments	-	-	-	10,528	**10,528**
Current assets/(liabilities)	-	-	2,156	(7,276)	**(5,120)**
Long term liabilities	-	-	-	(183)	**(183)**
Provisions	-	-	-	(1,014)	**(1,014)**
Total net assets	**-**	**-**	**2,156**	**6,837**	**8,993**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

20. Commitments under operating leases

Consolidation

At 31 August 2021 the group had future minimum commitments under non-cancellable operating leases as follows:

	31 August 2021 £'000	31 August 2020 £'000
Land and buildings:		
expiring in the first year	467	383
expiring in the second to fifth year	567	105
expiring after five years	319	285
	1,353	**773**

Charity only

At 31 August 2021 the charity had future minimum commitments under non-cancellable operating leases as follows:

	31 August 2021 £'000	31 August 20209 £'000
Land and buildings:		
expiring in the first year	467	383
expiring in the second to fifth year	567	105
expiring after five years	319	285
	1,353	**773**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

21. Pension and Similar Obligations

Employees of The Catch22 Multi Academies Trust belong to six principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and Local Government Pension Scheme (LGPS') for non-teaching staff, consisting of the Hampshire County Council Pension Fund which is managed by Hampshire County Council for Ashwood Academy, The Coppice Springs Academy and The Austen Academy staff, the Northamptonshire Pension Fund which is managed by Northamptonshire County Council for the Spires Academy staff, the Devon County Council Pension Fund which is managed by Devon County Council for the Burton Academy and Brunel Academy staff in Torbay, the Norfolk County Council Pension Fund which is managed by Norfolk County Council for Fen Rivers Academy staff and the Suffolk County Council Pension Fund which is managed by Suffolk County Council for Everitt Academy staff.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and for the five LGPS schemes 31 March 2019.

Contributions amounting to £138,537 were payable to the schemes at 31 August 2021 (2020: £111,387) and are included within other creditors payable within one year.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary – these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS affecting contributions during the year was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumes nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer pension costs paid to TPS in the period amounted to £841k (2020: £665k).

A copy of the valuation report and supporting documentation is available on the Teachers' Pension website.

Under the definitions set out in FRS102, the TPS is a multi-employer pension scheme. The charitable group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charitable group has set out above the information available on the scheme.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes

The LGPS' are funded defined benefit pension schemes, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £486k (2020: £410k), of which employer's contributions totalled £377k (2020: £317k) and employees' contributions totalled £109k (2020: £93k). The agreed contribution rates for future years is between 6.5 and 16.9 per cent for employers and is between 5.5 and 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions	**At 31 August 2021**	**At 31 August 2021**	**At 31 August 2021**	**At 31 August 2021**	**At 31 August 2021**
	Hampshire	**Norfolk**	**Northamptonshire**	**Suffolk**	**Torbay**
Rate of increase in salaries	3.60%	3.60%	3.40%	3.60%	3.85%
Rate of increase for pensions in payment/inflation	2.60%	2.90%	2.90%	2.90%	2.85%
Discount rate for scheme liabilities	1.70%	1.65%	1.65%	1.65%	1.70%
Inflation assumption (CPI)	2.60%	2.90%	2.90%	2.90%	2.85%
RPI Inflation	3.60%	3.60%	3.40%	3.60%	3.85%

	At 31 August 2020	**At 31 August 2020**	**At 31 August 2020**	**At 31 August 2020**	**At 31 August 2020**
	Hampshire	**Norfolk**	**Northamptonshire**	**Suffolk**	**Torbay**
Rate of increase in salaries	3.30%	2.90%	2.70%	2.90%	3.20%
Rate of increase for pensions in payment/inflation	2.30%	2.20%	2.20%	2.20%	2.20%
Discount rate for scheme liabilities	1.70%	1.70%	1.70%	1.70%	1.65%
Inflation assumption (CPI)	2.30%	2.20%	2.20%	2.20%	2.20%
RPI Inflation	3.30%	3.20%	3.20%	3.20%	3.20%

NOTES TO THE FINANCIAL STATEMENT
YEAR ENDED 31 August 2021

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

Sensitivity Analysis
Approximate monetary increase to the obligation as a result of the following changes in assumptions at 31 August 2021 are set out below:

	At 31 August 2021	At 31 August 2020
	£000	£000
Hampshire		
0.1% increase in the salary increase rate	6	5
0.1% increase in the pension increase rate	72	56
0.1% decrease in real discount rate	81	64
Norfolk		
0.5% increase in the salary increase rate	1	3
0.5% increase in the pension increase rate	15	42
0.5% decrease in real discount rate	16	46
Northamptonshire		
0.5% increase in the salary increase rate	-	-
0.5% increase in the pension increase rate	15	40
0.5% decrease in real discount rate	15	40
Suffolk		
0.5% increase in the salary increase rate	-	-
0.5% increase in the pension increase rate	19	56
0.5% decrease in real discount rate	19	56
Torbay		
0.1% increase in the salary increase rate	1	1
0.1% increase in the pension increase rate	85	62
0.1% decrease in real discount rate	87	63

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 August 2021 Hampshire	**At 31 August 2021 Norfolk**	**At 31 August 2021 Northamptonshire**	**At 31 August 2021 Suffolk**	**At 31 August 2021 Torbay**
Retiring today					
Males	23.1 years	21.9 years	21.7 years	22.1 years	22.7 years
Females	25.5 years	24.3 years	24.1 years	24.5 years	24.0 years
Retiring in 20 years					
Males	24.8 years	23.2 years	22.8 years	23.2 years	24.0 years
Females	27.3 years	26.2 years	25.8 years	26.4 years	25.4 years

	At 31 August 2020 Hampshire	**At 31 August 2020 Norfolk**	**At 31 August 2020 Northamptonshire**	**At 31 August 2020 Suffolk**	**At 31 August 2020 Torbay**
Retiring today					
Males	23.0 years	21.7 years	21.5 years	21.9 years	22.9 years
Females	25.5 years	23.9 years	23.7 years	24.1 years	24.1 years
Retiring in 20 years					
Males	24.7 years	22.8 years	22.3 years	22.7 years	24.3 years
Females	27.2 years	25.5 years	25.1 years	25.6 years	25.5 years

The charitable group's share of the assets and liabilities in the scheme and the expected rate of return were:

	Fair value at 31 August 2021	Fair value at 31 August 2020
	£000	£000
Equities	2,098	1,448
Government Bonds	647	403
Property	262	185
Corporate Bonds	-	36
Cash	40	49
Other	476	371
Total market value of assets	3,523	2,492

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

Amounts recognised in the statement of financial activities

	2021	2020
	£000	£000
Current service cost	(955)	(699)
Past service cost	**-**	**-**
Net interest cost	(45)	(35)
Total operating charge	**(1,000)**	(734)

Changes in the present value of defined benefit obligations were as follows:

	2021	2020
	£000	£000
At 1 September	5,174	2,960
Transfer of existing academy	**-**	836
Current service cost	955	699
Past service cost	**-**	**-**
Interest cost	91	76
Employee contributions	109	93
Actuarial (gain)/loss	919	535
Benefits paid	33	(25)
At 31 August	**7,281**	5,174

Changes in the fair value of the charitable group's share of scheme assets:

	2021	2020
	£000	£000
At 1 September	2,492	1,461
Transfer of existing academy	**-**	539
Interest income	46	41
Contributions by members	109	93
Contributions by the employer	377	317
Actuarial (loss)/gain	466	66
Benefits paid	33	(25)
At 31 August	**3,523**	2,492

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2021

22. Related party transactions

a) During the year Catch22 provided services and recharged costs to The Catch22 Multi Academies Trust Ltd (MAT) amounting to £573k (2020: £436k). The MAT provided services to Catch22 amounting to £316k (2020: £230k). At the balance sheet date Catch22 was owed £266k by the MAT (2020: £18k was owed to the MAT).

b) There were no transactions between Catch22 and Catch22 Social Enterprise Solutions Ltd (Solutions) during the year. At the balance sheet date Catch22 was owed £109k (2020: £109k) by Solutions.

c) There were no transactions between Catch22 and Catch22 Social Enterprise Ltd (Auto22) during the year. The amount that was due to Catch22 from Auto22 at 31 August 2021 amounting to £646k (2020: £646k) was written off as irrecoverable in prior years and therefore the balance due at 31 August 2021 included within the Catch22 financial statements was £nil (2020: £ nil).

d) During the year, the Pupil Parent Partnership (PPP) donated £nil (2020: £1k) to Catch22 and Catch22 assumed liability for PPP's outstanding creditors of £nil (2020: £50k).The amount owed by Catch22 to PPP at the balance sheet date was £nil (2020: £nil).

e) During the year, Include donated £nil (2020: £253k) to Catch22 and Catch22 assumed liability for Include's outstanding creditors of £nil (2020: £22k).The amount owed by Catch22 to Include at the balance sheet date is £nil (2020: £nil).

f) Community Links Trust:
   i. During the year Catch22 purchased services from Community Links Trust amounting to £nil (2020: £1k) and Catch22 made payments on behalf of Community Links Trust (net of amounts repaid) to Community Links Trust of £31k (2020: £81k). At the balance sheet date Catch22 was owed £1k (2020: £14k owed to) by Community Links Trust.
   ii. On 1 July 2019 Community Links Trust entered into an agreement to invest its surplus cash with Catch22, interest of 0.5% above Barclays bank base rate is payable on the amount invested. At 31 August 2021 Community Links had invested £nil (2020: £2,511k) with Catch22, which was the amount Catch22 owed Community Links Trust in respect of this agreement.
   iii. On 1 February 2021. The charitable undertaking of Community Links Trust was transferred as a going concern Catch 22 Charity Limited. All the assets and liabilities were transferred to Catch22 on this date and Community Links Trust ceased to trade as a separate charitable company from 1 February 2021 (see note 12).

g) During the year Catch22 recharged costs to Community Links Trading, of £88k (2020: £17k – net of amounts reimbursed). At the balance sheet date Catch22 was owed £260k, of which £147k was transferred from Community Links Trust, by Community Links Trading. A provision for the full amount of this debt has been made in Catch22's financial statements for the year ended 31 August 2021 (2020: £nil) and therefore the balance due at 31 August 2021 included within the Catch22 financial statements is £nil (2020: £25k).

h) Catch 22 Charity Limited became the sole member of Ripplez Community Interest Company on 1 January 2021. On that date, Ripplez, transferred all of its trade and net assets to Catch 22 Charity Limited, except for one contract which continued to be delivered by Ripplez CIC (see note 12). At the balance sheet date Catch22 was owed £112k by Ripplez. A provision for the full amount of this debt has been made in Catch22's financial statements for the year ended 31 August 2021 and therefore the balance due at 31 August 2021 included within the Catch22 financial statements is £nil.

i) Launch22:
   i. On 31 March 2015 Catch22 made a loan of £125k to another charity, Launch22 Limited (formerly Launchpad Labs Limited), at an interest rate of LIBOR plus 0.75% per annum. The amount remained due to Catch22 at 31 August 2021 (2020: £125k). The loan was due for repayment in four equal annual instalments commencing on the second anniversary of the agreement, but remains outstanding and Catch22 made a full provision against this debt in the financial year ended 31 August 2016.
   ii. Catch22 became the sole member of Launch22 on 23 May 2017 and paid amounts totalling £2k on behalf of Launch22 during the financial year (2020: £33k). £302k was due to Catch22 at the balance sheet date (2020: £300k). At the balance sheet date a provision against the full amount of the debt has been made, including an additional £2k provision in the financial year (2020: £33k). Launch22 has not been consolidated into the results of the group for the year ended 31 August 2020 as it is not material. Launch22 closed in July 2020 and is in the process of being wound-up.

j) Catch22 Social Enterprise Solutions Limited is a member of Public Services Lab LLP (PSL), which was incorporated on 24 November 2016, and it controls 32.5% of the voting rights in that entity. There were no transactions between PSL and the Catch22 group during the year and there were no balances outstanding between these entities at the balance sheet date (2020: £nil).

k) Catch22 owns 50% of the voting rights in Jobs22 Limited. During the year Catch22 provided services amounting to £218k (2020: £nil) to Jobs22. At the balance sheet date Jobs22 owed £209k (2020: £nil) to Catch22.

23. Post balance sheet events

a) On 1 September 2021 Catch22 completed a merger to become the sole member of Code 4000 UK CIC (Company Number: 10377312). Code 4000's objects are to carry on activities which benefit the community and in particular (without limitation) to prisoners in UK prisons. The objects are fulfilled by the teaching of coding to prisoners. All of Code 4000's services will now be delivered by Catch 22 Charity limited.

CATCH22 PEOPLE

Patron
HRH The Princess Royal

Board of Trustees
Terry Duddy, Chairman
Caroline Artis, Treasurer (appointed 24 February 2021)
Mike Adamson (resigned 16 December 2021)
Elaine Bailey (resigned 16 December 2020)
Kieron Boyle
Pauline Campbell (resigned 16 September 2020)
Ben Cooper (resigned 10 December 2021)
Matthew Halstead (appointed 16 September 2020)
Jeff Jacobs
Gita North
Tove Okunniwa
Samantha Olsen (appointed 20 January 2022)
Pria Rai
Claire Starza-Allen (appointed 16 September 2020)
Jonathan Thomas (appointed 20 January 2022)
Richard Williams (appointed 1 July 2020 & resigned 19 March 2021)
Sean Williams
Honor Wilson-Fletcher (resigned 26 July 2021)

Chief Executive
Chris Wright

Company Secretary
Nigel Richards

Bankers
Barclays
Level 27, 1 Churchill Place
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catch-22.org.uk

Catch22 charity limited. Registered charity no. 1124127
Company limited by guarantee. Company no. 6577534
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CATCH 22 CHARITY LIMITED

England & Wales - Charity number 1124127

Accounts

CATCH 22 CHARITY LIMITED

Report and Financial Statements

FOR THE YEAR ENDED 31 AUGUST 2020

Company number: 06577534

Registered charity number: 1124127



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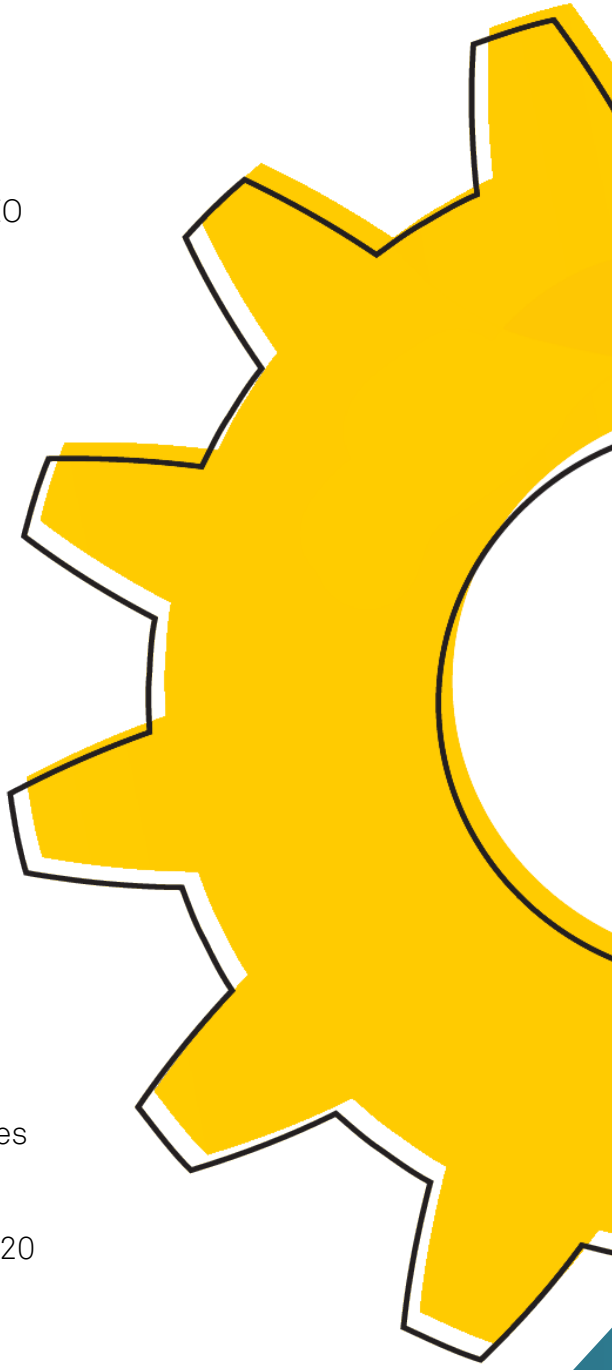
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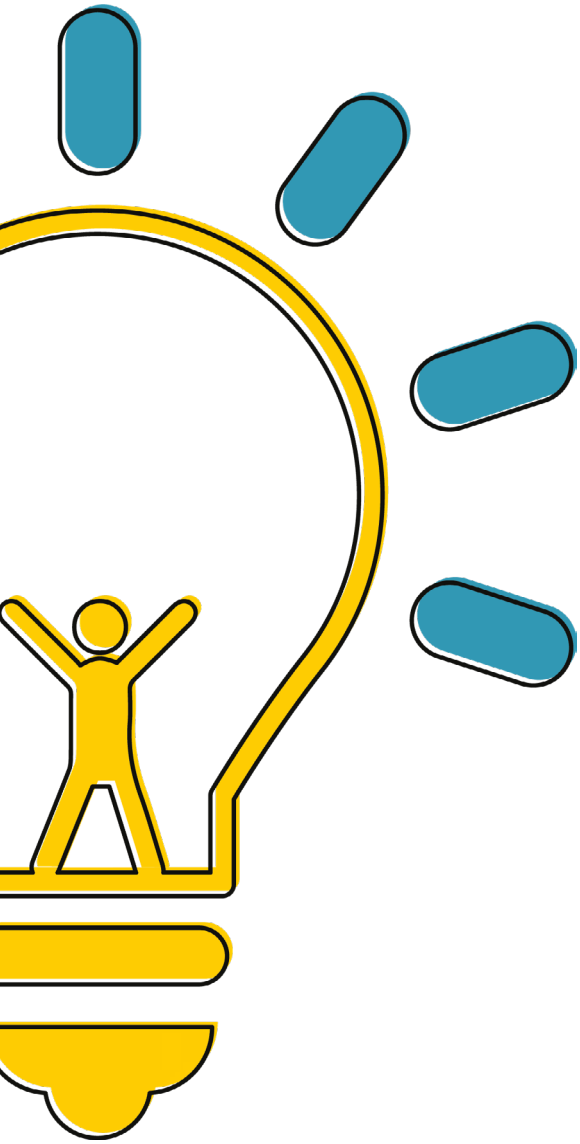
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"CATCH22 IS AN **OPTIMISTIC ORGANISATION"**





Every annual report for 2020, whether from the private, public, or voluntary sectors will inevitably start by recognising that this was a year like no other in recent memory, certainly none that I can recall in my lifetime.

People, communities, and organisations from across the country have stepped up and done extraordinary things to support others, providing kindness, love, and compassion to the many who have struggled over the past year or so. These are the characteristics of a good society.

My colleagues at Catch22 have demonstrated these behaviours day in and day out over the last 15 months. They have gone to extraordinary lengths to continue reaching the people we are here to support. This report is full of stories and impact from our frontline, but it also reflects the work of those who behind the scenes do so much to ensure that we can deliver. That effort was reflected last March when, like everyone else, we suddenly were no longer in the office. Within short-order we managed to connect over 1000 people to our Microsoft Teams solution.

This report reflects a collective effort not only of Catch22 colleagues but of our partners, our funders, and commissioners. There has been a lot of commentary about building back better but we must also take into the future the lessons we have learnt from the pandemic. That people matter, that there are ways to demonstrate accountability and performance which might look different to the orthodox approach to contract management. Organisations like Catch22 are agile, we can move at pace and make things happen providing there is a degree of trust between those asking and those doing.

We've also seen the willingness of colleagues to think and act differently, these are the lessons we need to build into our future plans. And finally, the pandemic has demonstrated more than ever the need to do more to level up society, to address the digital divide, to ensure people have the skills and capability to secure decent jobs, and to root out the systemic inequalities and discrimination that continue to blight our systems and people's lives.

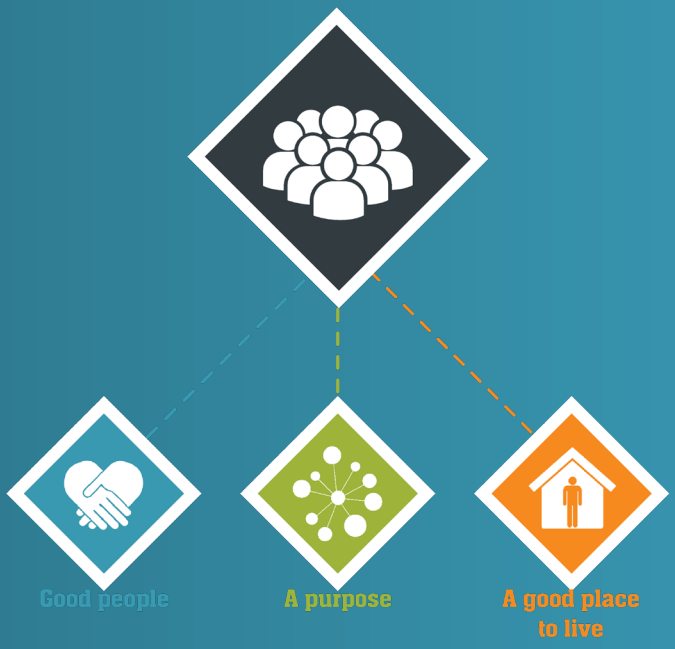
I've always advocated that Catch22 is an optimistic organisation. We attract passionate people to work with us and to support us, as this report demonstrates we are privileged to gain insight into the lives of those we support and we are committed to applying these insights to contribute to a better way.

Chris Wright
Catch22 CEO

CATCH22

For over 200 years Catch22 has designed and delivered services that build resilience and aspiration in people and communities.

Our approach is based on the 3Ps. We believe people can thrive when they have:

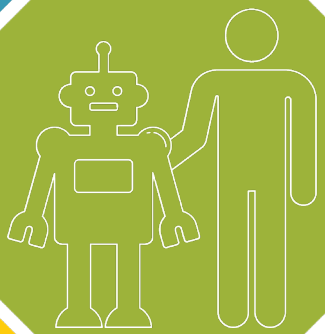


Last year

712
pupils enrolled at our schools

over **94%** of apprentices with The AA have secured permanent employment ahead of schedule

Our Justice team worked with:
20,700
victims



Our Employability team helped:
523
clients into paid employment

95%
of children feel safer after using our children and young people services

JUSTICE



There is no doubt that the past year has seen many challenges, on a global, national and criminal justice sector level. Catch22 and our Justice Hub has, throughout this time, remained solution focussed, adaptable and committed to providing quality commissioned services, supporting our service users and contributing to making our communities safer. Within the Catch22 Justice footprint, we are proud of the evidenced impact of our work across both victim, community and offender focussed services. We have navigated the complexities of delivering our quality provision by adapting to change, being innovative and by blending our model by increasing the use of technology to provide vital support virtually.

Our social impact, along with our strategy going forward are informed by our partners, commissioners, service users and local and national needs; as such we are working at the forefront of social justice policy and organisational coalitions. During a time of financial unpredictability, and a national, perhaps global recession, we have continued to promote our vision and methodology as drivers for change for good. We have increased our reach, by gaining new contracts at HMP Wandsworth resettlement and extending our Wolverhampton Violence Reduction Team to include a young person's resettlement in the community service. In addition, we have seen contract extensions and growth in our Victim's services.

2020 was without doubt memorable for all sorts of reasons but I am sure that 2021 will be even more so.

Lisa Smitherman
Director of Justice

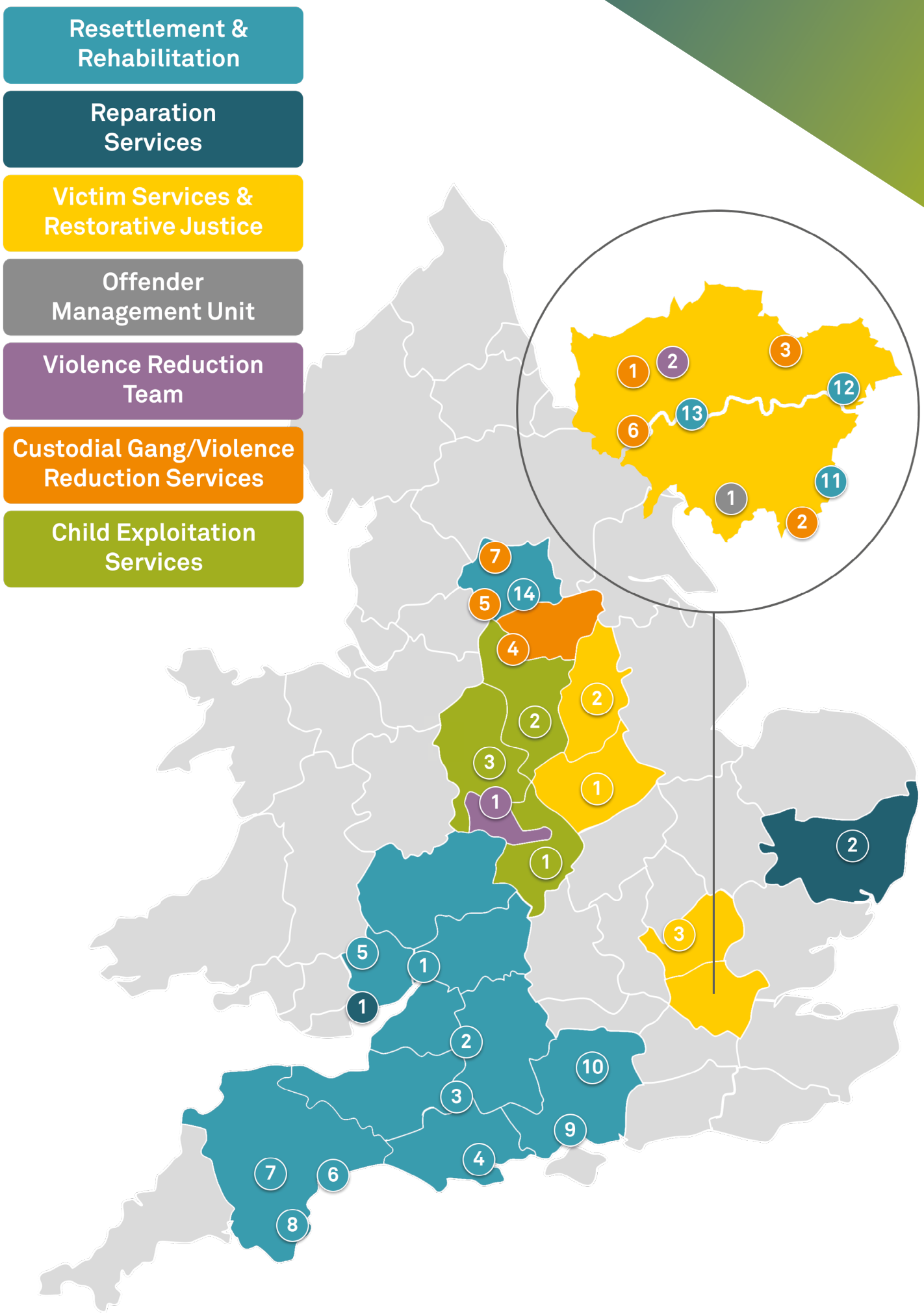
FOLLOWING WORKING WITH CATCH22 THERE WAS:

18% increase in participants who reported no intention of carrying a weapon in the community.

100% of commissioners were either satisfied or very satisfied with our work overall

13% increase in participants who reported that they were unlikely to engage in criminal/gang activity in custody.

96.5% of service users were satisfied with the service provided by Catch22


Resettlement & Rehabilitation
Reparation Services
Victim Services & Restorative Justice
Offender Management Unit
Violence Reduction Team
Custodial Gang/Violence Reduction Services
Child Exploitation Services
1
2
3
12
13
6
11
1
2
7
14
5
4
2
2
3
1
1
1
2
3
5
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6
8

GANGS AND VIOLENCE REDUCTION

The Catch22 Gangs and Violence Reduction Custodial Service works within the prison to promote an understanding of community issues and how these issues may impact a custodial setting. We support prison management by reducing the risk posed by gang-involved prisoners, so that violent incidents are prevented.

Catch22 Gang services work with **7708** Service users in both custodial & community settings. We have **4** services permanently based in prisons and an in reach approach to many more. We also have **2** community based services



WOLVERHAMPTON VIOLENCE REDUCTION TEAM

Catch22 Wolverhampton Violence Reduction Service uses an end to end approach working with individuals, families, schools, custodial estates and communities in a joined up way that aims to reduce gang involvement and its effect on local areas. Our work targets and builds on service users strengths to prevent them from becoming involved in gangs, and provides a range of interventions for gang-involved young people to support them to exit. We use a variety of methods to deter young people from engaging in, or continuing negative behaviours associated with gang activity by providing support to maintain or re-enter education, training or employment, one to one key working, providing activity intervention. We work within the secure estate and support individuals transition as they reintegrate back into community and support pro-social lifestyles.

LONDON GANG EXIT

Catch22 is a partner within theLondon Gang Exit (LGE) consortium. LGE aims to reduce offending, support individuals to access safe, stable housing and encourages young people back into employment, education or training across the 32 boroughs in London.

Catch22 owns the Custodial estate pathway for the consortium which sees us responsible for generating a referral pipeline of gang affiliated individuals from the secure estate into the service - often regarded as the most complex and gang entrenched cohort. The model is based on an end-to-end management approach.

This ensures that positive behavioural change achieved during custody has a greater chance of success, supported through a continuous relationship through the gate, which the offender recognises as supportive, trusting and knowledgeable.



THROUGH THE GATE

Working in collaboration with community-based Offender Managers and Responsible Officers, Catch22 supports prisoners as they transition through the gate and into the community.

Our **peer-mentors** are volunteers currently serving their sentence and offer a unique perspective while supporting prisoners' rehabilitation.

Our **evidence-based approach** involves collaboration with housing and employment partners and brings in the support of family members.

Our **robust resettlement plans** include practical and tangible enhancements for the following pathways:

- Accommodation
- Education, training and employment
- Finance, benefits and debt
- Physical and mental health
- Substance misuse
- Relationships and families
- Attitudes, thinking and behaviour
- Victims of domestic violence
- Victims of sexual assault
- Support for sex workers
- Support for care leavers
- Support for ex-military
- Support for foreign nationals

VICTIM SERVICES

HERTFORDSHIRE BEACON

VICTIM FIRST

NOTTINGHAMSHIRE VICTIM CARE

PARTNER ENGAGEMENT

Our victim services proactively bring organisations together to share best practice and to improve the support available to victims.

HERTFORDSHIRE BEACON lead a countywide **Restorative Justice Forum** which brings together criminal justice partners from around the county. The forum raises awareness about the work we are doing, to increase referrals, and to take a strategic approach to exploring best practice around restorative justice.

VICTIM FIRST designed and developed the **Victim First Champions initiative**. These Champions are key individuals at partner agencies who we have trained to promote our service to victims within their own organisations. Champions can directly refer service users to us or help those in need to self-refer.

NOTTINGHAMSHIRE VICTIM CARE collaborate closely with local partners **Redthread**, who deliver youth violence interventions in the county's A&E department. This partnership has created a seamless support journey for young people, ensuring vulnerable service users get the help they need to continue a positive recovery journey.

Read the full Justice Review here

EDUCATION



I want to acknowledge and celebrate the ethos, resilience and continuing high expectations of every colleague in our schools and the leadership of every Headteacher, the Executive Principals and the wider Education Senior Leadership Team during the Covid-19 challenge.

Our schools have remained open for our pupils throughout this extra-ordinary time and the new provision arrangements put in place have maintained rigour and proactivity in our safeguarding, enhanced bespoke support for children, young people and families and ensured continuity of a personalised learning offer for all pupils.

The focus and actions of all leaders on our strategic priorities to further strengthen the quality of education has continued at pace. The positive impact on pupil outcomes and overall achievement is evident in the improving trends across our performance and impact data. Each of our schools have made demonstrable progress on their school improvement journey...making all that has been achieved during this disruptive period all the more remarkable.

Every day everyone in our schools is a role model for our pupils. Because of their ethos and professionalism, specialist skills and knowledge, unique talents and creative practice they support our pupils to be safe and feel safe, stay healthy, enjoy learning and achieve well and to make a positive contribution to a better society. To everyone in our schools every day... thank you for being amazing role models

Jane Reed,
Education CEO

83%
of our learners achieved a GCSE in English

85%
of leavers across our schools went on to a positive destination

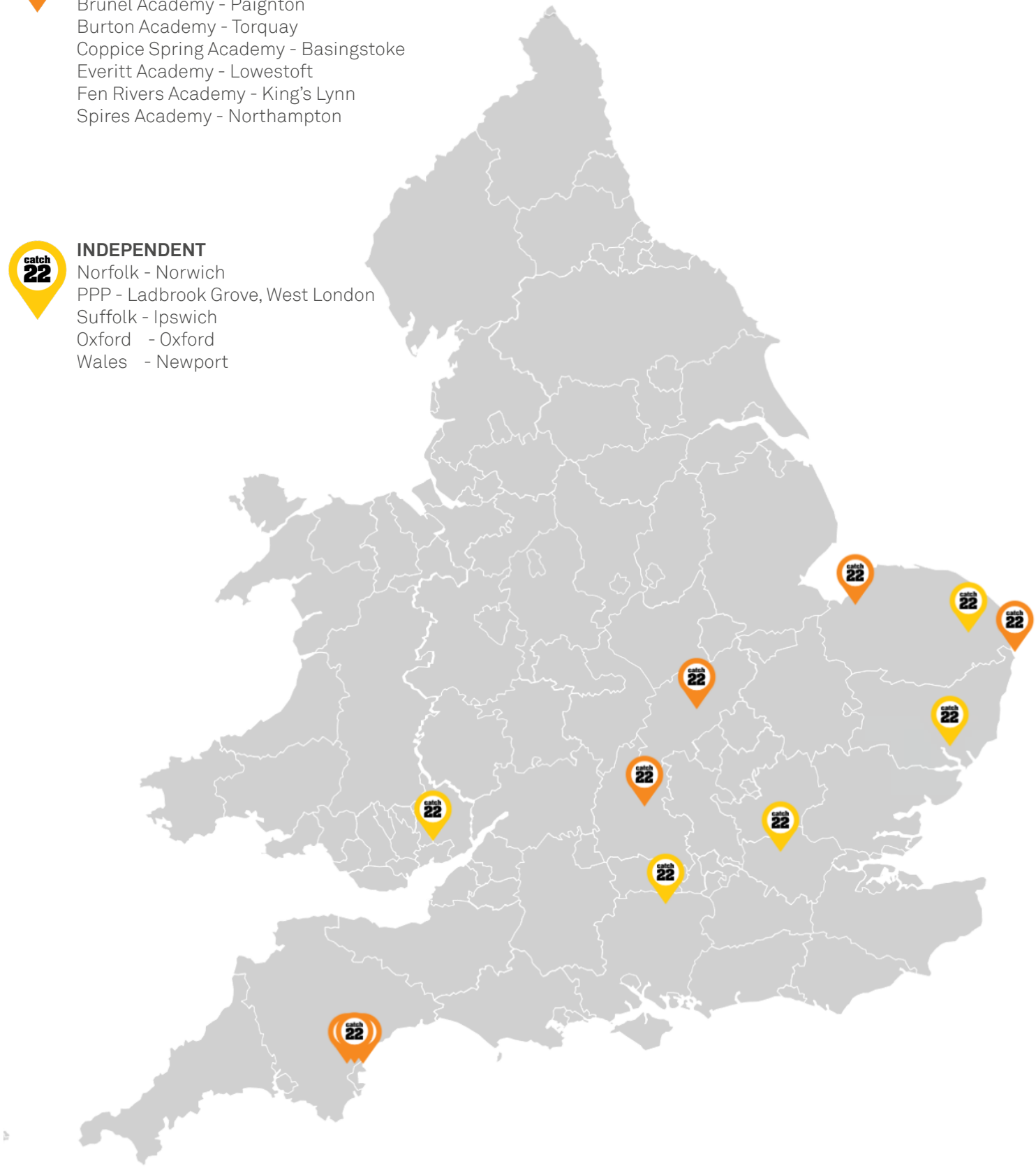
54%
of our learners receive free school meals

83%
of our learners achieved a GCSE in Maths

80%
of our learners have special educational needs

MULTI ACADEMY TRUST
Ashwood Academy - Basingstoke
Austen Academy - Basingstoke
Brunel Academy - Paignton
Burton Academy - Torquay
Coppice Spring Academy - Basingstoke
Everitt Academy - Lowestoft
Fen Rivers Academy - King's Lynn
Spires Academy - Northampton

INDEPENDENT
Norfolk - Norwich
PPP - Ladbrook Grove, West London
Suffolk - Ipswich
Oxford - Oxford
Wales - Newport




8 16
9 18 21 32
48
50
80
64
90

The Burton Academy

The headteacher and staff share a commitment to provide pupils with an opportunity to be successful. Most pupils arrive at the school with negative experiences of education. Many pupils have complex needs. As a result, they exhibit challenging behaviour. Staff take time to get to know each pupil. Building strong relationships with pupils and gaining their trust are paramount." *[Ofsted impact statement]*

100% of our learners achieved an English and Maths qualification

The Burton Academy supports the social, emotional, academic and vocational development of young people who are impacted by a range of traumatic life experiences. We use the advantages of a smaller setting and a high staff to student ratio to ensure that every student has a good place to learn, good people to learn from and a strong sense of purpose which reflects their own skills, needs and interests.

The Burton Academy offers every learner an ambitious curriculum, within which they will access a personalised pathway designed to help them become independent and resilient learners. Our classroom teachers use their strong subject and pedagogical knowledge to design and deliver lessons which stretch and challenge all learners, leading to our students making consistently good progress and gaining the qualifications necessary to move onto their next stage of education, employment or training.

Students come to us with a myriad of challenges that include failure to succeed in mainstream education: crime, drugs, lack of family support and the pressures of materialism, the media and 24-hour social networking. We work with our learners and give them the tools to become active, responsible and employable citizens who:

- understand healthy relationships
- can recognise risks to their wellbeing
- use technology appropriately
- celebrate diversity
- tolerate difference
- promote equality for all

Include Wales

"Across the school, the strong working relationships between staff and pupils have a positive impact on improving pupils' confidence and behaviour…they show interest in their work and participate enthusiastically." *[Estyn Inspection Report]*

80% of our pupils have Special Educational Needs

Catch22 Newport Primary School is an Estyn registered Independent School. We provide full-time, alternative education for young people, most of whom have social, emotional, and/or mental health needs.

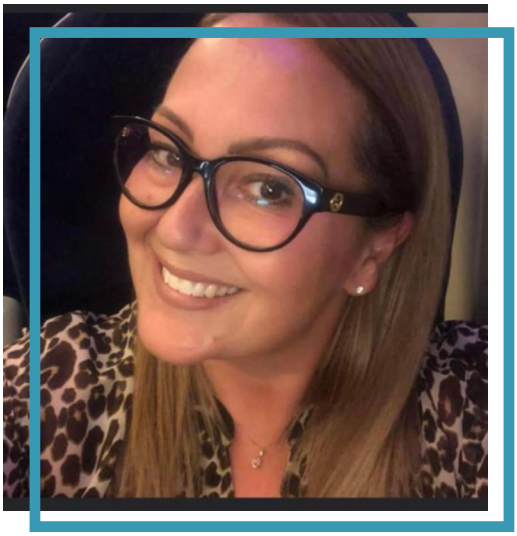
We are registered with the Welsh Government for 18 places at Key Stage 1 and 2. Pupils attend our school for assessment, social nurture and academic intervention, before being supported back into appropriate mainstream or specialist schooling.

Pupils present with multiple barriers to learning, and generally this manifests as pupils who display a lack of self-esteem and/or confidence within a school setting.

Our mission is to enable each pupil to leave school with renewed confidence in their ability, and for this stepping stone to provide a springboard that reinvigorates their school life.

Read the full Education Review here

EMPLOYABILITY & SKILLS



After what has been a very difficult year all round, I am very proud to be part of such a dedicated hard-working organisation. We have had to adapt at pace, keep ourselves and everyone we work with safe and ensure our customers and service users are still given the best quality programmes we can offer. Building on the achievements of last year as set out in this review, as we enter a new year we've seen amazing collaborations and new ventures with Jobs22, Kickstart Community, JP Morgan Chase and also National Grid - while also having funding extended by Barclays.

I'm optimistic about our ability to grow our offering and support more people to find their purpose and thrive. With the commitment and drive from our teams, we can continue to make a difference to peoples' lives; whether that's helping them gain qualifications and vital life skills in our Colleges and through our NCS programmes or supporting them in their search for sustainable employment.

Victoria Head
Director of NCS, Employability and Skills

378 learners in our colleges

1,000 qualifications delivered

1,324 people enrolled with our employability services

100% commissioners satisfied with the service

523 clients into paid employment

88% of clients felt that they received sound advice to support them towards their career goals

COLLEGES

Bishop Auckland
Great Yarmouth
Kent Maidstone
Nottingham
Peterlee
Southend
Thetford

EMPLOYABILITY

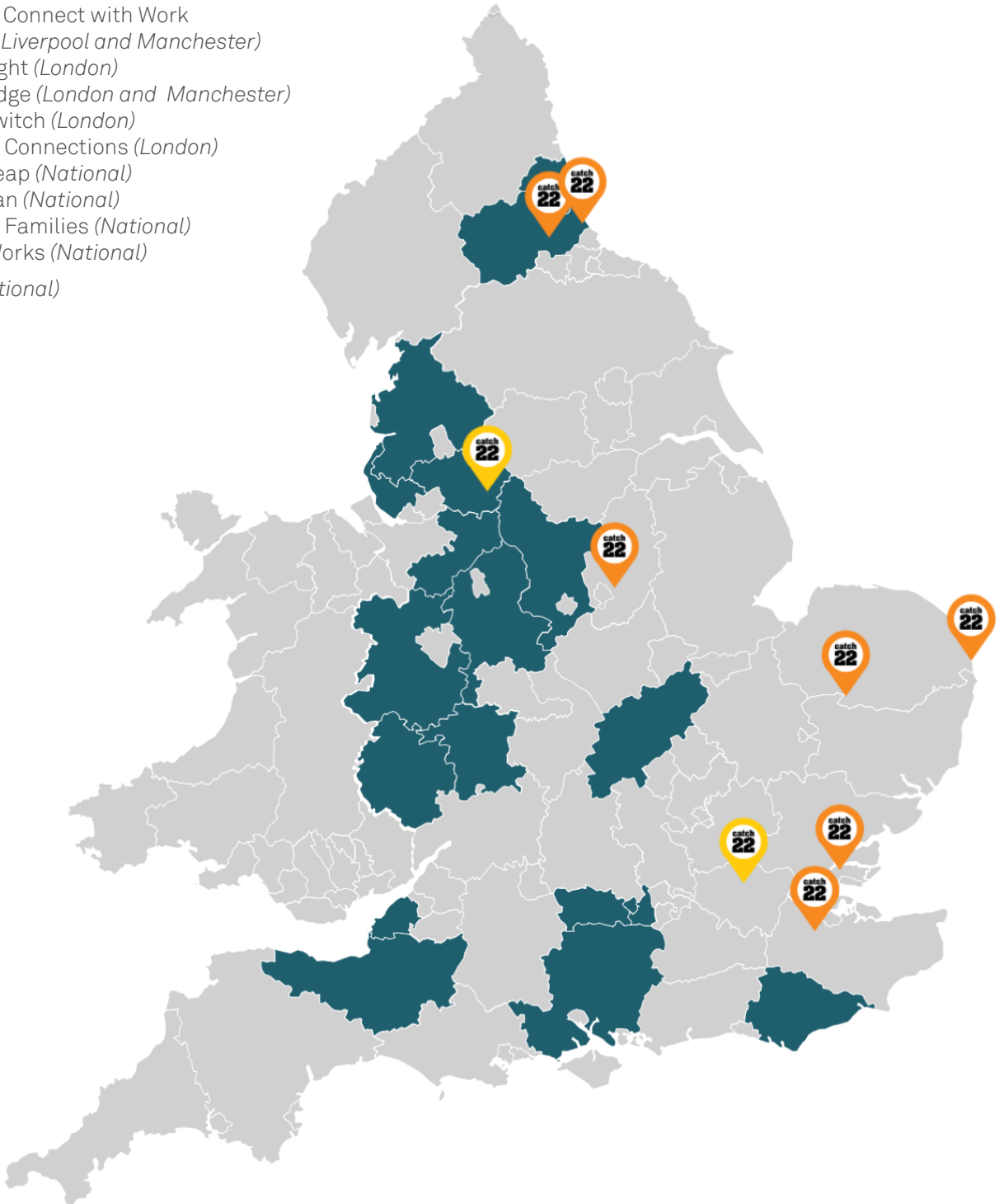
Barclays Connect with Work *(London, Liverpool and Manchester)*
Bright Light *(London)*
Digital Edge *(London and Manchester)*
Social Switch *(London)*
Inspiring Connections *(London)*
Digital Leap *(National)*
JP Morgan *(National)*
Inspiring Families *(National)*
Family Works *(National)*

JETs *(National)*

NCS

North East: Durham County, Newcastle, North Tyneside
West Midlands: Herefordshire, Shropshire, Telford and Wrekin, Wolverhampton, Worcestershire

North West: Cheshire East (Macclesfield), Liverpool, Manchester, Oldham, Sefton, Stockport, Tameside, Wirral
South East: Bracknell Forest, East Sussex, Hampshire, West Berkshire, Windsor and Maidenhead, Wokingham
East Midlands: Bakewell, Belper, Buxton, Chesterfield, Glossop, Ilkeston, Kettering, Wellingborough
South West: Bath and Bristol



DIGITAL EDGE

Digital Edge is a programme delivered by Catch22 in partnership with Microsoft, which helps people facing barriers to work embark on digital apprenticeships. The project sees Catch22 find and recruit candidates with a range of challenges – from gender and ethnicity barriers, homelessness, mental health issues, school exclusion and disability – and support them to access a digital apprenticeship with a local employer within Microsoft's network of customers and partners.

The pilot project launched in January 2020, reaching out to people aged 18 to 25 in London and Manchester through job centres. The initial pilot phase of 23 trainees undertook a four-week training programme, building both the technical and employability skills required to gain a digital apprenticeship with a local employer within Microsoft's network of customers and partners. The majority were from disadvantaged backgrounds, 13 were of minority ethnic origin, two had learning difficulties and one was disabled. Four were women.

The trainees learnt to present themselves positively (including through social media), write a good CV and cover letter, prepare for interviews, problem-solve and work in a team, while developing digital skills and commercial awareness. The course was initially delivered in person, and later remotely using Microsoft Teams in light of the Covid-19 pandemic, ensuring that everyone was able to participate and graduate, despite social distancing and travel restrictions.

Overall, from the Digital Edge pilot project, **three people have gone on to gain an apprenticeship**, including two with Microsoft or their partners, and one is planning to undertake further qualifications.

Given the success of the pilot, the programme has now been extended to cover Birmingham and Bristol – and now supports people not only into apprenticeships but also into other job roles.

DIGITAL EDGE

Delivered by Microsoft and catch 22

"**THE DIGITAL EDGE PROGRAMME HAS BEEN REALLY SUPPORTIVE AND CREATIVE** IN THE WAY THAT THEY WORK. IT PROVIDES A STIMULATING ENVIRONMENT WITH BIG OPPORTUNITIES TO MAKE A HUGE IMPACT. **THE TEAM SUPPORTED ME TO COMPLETE ONLINE IT COURSES** AND GAIN VIRTUAL WORK EXPERIENCE."
[DIGITAL EDGE PARTICIPANT]

"I FOUND THE DIGITAL EDGE PROGRAMME GOOD BECAUSE **I MET NEW PEOPLE WHILE I WAS THERE**. IT GOT ME WORKING WITH NEW PEOPLE AND IN ACTIVITIES AND WATCHING VIDEOS ON **HELPFUL TIPS AND WORKSHOPS ABOUT DIGITAL AND TECHNOLOGY**".
[DIGITAL EDGE PARTICIPANT]

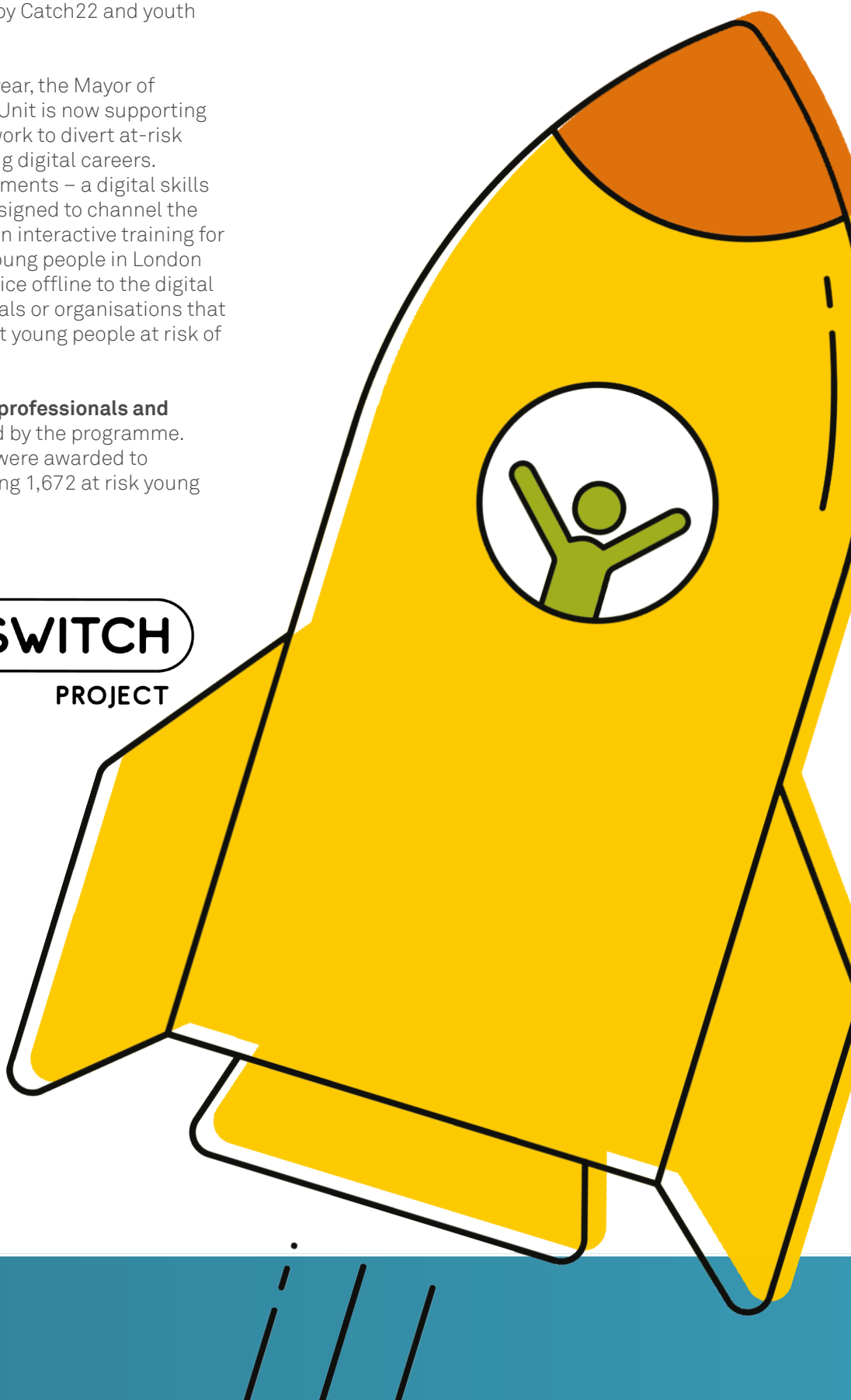
THE SOCIAL SWITCH PROJECT

Our innovative programme switches the narrative on how social media's relationship to youth violence is understood, tackled and solved. Initially funded by Google.org, it is co-delivered by Catch22 and youth violence charity Redthread.

Recognising our impact last year, the Mayor of London's Violence Reduction Unit is now supporting our next phase, backing our work to divert at-risk young people towards fulfilling digital careers. The programme has three elements – a digital skills pre-employability training designed to channel the creativity of London's youth, an interactive training for professionals working with young people in London to help them apply best practice offline to the digital world, and grants for individuals or organisations that have creative ideas to support young people at risk of being affected by violence.

In the last year **750 frontline professionals and 65 young people** were trained by the programme. **40 grants, totalling £99,500** were awarded to organisations – directly helping 1,672 at risk young people.

THE SOCIAL SWITCH PROJECT



CATCH22 COLLEGES

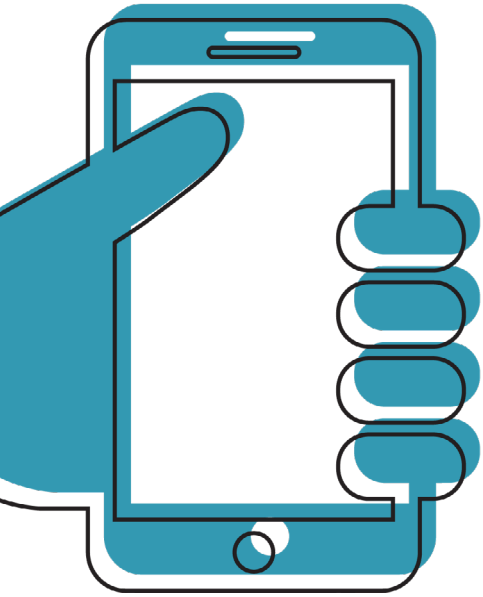
We run 7 colleges for learners aged 16-19 year old which are focussed on the education and employment goals of our individual learners.

Last year we worked with 378 learners, delivering more than 1,000 qualifications. 74% of our learners progressed to a positive destination.

"THE STAFF ARE ABLE TO **GET THE VERY BEST FROM STUDENTS**. AS A PARENT IT IS **STRESS FREE KNOWING YOUR CHILD IS AT CATCH22**"

[PARENT OF A LEARNER AT CATCH22 COLLEGE MAIDSTONE]





OUR APPROACH

We work with students to develop a tailored learning programme which is matched to their interests and goals for the future. Students can pick from a range of learning options covering five key areas:

1. Functional skills
2. Vocational qualification
3. Life skills
4. Work experience
5. Progression

Our learners have enjoyed courses on life skills and wellbeing, employability skills, IT skills, construction, land-based studies, hair and beauty, hospitality and catering – as well as English and Maths functional skills.

With the Covid-19 pandemic affecting studies for the latter part of the College year, we provided a mix of in-school teaching for our most vulnerable children, homework packs and online learning.

DEVICES AND DATA – RASPBERRY PI

Having a device to use for home schooling was a major barrier for many of our pupils. Through our partnership with Raspberry Pi, we were able to secure 250 devices for our college students to help them continue their learning effectively.

NATIONAL CITIZEN SERVICE

We revised our programme to emphasise volunteering and community needs, and young people rose to the challenge. While not being able to be on site for NCS, hundreds of young people made the most of their NCS time with Catch22.

Catch22 is the largest delivery partner for NCS – covering 6 regions across England and engaging nearly 2,500 young people last year. Despite the immense challenges of 2020, our teams ensured that this year's NCS Keep Doing Good Programme allowed young people to meet new people, challenge themselves and try extraordinary things.

We revised our programme to emphasise volunteering and community needs, and young people rose to the challenge. While not being able to be on site for NCS, hundreds of young people made the most of their NCS time with Catch22.

"I'M SO GLAD I GOT INVOLVED...**IT'S AN AMAZING WAY TO SPEND THE SUMMER**, HELPING THE LOCAL COMMUNITY AND GAINING LIFE EXPERIENCE."
MATTHEW, AGED 16



Read the full Employability Review here

APPRENTICESHIPS



This last year has proved to be the most challenging that we have ever experienced both personally and professionally. The Apprenticeships Team have risen to this challenge and proved to be adaptable, resilient and passionate about the work we do. Embracing the new technology at our fingertips, we transitioned overnight to a fully remote delivery model that allowed our apprentices to continue to access their learning despite the restrictions.

Investment in our processes and technology was vital to us maintaining a high level of support during 2020. We invested in Cognassist, which is a platform that provides insight into our apprentices' cognitive needs and allows our tutors to support them more effectively in relation to their learning. This has already proved impactful with learners who are accessing the system and its strategies already reporting the difference it has made to their learning and progress. In addition, during Lockdown 1.0, we ensured every one of our apprentices were provided with a Microsoft 365 account, which gave them access to software such as Teams, Word, Excel as well as OneDrive for file storage. This enabled 100% of our learners with continued, uninterrupted access to their learning.

We have used this period of remote learning to reflect on our delivery and have designed new models for every apprenticeship we deliver, and the impact that has made is interesting. We have seen an increase in learners engaging with our trainers more than twice per month, which in turn has enabled our average levels of progression to increase across the board. It has demonstrated to us that the traditional methods of face to face engagement can be blended with a remote approach. The stresses that face our trainers in terms of being on the road for a lot of the time have reduced and time spent interacting effectively with our apprentices has increased significantly. The increase in distinctions for our apprentices is a reflection in this method seeing results.

Internally, we have increased the number of Catch22 colleagues on a range of apprenticeship programmes. We launched an exciting Leadership & Management Development Programme in December 2020 with 30 aspiring managers and leaders, and with a further 26 staff accessing the Apprenticeship Levy on programmes from Level 2 through to Level 7 Degree Apprenticeships to enhance their learning, Catch22 are proudly invested in the development of our staff.

Chris Stoker-Jones
Director of Vocational Training

Catch22 has invested **£350k+** in our staff using our Apprenticeship Levy

100% of our learners engaged with their learning during Lockdown 1.0

Worked with over **250** apprentices during 2020

3% increase on our Higher Level Apprenticeships

100% of our apprentices provided with a Microsoft 365 account to enable access to technology and software to continue their learning

83% increase in number of apprentices achieving distinctions compared to 2019

43% of our apprentices are under the age of 23

What our employers say...

"We have worked with Catch 22 on our Property Management apprenticeships and have been extremely pleased with the level of tuition and support that they provide to our learners. They certainly live up to their vision to be a supportive network of people around the individual learner!"

Richard Scott – Head of HR, HML Group

"The apprenticeships have benefited our company by creating a talent pool of enthusiastic qualified individuals who are eager to succeed and develop themselves, many of our current apprentices are already looking to the future and visualising themselves in different roles and areas of the business, it's an exciting journey for them and for us to guide and support them along the way."

Jade Myers – Apprenticeship Scheme Team Leader, AA

What our apprentices say...

"I was pleased to be able to finish my showcase evidence remotely. It was not a major setback that we were not able to do this face-to-face, and this was due to the great software (Teams) that I was provided with by Catch22. This enabled us to complete the remaining discussions easily, using screen sharing."

Harry, Customer Service Apprentice

"I have made more progress with my apprenticeship in the last few weeks than in the previous few months. Working from home has allowed me to avoid the dreaded commute and focus more time on my project. I have more regular meetings with my tutor now, using online technology"

Samantha, Property Management Apprentice

YOUNG PEOPLE AND FAMILIES

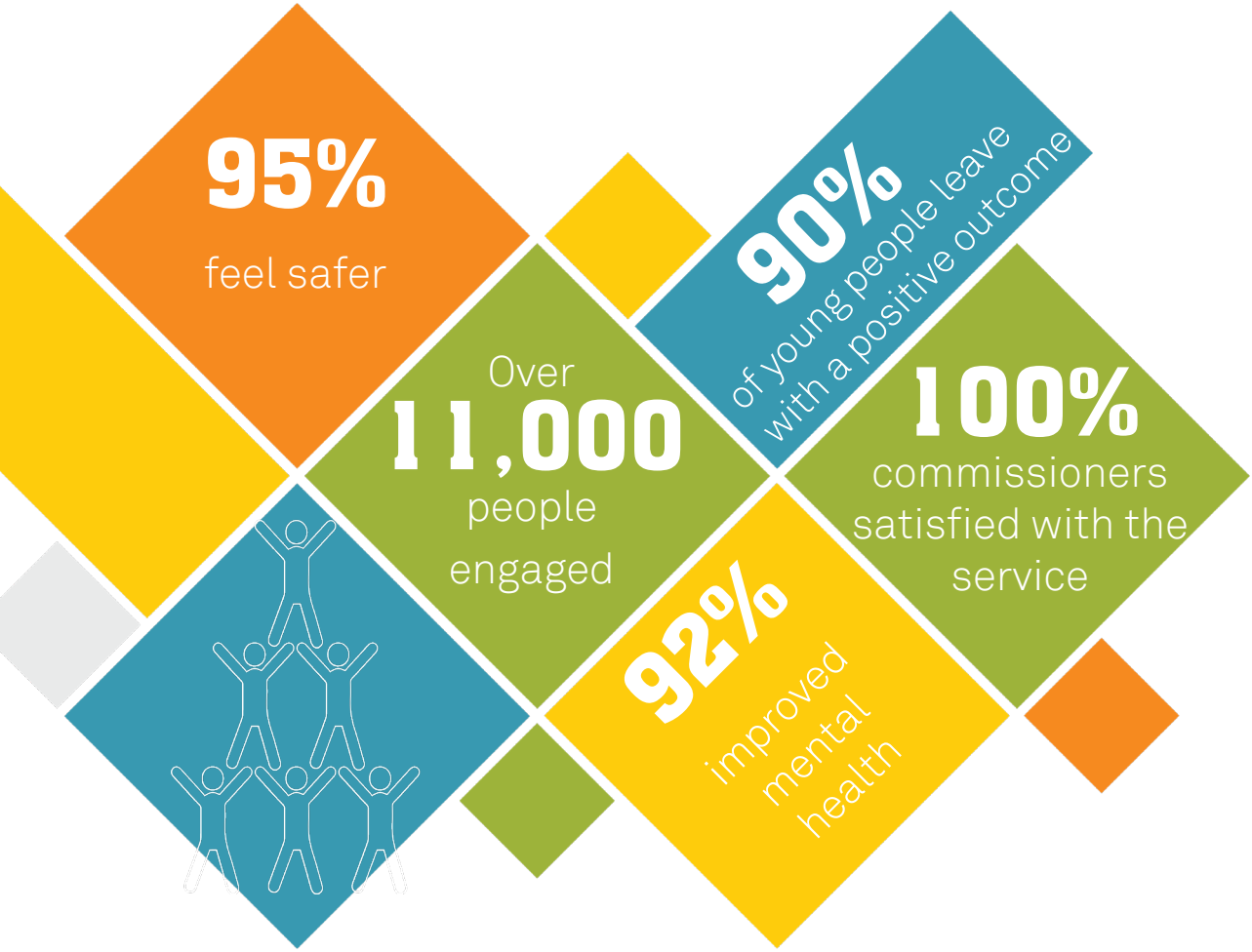


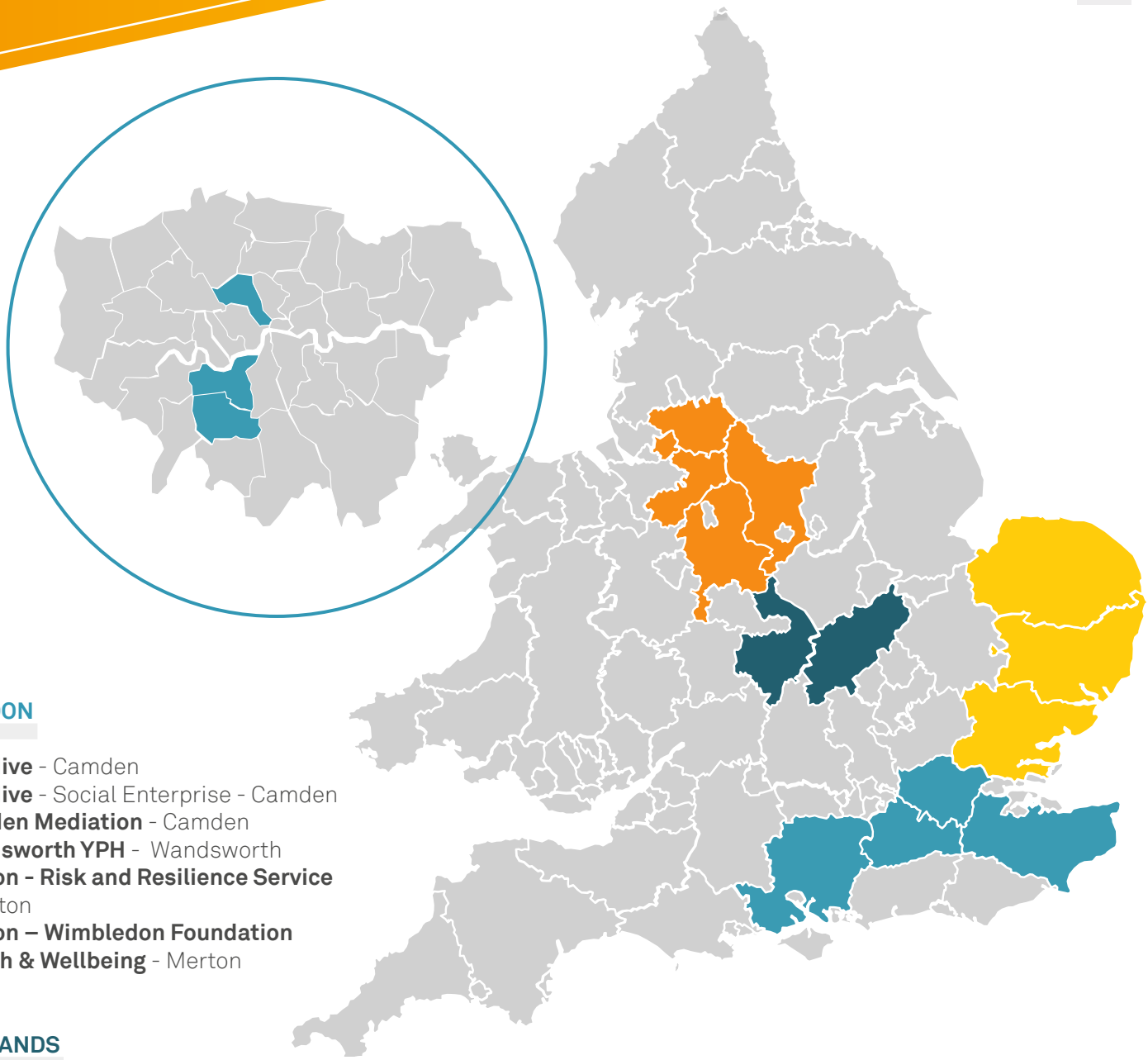
The Young People and Families Hub sits at the heart of Catch22. We cover a wide range of risks, harmful behaviours and challenges faced by young people and their families today. These include: Missing From Home, Child Exploitation, Substance Misuse, Emotional Wellbeing, Crisis Support and Mediation. Our approach is solution focused and evidence based.

The Young People and Families workforce of 200 staff and 60+ volunteers is passionate about the work they do. Our skilled teams form trusting relationships and work alongside children, young people and families helping them to build on their strengths, increasing their resilience in order to:

- **Feel safer**
- **Be healthier both physically and mentally**
- **Be more confident to make positive choices**
- **Be more able to enjoy their life**

Kate Wareham,
Director of Young People and Families





LONDON

The Hive - Camden
The Hive - Social Enterprise - Camden
Camden Mediation - Camden
Wandsworth YPH - Wandsworth
Merton - Risk and Resilience Service - Merton
Merton – Wimbledon Foundation Health & Wellbeing - Merton

MIDLANDS

Northampton Crisis Intervention & Appropriate Adults - Northampton
Coventry Life Long links Service - Coventry
Coventry Child Exploitation Service - Coventry

NORTH WEST

Wigan Floating Support - Wigan
Stoke & Staffs Child Exploitation Services/Missing from home - **Wirral IDVA**
Pan Merseyside Child Exploitation Service and Missing from home inclusive of St Helens/Wirral and Knowsley contracts
Trafford Missing from Care Service
Derby and Derbyshire CARES
NLCBF – National

SOUTH EAST

Young Persons Substance Misuse - Surrey
Music to my Ears - Surrey
Hampshire 24/7 Service - Hampshire
YP&F Bespoke - Essex
CHIP - Colchester
Kent SAiFE - Kent

EAST

Suffolk Reparation - Suffolk
Suffolk Mentoring - Suffolk
Norfolk Mediation - Norfolk
Suffolk Positive Futures - Suffolk



THE HIVE

79% of young people reported making a significant positive change

The Hive is a space, a service and a community. It is a preventative service, challenging the stigma of mental health by giving young people a safe space to be themselves and was cited as best practice for mental health provision in the NHS Long Term Plan. The Hive is open to any young person living or working Camden aged 16-25.

The Hive caters for young people who either don't meet the threshold for statutory mental health services, yet need help – or are unable or unwilling to access statutory services. It provides 1:1 sessions with clinicians and a social hub where users are able to take part in a range of activities.

It is jointly commissioned by the Camden Clinical Commissioning Group(CCG) and Camden Council led by Catch22 in partnership with Camden and Islington NHS Foundation Trust, Tavistock and Portman NHS Foundation Trust, Anna Freud Centre, The Brandon Centre, and The Winch.

- There are an average of 5,000 visits to The Hive a year
- 78% of young people reported making a significant positive change(the national CAMHS average is 50%[1])
- 93% of young people seen by The Hive's transitions service engaged with proposed treatment pathway
- Since its existence, it's estimated more than 80 hospital admissions due to poor mental health have been prevented

[1] Using Unity Based Goal measures

"A YOUNG WOMAN CAME INTO THE HUB, WHILE SHE WAS IN THE MIDDLE OF A PSYCHOTIC EPISODE. **WE SAT WITH HER FOR 2 HOURS, THEN ESCORTED HER TO AN APPOINTMENT. SHE WOULDN'T HAVE GOT THERE ON HER OWN."**

STOKE AND STAFFORDSHIRE

MISSING AND CHILD EXPLOITATION SERVICE

86% **of children and young people exiting the service demonstrate positive improvements**

Each year we work with more than 1,200 children and young people who are subject to exploitation and/or who have gone missing from home. We also engage with nearly 1000 professionals through consultations, awareness raising workshops, meetings, promotional events, conferences, schools and training events.

We recruit volunteer mentors and lived experience champions who enable us to connect more effectively with certain communities of people that we sometimes find difficult to support.

The team constantly explore new ways to engage with its service users
– including working with their Young People's Forum to produce a series of brief TikTok style videos to promote our service directly to young people.

- 93% of incidents were offered a return interview – with 82% completed and 77% of those completed within the 72 hour target
- 86% of children and young people exiting the service have demonstrate positive improvements
- 100% of mentors strongly agree that they have personally benefited from volunteering.



"I'M REALLY IMPRESSED. **IT'S A VERY PASSIONATE SERVICE WHICH ONLY HAS THE BEST INTERESTS AT HEART** IN REGARD TO SUPPORTING YOUNG PEOPLE AT RISK OF CSE, MISSING AND INVOLVED WITH GANGS. I THINK **THE STAFF ARE SO PASSIONATE, THEY CARE ABOUT THE CHILDREN** AND THE GROWTH AND PROGRESS OF THE SERVICE. **THIS IS SOMETHING THAT SHOULD BE ADMIRED** AND IMITATED BY OTHER SERVICES"

Read the full YP&F Review here

COMMUNITY LINKS



We are committed to supporting the people of Newham through these challenging times, as we have always done. We anticipated that with the impact on jobs, declining household incomes would lead to a surge of need for advice and guidance. From the outset of the first lockdown, Community Links rapidly pivoted frontline services to remote delivery and mobilised volunteers, ensuring we continued to safely support people in crisis. Many of our services saw a record level of demand during lockdown.

During the peak of the pandemic we saw:

- Requests for advice and guidance increase by **23%**
- Homelessness related cases increase by **316%**
- Demand for our Emergency Food Support Service **double**
- Hardship support requests, such as food voucher enquiries, increase by **400%.**

We continue to see high demand for support from families who are concerned about the basics like food, bills, childcare and keeping a roof over their heads. Responding directly to the dire impact of the pandemic on the people of Newham, we ran an emergency appeal to support their most pressing needs. As a result of the emergency appeal, we launched:

- A local 7-day-a-week Covid-19 telephone advice helpline, in partnership with the local authority, who recognised our position in the borough, capacity to mobilise at pace and ability to refer to a broad partner network
- A homelessness prevention service, supporting people at risk of eviction or homelessness with advice, guidance and specialist support, in collaboration with Crisis, the national homelessness charity
- A mental health and wellbeing service, providing peer-support and wellbeing activities with the support of mental health charity Mind.

We are running two innovative new schemes to test ways of working in this new landscape:

- A Violence Prevention Pilot for at-risk young people and their families, providing peer support and advice for children and adults living in poverty, in conjunction with the Impetus Youth Endowment Fund
- A remote Music Therapy Pilot for young people in mental health distress.

Chi Kavindele, Director of Community Links



Read the Community Links Review here

PARTNERSHIPS

Catch22 unlocks innovation through collaborative partnerships. Together, we tackle the pressing issues in public services and this year has been no different. You'll have read throughout this report – and in our individual hub reports – how our partnership are growing from strength to strength.

Thank you to all our partners and we look forward to continuing our work with you in 2021!





















Read more about our Partnerships here

"CATCH22 COLLEAGUES **STEPPED UP TO THE CHALLENGE"**



This review captures the activity of Catch22 over our 2019/2020 reporting cycle. When we entered the year none of us could have predicted what was to follow but like so many others over the last 12 months or so Catch22's colleagues stepped up to the challenge and continued to work hard to reach out and support many of the people who have been most impacted by the pandemic. That's across our schools, working across the prison estate, with children who have still gone missing and we have continued to help people get into jobs. We have shown enormous initiative and energy to find different ways to engage with our beneficiaries including a brilliant digital event with young people on our NCS programme.

But, what the last 12 months has also brought into sharp focus is the reason we exist in the first place. The crisis has exposed deep inequalities across our communities powerfully emphasised by the extent of digital exclusion we have witnessed. Home schooling is incredibly difficult without the tools to access the input on offer – and that's not just hardware but access to data too, surely a utility like clean drinking water, that needs to be available to all. We are grateful to our supporters such as Raspberry PI and Microsoft amongst others who have helped us to reach those who would otherwise have been left behind. Similarly, we are hugely grateful to the National Lottery who provided resources so we could enhance our delivery on the ground right across the range of our delivery.

Catch22 has navigated this period with the support of our funders and commissioners alike and we are grateful for the flexibility in approach to contract management and procurement we have benefitted from. And, there are lessons that we are keen to take into the future – to influence the approach to government procurement and to strengthen the role that social businesses like Catch22 can play in the provision of public services. We have used the last 12 months to reflect on who we are and what we need to do to sustain ourselves so we can continue to contribute to improving the life chances of those we support. I am grateful to my colleague Trustees, to the staff and volunteers of Catch22 and to all our supporters. Thank you.

Terry Duddy
Catch22 Chair

In 2019/20

£53m turnover

The Catch22 family has touched the lives of more than 120,000 people in the last year

Our staff

952 employees

601 sessional workers

122 volunteers


catch 22



FINANCE AND GOVERNANCE

FINANCIAL HIGHLIGHTS

The group responded positively to the impact of the Covid-19 outbreak, which first occurred during the year covered by these financial statements. The group was largely sheltered from any significant financial impact due to most of its income being derived from the delivery of public services.

We accelerated the roll-out of improvements to our IT infrastructure, enabling our staff to communicate effectively and to continue to deliver high quality support to our beneficiaries that met and exceeded the expectations of our commissioners, who continued to fund us in line with our contracts. We are grateful for their support and that of our other funders.

We were able to achieve significant cost savings through lower travel expenditure and reduced building maintenance expenditure. Virtual working also meant that less agency staff were required to cover absence and to provide additional capacity. These savings were partially offset by increased IT costs to enable our staff to work remotely.

Following the outbreak, the trustees considered areas of delivery that were not financially viable and/or were no longer core to the achievement of the group's charitable objectives. In addition, the trustees decided to rationalise the group structure to both save costs and promote collaborative working for the benefit of our service users. This resulted in the following changes:

- The closure of two college sites
- The scaling back and refocus of our apprenticeship delivery
- Launch22 Limited closed on 31 July 2020
- Only Connect UK left the group on 1 September 2020
- Community Links Trust's service delivery merged into Catch22 from 1 February 2021

The group is now well positioned for 2020/21 and beyond and we expect to deliver healthy surpluses moving forward. We have secured significant new voluntary income from corporate organisations in 2020/21 such as Microsoft, Salesforce and JP Morgan and our successful Connect with Work' programme funded by Barclays Bank has been extended for a further 2 years. We have also recently successfully bid for new contracts to support offenders that will grow our Justice delivery. Additionally, our new joint venture company, Jobs22, secured a £200m contract with DWP in April 2021 to deliver the Restart employability programme. This contract will both deliver social impact and a financial return to Catch22. Jobs22 was incorporated in June 2020 and was dormant throughout the financial year.

The group's financial performance for the year to 31 August 2020 is set out in the Statement of Financial Activities.

Movements in the Restricted Pension Funds and Restricted Fixed Asset Funds relate

to the operations of the Catch22 Multi Academies Trust and in particular the establishment of new academies. The underlying financial performance of the group is therefore better represented by the movements on Restricted Funds, decrease of £0.1m (2019: increase of £1.2m) and Unrestricted Funds, decrease of £0.3m (2019: £1.2m).

The decrease in Unrestricted Funds is after net exceptional items of £0.9m (2019: charge of £1.5m), relating to the recovery from a third party of the clawback of funds as a result of non-delivery by a subcontractor, less the costs of organisational restructures and service closures and a provision against a debt owed by a subsidiary charity, Launch22, that is not consolidated.

Last year's decrease in Unrestricted Funds also included a revaluation of the group's head office of £1.5m.

The group's consolidated balance sheet remains strong, with Restricted Reserves of £4.4m (2019: £4.5m) and Unrestricted Reserves of £9.3m (2019: £9.7m). These reserves provide a solid base for the future of the organisation, but the challenging economic environment in which all providers of public services are operating since the outbreak of the Covid-19 pandemic continues to persist.

We continue to review all our services on a regular basis and take steps to either turnaround or close services that are not financially viable, without compromising on the quality of our delivery. We are also continuing to focus on ensuring our support services and management structures are efficient and cost effective; investing in digital solutions where possible, for example during the year we significantly upgraded our IT infrastructure. We are also grateful to have secured the support of the Social Business Trust, who among other things, will conduct a review of our systems and processes during 2020/21 with a view to suggesting possible improvements.

We continue to have a real focus on growth in areas that both align with our charitable objectives and there is funding available. A key objective continues to be to grow grant and other voluntary income, and we are beginning to see the impact of our investment in our partnership team through new funding secured. This funding enables us to add value to our services, maximise impact and to meet service user needs in innovative ways to contribute to our reform agenda, as well as contributing to improved cash flow.

Service user need continues to accelerate, whilst regulation in service delivery becomes increasingly more onerous, but we remain confident that our solid foundations and experience will enable us to respond to these challenges, despite the expected pressure on public finances following the pandemic. We continue to believe that through innovation and doing things differently with support from partners, we will be able to unlock the funding and capacity needed from society to achieve the social impact and reform of public services that we seek.

Income

Total income for the year to 31 August 2020 was £53.2m, compared with £57.2m for the previous year.

Voluntary income in the period included £6.5m (2019: £5.0m) of long leasehold land and buildings transferred from local authorities used by new academies in the Catch22 Multi Academies Trust.

After adjusting for these 'one-off' income amounts, income for the year is £46.7m, compared to £52.2m in the previous year.

Donations, legacies, and grants were 7% of income excluding 'one-offs' (2019: 8%). The benefits of our active strategy to increase voluntary income will be seen in the 2020/21 financial year, where a greater proportion of income is expected to come from grant sources.

Income from charitable activities fell to £42.5m (2019: £46.8m). NCS & Employability income fell by £2.4m, mainly due to the restricted summer NCS programme caused by the pandemic. The other most significant fall, £0.7m, was in our Place Based Delivery and Early Action delivery where the pandemic significantly impacted our ability to deliver our health screening activity. Young people and families income fell by £0.5m due to contracts coming to an end during 2019/20.

Expenditure

Total expenditure for the year the year to 31 August 2020 was £46.7m, compared with £54.2m for the previous financial year. Included within the cost of charitable activities are exceptional items, which are explained above.

Deficit on investment assets

The net loss on investments during the year was £0.5m (2019: gain £0.1m) and at 31 August 2020, after withdrawals, the portfolio was valued at £10.5m (31 August 2019: £10.9m), in addition, income earned from the portfolio was £0.3m (2019: £0.3m).

Although the pandemic had an impact on the value of the investment portfolio in the financial year, much of this loss has been recovered in the current financial year.

HSBC Private Bank, the investment managers, offer a working capital facility (currently with an agreed limit of £5.0m) secured against the portfolio at a very competitive interest rate. The trustees regularly consider the cost of borrowing to finance working capital against expected investment returns in order to decide whether investments should be sold to fund working capital requirements. The trustees' current opinion is that market returns are likely to exceed the cost of borrowing for the foreseeable future and therefore investments should not be sold. At 31 August 2020 £3.75m of the facility has been drawn (2019: £3.75m).

Support costs

We monitor the effectiveness and efficiency of our overheads on a continual basis. During 2019/20 we continued to seek to reduce costs through consolidation of support services across the group and system improvements. We will continue to drive down costs where possible through process and system improvement and simplification of structures. During 2020/21 we will seek further opportunities for digitalisation to improve efficiency with the support of the Social Business Trust.

Reserves

The Finance Growth and External Audit Committee, on behalf of the Board of Trustees, conducts an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items.

The level of Free Reserves that should be maintained by the organisation is determined by balancing two competing objectives. On the one hand ensuring we have maximum and speedy use of resources to deliver real impact for beneficiaries and realise our reform ambitions and, on the other hand, ensuring we have adequate resources to continue to deliver our services through periods of financial challenge and uncertainty and can be here for our beneficiaries over the medium and long term.

The trustees assess the risks that the charity is exposed to on a regular basis and determine a range for Free Reserves considering these risks. The principle risks include:

- an unexpected change in the level of our income;
- the need to maintain services over the short term if funding streams reduce;
- the likelihood of unexpected expenditure; and
- working capital requirements.

In determining the figures trustees also consider future plans for the group and the need to protect vulnerable beneficiaries, staff and volunteers in the unlikely event of unplanned closure of some of its services.

Whilst this process cannot come up with a precise figure for Free Reserves, after taking these factors into consideration the trustees believe that the appropriate level for Free Reserves is between £2.2m and £3.6m for the group.

Free Reserves are those that are freely available at the trustees' discretion to help manage financial variability i.e. Unrestricted Reserves excluding fixed assets and bank borrowing secured against those fixed assets.

At 31 August 2020 the group's total reserves amounted to £37.4m (2019: £31.9m) of which £28.0m was restricted (2019: £22.2m) and £9.3m was unrestricted (2019: £9.7m). Of the unrestricted amount £3.9m (2019: £4.3m) is deemed to be free reserves, which is slightly above the range set by the trustees but is considered reasonable given the current economic uncertainty caused by the pandemic.

Investments

All investments were acquired within the Trustees' powers. The portfolio is held in general funds and is managed in accordance with an Investment Policy, which sets out the objectives of the fund, considers risk and liquidity requirements and sets out how the fund should be managed including the Board's expectations around ethical investment. The objective of the general fund is to provide a regular flow of income to support the daily activity of Catch22 and in addition, to achieve a level of capital growth which will preserve the real value of the fund over time and provide a capital fund for investment in approved development projects within Catch22.

Our investment portfolio is managed by a firm of professional investment managers. The Trustees consider the performance of those managers and the investment portfolios they manage to be satisfactory and that our underlying investments are sound.

FINANCIAL RISKS

Liquidity risk

The Group's objective is to maintain a balance between cash balances and long-term investments. The Group's policy on liquidity risk is to ensure there are sufficient cash balances to meet the day-to-day needs of the organisation while investing surplus balances in fixed asset investments.

Market risk

The Group's exposure to market risk arises primarily from the Group's fixed asset investments. The Group's policy is to utilise the services of professional investment managers to manage the fixed asset investments. Performance of these investments and therefore the investment managers is reviewed every month by the senior management team. The Finance, Growth and External Audit Committee have been appointed by the Board to oversee the performance of our investment managers.

Credit risk

The Group is mainly exposed to credit risk in relation to money due from commissioners in relation to its delivery of services. The vast majority of these commissioners have proved to be extremely credit worthy. Nevertheless, we operate a proactive credit control system designed to ensure payment is received quickly and that problems are identified as early as possible and the appropriate action is taken. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Foreign exchange risk

The Group does not have any significant exposure to foreign exchange risk.

Other risk

The impact of the Covid-19 outbreak has been considered on the charity's future plans and budgeting processes and the effect of the outbreak, including on future government spending, will continue to be a risk into the August 2021 year end and beyond.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Formation and structure of the Charity

Catch22 was incorporated as a Company Limited by Guarantee on 28 April 2008. It was registered as a charity on 19 May 2008.

Its objectives, as stated in its memorandum of association, are: 'to promote opportunities for the development, education and support of young people in need to lead purposeful, stable and fulfilled lives and to promote safer, crime free communities for the benefit of the public.'

We have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2). In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set, taking account of the available guidance on public benefit.

The trustees are satisfied that Catch22 has aims and objectives and carries out activities that are for the public benefit in that the support provided to individuals, families and communities directly benefits each of those groups and therefore the wider public.

Catch22 is the sole trustee of The Royal Philanthropic Society incorporating the Rainer Foundation and is the sole member of The Crime Concern Trust Limited. Both are charities. The Rainer Foundation has released its permanent endowment and is now dormant. Crime Concern is also now dormant.

Catch22 holds 100% of the share capital of Catch22 Social Enterprise Limited

Catch22 owns 100% of Pupil Parent Partnership Limited, a company limited by guarantee.

Catch22 also owns 100% of Catch22 Social Enterprise Solutions Limited.

Catch22 also owns 100% of Include, a company limited by guarantee.

Catch22 also owns 100% of Catch22 Multi Academies Trust Limited, a company limited by guarantee.

Catch22 also owns 100% of Community Links Trust Limited, a company limited by guarantee. Community Links Trust Limited owns 100% of Community Links Trading Limited. – Community Links Trust merged with Catch22 with effect from 1 February 2021.

Catch22 also owns 100% of Launch22 Limited, a company limited by guarantee.

Catch22 also owned 100% of Citizen22, a company limited by guarantee - struck-off February 2020

Catch22 also owned 100% of Only Connect UK, a company limited by guarantee – ownership relinquished 1 September 2020

Catch22 also owns 100% of Unlocked Graduates, a company limited by guarantee – ownership relinquished 1 September 2020

Please see note 12 for disclosure of activities and performance of each subsidiary.

GOVERNANCE

Safeguarding

Catch22 is a diverse and dispersed organisation, supporting some very vulnerable service users. We have a dedicated post within the organisation to ensure that we appropriately manage risk and drive improvements in our practice across our various delivery arms particularly education and social care. This post of Safeguarding Manager has been in place since January 2018 and is focussed on continuous improvement to our safeguarding practice.

Over this financial year, there were various safeguarding incidents, as we would expect given the nature of our work, primarily made up of disclosures made by the vulnerable young people and adults that we work with. Where appropriate these were escalated to the Local Authority Designated Officer (LADO).

We have rolled-out an IT platform for safeguarding incident reporting and management in our schools to improve communication and reduce the bureaucratic burden, both at the point of reporting and in the administration of the monitoring and follow up actions so that more resources can be focussed on keeping our service users safe.

Modern Slavery

Catch22 has a zero-tolerance approach to modern slavery and we are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to endeavour to ensure that modern slavery is not taking place anywhere in our own business or in any of our supply chains.

We are also committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015. We expect the same high standards from all of our contractors, suppliers and other business partners, and as part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children. We also expect that our suppliers will hold their own suppliers to the same high standards.

Board and Committees

The Trustee board meets at least four times a year and has established three committees to which certain functions are delegated. These are: the Finance, Growth and External Audit Committee, the Governance, Risk and Internal Audit Committee and the People and Performance Committee.

Each committee meets at least four times a year and reports back to the Trustee Board.

The committees monitor progress against goals and targets that flow from the strategic plan set by the Trustee board.

Catch22 complies with 'Good Governance: A Code for the Voluntary and Community Sector' issued by the Governance Code Steering Group.

There is a scheme of delegation in place which sets out what matters are reserved for the trustee board and what is delegated to the chief executive and senior management.

Matters reserved for the board include (among others):
- Setting the charity's strategy;
- Approval of the organisational business plan and annual budget;
- Approval of any changes to the group structure;
- Appointment of the chief executive

Matters delegated to the chief executive include (among others):
- Establishing partnerships and joint working arrangements;
- Development of new services;
- Tenders for new contracts (with a value of up to £2m);
- Appointment of the executive management team

Setting Pay and Remuneration of Key Management Personnel

Setting Pay and Remuneration of key management personnel is the responsibility of the People and Performance Committee. In setting pay and remuneration, they consider performance management information and relevant benchmarks within the sector.

Trustees responsibilities

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

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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and charity and of the surplus or deficit of the Group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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 financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.
- observe the methods and principles in the Charities SORP;

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees responsibilities (continued)

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

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Valuing our Trustees – recruitment, induction and ongoing training

The People and Performance Committee oversees the recruitment of Trustees and undertakes a periodic skills audit of the Board. Applications for Trusteeship are sought through open advertisement, use of a specialist agency and personal contacts. Applicants are assessed against a trustee job description and shortlisted candidates are interviewed by a panel of Trustees and appointed by the Trustee Board. Trustees are normally appointed for four years and may be reappointed for a further four years subject to agreement of the Board. A further four year period is available if it is considered to be in the best interest of Board stability.

New Trustees are provided with induction meetings with key staff and are given a detailed governance pack. Arrangements are made for Trustees to visit Catch22's projects and services. Trustees receive information newsletters, presentations on aspects of Catch22's work and on matters affecting the voluntary sector.

Catch22 looks to all those involved in its governance to make a reasonable commitment to ongoing development and training. This may involve away days, visits, presentations and other internal functions as well as opportunities to attend relevant external events such as seminars, courses and conferences.

Catch22 also circulates publications of general interest and provides access to magazines, articles, newsletters, policy briefings and other documents of more specialist interest.

Risk management

The Trustees have in place a robust risk management process. The process identifies the types of risks the Charity faces, prioritises them in terms of likelihood of occurrence and potential impact, identifies the means of managing these risks and monitors how they are managed. Development and review of the risk management arrangements are the responsibility of the Governance, Risk and Internal Audit Committee. The Chief Officer Group are responsible for managing risk across the organisation and receive regular updates at their fortnightly meetings on key risks and they ensure that collaborative mitigating action is taken.

The key risks identified by Catch22 at the end of 2019/20, together with the actions taken or intended to be taken in response to these risks are as follows:

- Loss of income due to public sector spending cuts and increased competition. Catch22's response is to continue to focus resources in our business development team, keep our quality high and our costs competitive to ensure that our cost basis is sustainable over the longer-term. We also continue to be focussed on securing an increased proportion of voluntary grant income and developing income streams from trading activity.
- Loss of income and increased service user demand due to the Covid-19 outbreak. Catch22's response is to accelerate the delivery of its three year business plan that began in September 2019, that stated our desire to become more digital, embrace new technology to enhance service delivery and to ensure services are safe, efficient and effective. We committed to greater cross-service collaboration and to focus on going deeper in our main geographical areas, and to growing our presence. We have made some significant cost savings during 2020/21 and will continue to identify opportunities to do things differently, reducing unnecessary spending and eliminating duplication and inefficiencies. We will continue, if necessary, to close services that put a significant financial strain on the organisation.
- Increasingly stringent delivery conditions and regulation imposed by commissioner. Catch22's response is to ensure a strong focus on quality and performance as well as careful consideration and control on the contract terms we accept.
- Commissioner payment terms are increasingly significantly 'in arrears' and this combined with more contracts being on a 'payment by results' basis can mean that some payments are not received for more than 6 months after the initial engagement with the beneficiary. Catch22 is responding by regularly monitoring and forecasting working capital requirements, securing facilities with both its investment managers and bankers to fund general requirements and engaging with other funders e.g. social investors and grant funders to secure funding for specific projects.
- Loss of control of personal or sensitive data. Mitigated by robust data protection and information security policies, in line with the General Data Protection Regulation (GDPR), supported by staff briefings and compulsory training. We review the risk of a breach of our IT platforms on an ongoing basis and take appropriate mitigating action to keep them secure. By December 2021 we aim to be ISO 27001 certified, strengthening our commitment to robust information security management.
- Failure to keep our service users safe. Established policies and procedures with clear training and staff competency expectations, monitored through regular supervisions and internal audit, overseen by a Safeguarding Manager. Compliance with recruitment

policies monitored to ensure relevant employment checks are completed.

- Failure to ensure the wellbeing and safety of staff, particularly those working with vulnerable beneficiaries. Our People team continuing to develop our wellbeing offer and our policy on staff supervision meetings includes the requirement to discuss staff welfare. We have a professional health and safety team in post with embedded health and safety polices and procedures, underpinned by compulsory training for managers and regular health and safety inspections with follow-up of actions. Emphasis on learning from incidents and near misses. Increased focus on mental health support within the organisation.
- Serious incident results in adverse publicity leading to reputational damage. Appropriate policies and procedure are in place to mitigate the risk of a serious incident occurring. Crisis Management policy in place and crisis management training provided to key staff. Reactive communication strategy prepared.

Further information about Catch2, including our Social Business Review can be found at: www.catch-22.org.uk

Signed on behalf of the Board of Trustees on 26 May 2021.



Terry Duddy
Chair, Catch22 Charity Ltd

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATCH22 CHARITY LIMITED

Opinion

We have audited the financial statements of Catch22 Charity Limited for the year ended 31 August 2020 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent 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

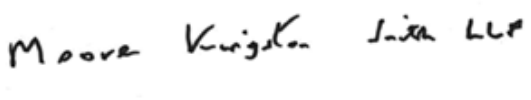
considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

26th May 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 August 2020

	Note	Restricted Pension Funds (MAT) £'000	Restricted Fixed Assets Funds (MAT) £'000	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
Income from							
Donations and legacies		-	-	469	495	**964**	952
Grants	2	-	555	1,799	235	**2,589**	3,393
Donations – academy transfers (MAT)	3	(297)	6,830	-	-	**6,533**	5,020
Income from charitable activities	6	-	-	15,585	26,943	**42,528**	46,756
Income from trading activities		-	-	-	301	**301**	763
Income from investments	4	-	-	-	289	**289**	318
Total income		**(297)**	**7,385**	**17,853**	**28,263**	**53,204**	57,202
Expenditure on							
Raising funds		-	-	-	261	**261**	**408**
Charitable activities							
Ordinary activities	6	734	241	17,637	28,318	**46,930**	**51,663**
Exceptional	6	-	-	-	(886)	**(886)**	**1,506**
Trading activities		-	-	-	417	**417**	**668**
Total expenditure		**734**	**241**	**17,637**	**28,110**	**46,722**	**54,245**
Net gains/(losses) on investments	11	-	-	-	(517)	(517)	98
Net income/(expenditure) for the period		**(1,031)**	**7,144**	**216**	**(364)**	**5,965**	**3,055**
Transfers between funds	17,18	317	(23)	(321)	27	**-**	-
Net income/(expenditure) before other recognised gains/(losses)		**(714)**	**7,121**	**(105)**	**(337)**	**5,965**	**3,055**
Other recognised gains/(losses)							
Gain on revaluation of Fixed Assets		-	-	-	-	-	1,511
Actuarial gain/(loss) on defined benefit pension scheme	21	(469)	-	-	-	**(469)**	**(444)**
Net movement in funds		**(1,183)**	**7,121**	**(105)**	**(337)**	**5,496**	**4,122**
Reconciliation of funds							
Total funds brought forward		(1,499)	19,206	4,483	9,666	**31,856**	**27,734**
Total funds carried forward		**(2,682)**	**26,327**	**4,378**	**9,329**	**37,352**	**31,856**

The Group had no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

All income and expenditure derive from continuing activities.

The statement provides the consolidated information for the charitable company and its subsidiary undertakings. Total income for the charitable company alone was £33,281k (2019: £39,617k) and net expenditure was £662k (2019: £2,038k).

The notes on pages 51 to 77 form part of these financial statements

CONSOLIDATED BALANCE SHEET - 31 August 2020
Company number: 06577534

	Note	31 August 2020 £'000	£'000	31 August 2019 £'000	£'000
Fixed assets					
Intangible assets	9		358		281
Tangible fixed assets	10		31,547		24,679
Investments	11		10,642		11,001
			42,547		**35,961**
Current assets					
Stock		9		8	
Debtors	13	5,539		7,511	
Cash at bank and in hand		5,642		2,519	
		11,190		10,038	
Current liabilities					
Creditors: amounts due within one year	14	(12,506)		(11,337)	
Net current assets/(liabilities)			**(1,316)**		**(1,299)**
			41,231		**34,662**
Creditors: amounts falling due after more than one year	15		(183)		(293)
Provisions	16		(3,696)		(2,513)
Net assets	19		**37,352**		**31,856**
Funds					
Restricted pension funds	17		(2,682)		(1,499)
Restricted fixed asset funds	17		26,327		19,206
Restricted funds	17		4,378		4,483
General fund	18		9,329		9,666
			37,352		**31,856**

The financial statements were approved by the Board of Trustees and authorised for issue on 26 May 2021

Terry Duddy.

Terry Duddy
Chair

The notes on pages 51 to 77 form part of these financial statements

CHARITY BALANCE SHEET - 31 August 2020
Company number: 06577534

	Note	31 August 2020 £'000	£'000	31 August 2019 £'000	£'000
Fixed assets					
Intangible assets	9		358		281
Tangible fixed assets	10		4,424		4,207
Investment in subsidiary	11		-		253
Investments	11		10,528		10,885
			15,310		**15,626**
Current assets					
Stock		9		8	
Debtors	13	4,519		6,418	
Cash at bank and in hand		3,594		565	
		8,122		**6,991**	
Current liabilities					
Creditors: amounts due within one year	14	**(13,242)**		(11,655)	
Net current assets/(liabilities)			**(5,120)**		**(4,664)**
			10,190		**10,962**
Creditors: amounts falling due after more than one year	15		(183)		**(293)**
Provisions	16		(1,014)		**(1,014)**
Net assets			**8,993**		**9,655**
Funds					
Restricted funds	17		2,156		2,285
General fund	18		6,837		7,370
			8,993		**9,655**

As permitted by s408 of the Companies Act 2006, the company has not presented its own statement of financial activities and income and expenditure account. The company's net expenditure in 2020 was £662k (2019: £2,038k)

The financial statements were approved by the Board of Trustees and authorised for issue on 26 May 2021



Terry Duddy
Chair

Company Registration No. 06577534

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 August 2020

	Year to 31 August 2020		Year to 31 August 2019	
	£'000	£'000	£'000	£'000
Net income/(expenditure) for the reporting period		**5,965**		**3,055**
Adjusted for:				
Net (gains)/losses on investments		517		(99)
Revaluation of tangible fixed assets		-		(5,020)
Tangible fixed assets brought in on academy transfer		(6,831)		-
Loss on disposal of tangible fixed assets		5		168
Depreciation charges		339		356
Amortisation charges		104		126
Defined benefit pension scheme deficit brought in on academy transfer		297		-
Defined benefit pension scheme cost less contributions payable		382		224
Defined benefit pension scheme finance cost		35		20
Interest receivable		(5)		(3)
Investment income receivable		(289)		(318)
Interest payable		94		94
Capital grants received		(555)		(318)
(Increase)/Decrease in stock		(1)		6
(Increase)/Decrease in debtors		1,972		33
Increase/(Decrease) in liabilities		1,191		663
Net cash provided by/(used in) operating activities		**3,220**		**(1,013)**
Investing activities				
Purchase of intangible fixed assets	(181)		(261)	
Purchase of tangible fixed assets	(381)		(135)	
Capital grants received	555		318	
Proceeds from sale of investments	62		316	
Interest received	69		3	
Investment income received	5		101	
Net cash generated from investing activities		**129**		**342**
Financing Activities				
Repayment of borrowings	(110)		(110)	
Interest paid	(94)		(94)	
Net cash used in financing activities		**(204)**		**(204)**
Net increase/(decrease) in cash and cash equivalents in the reporting period		**3,145**		**(875)**
Cash and cash equivalents at beginning of year		(1,253)		(378)
Cash and cash equivalents at end of year		**1,892**		**(1,253)**
Relating to:				
Bank balances and short term deposits		5,642		2,519
Bank overdrafts		(3,750)		(3,772)
Cash and cash equivalents		**1,892**		**(1,253)**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently except where noted), judgements and key sources of estimated uncertainty, is set out below.

Catch22 Charity Limited is a charitable company (no. 06577534), limited by guarantee, incorporated in England and Wales and registered with the Charity Commission (no 1124127). The registered office is 27 Pear Tree Street, London EC1V 3AG.

Basis of preparation
The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the 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 (the FRS 102 Charities SORP) and the Companies Act 2006.

Going concern
The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charitable company's forecast and projections and have considered the potential impact of the Covid-19 outbreak on the viability of the charitable group. whilst some income lines continue to be affected, they are partly mitigated by costs savings. The trustees have also taken action to rationalise the charitable group to save cost and strengthen its financial position by merging subsidiary charities fully into Catch22 and relinquishing membership of organisations that are not core to the charitable groups' objectives. Annual budgets and forecasts have been revised taking this into account with prudent figures for both income and expenditure. The charity has an investment portfolio held in relatively liquid funds valued at £10.53m as at 31 August 2020 with an available working capital facility secured against this of up to £5.0m (£3.75m drawn as at 31 August 2020). This facility is due for renewal in December 2021, but the trustees expect that it will be renewed on similar terms. Since the balance sheet date, the value of the portfolio has increased to £11.35m (as at 31 March 2021), this amounts to £7.6m of available cash should it be required and in addition there is a £1.0m unsecured overdraft facility available with Barclays Bank plc (£nil utilised at 31 August 2020). This overdraft is due for review imminently, but the trustees have no reason to believe that it will not be renewed on similar terms. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest thousand pounds.

The charity has taken advantage of the exemption in the Companies Act 2006 not to present its own statement of financial activities. The results of the charity for the year ended 31 August 2020 are set out here: total income of £33,281k (2019: £39,617k) total expenditure of £33,417k (2019: £41,753k), net losses on investments £526k (2019: £99k gain) and revaluation of a property £nil (2019: £1,511k), resulting in net movement in funds of (£662k) (2019:(£527k)).

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below:

Basis of consolidation
The consolidated financial statements incorporate those of Catch22 Charity Limited and all its subsidiaries apart from Launch22 Limited. The company has taken advantage of the exemptions provided by section 405 of the Companies Act 2006 not to include Launch22 as it is not material to the group.

On acquisition of subsidiaries, acquisition accounting is used. All of the assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. Where subsidiaries are acquired for nil consideration and are akin to a gift, the fair value of the assets and liabilities at the date of acquisition are recognised as voluntary income in the statement of financial activities. All changes to those assets and liabilities and the resulting surpluses or deficits that arise after the group has gained control of the subsidiary are charged to the post-acquisition statement of financial activities. All intra-group transactions and balances between group companies are eliminated on consolidation.

Income
All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably. The following accounting policies are applied to income.

Grants and fees
Where contract and grant funding is subject to specific performance conditions, the income is recognised as earned (as the related services are provided or outcomes delivered). Any amounts received in excess of what has been earned by the year end are included within deferred income in current liabilities. Other grant income is recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

Donations
Donations and all other receipts from fundraising are reported gross and are accounted for on a receivable basis. The related fundraising costs are reported in costs of raising funds.

Investment Income
Investment income is accounted for when receivable and includes the related tax recoverable.

Expenditure
Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligations can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies area applied to expenditure:

Allocation of overhead and support costs
Overhead, support and governance costs are allocated between the cost of raising funds and charitable activities. Overhead, support and governance costs relating to charitable activities have been apportioned between activities.

Governance costs
Governance costs are included within support costs and consist of trustees' expenses and annual audit and non-audit fees.

Costs of raising funds
The costs of generating funds consist of investment management fees and the costs of raising funds, including an apportionment of overhead, support and governance costs.

Charitable activities
Costs of charitable activities include grants payable and other costs directly associated with providing the services and support provided by the charity and an apportionment of overhead, support and governance costs.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

1. Accounting policies (continued)

Expenditure (continued)

Trading activities
Costs of trading activities include costs directly associated with providing the services provided through trading and an apportionment of overhead, support and governance costs.

Intangible Assets
Development costs for future IT projects are capitalised at cost, provided it is likely to bring future economic benefit to the group. If the criteria for recognition as assets are not met, the expense is recognised in the statement of financial activities in the period in which it is incurred. Capitalised IT costs include all direct and indirect costs that are directly attributable to the development process. The costs are amortised using the straight line method over 3 to 5 years being their estimated useful lives.

Capitalisation of assets
Assets with a value of greater than £10,000 (and some lower value vehicles and IT equipment with an estimated useful life of at least 4 or 3 years respectively) are capitalised and depreciated to write off the cost of the assets over their estimated useful lives.

Tangible fixed assets
Land and buildings and equipment are stated in the balance sheet at cost or, in the case of certain freehold and long leasehold land and buildings, valuation less depreciation which is provided in equal annual instalments over the estimated useful life of the assets. The rates of depreciation are:

- Freehold property – 2% per annum
- Long leasehold property – over term of lease
- Furniture and equipment – 20% and 33% per annum
- Motor vehicles – 25% per annum

Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Goodwill has been amortised on a straight line basis over three or five years.

Investments
Investments are stated at market value at the balance sheet date. Any change in the market value of investments is taken to the relevant fund together with any profits or losses on disposal of investments during the year.

Stock
Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal

Financial Instruments
Cash and cash equivalents
Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

Debtors and creditors
Debtors or creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense. 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.

Pension costs – Defined Contribution Schemes
The Group makes payments to defined contribution pension schemes on behalf of qualifying employees. Such contributions are charged in the Statement of Financial Activities as they fall due. The contributions are invested separately from the charity's assets.

Pension benefits – Defined Benefit Pension Schemes
Retirement benefits to employees of the Catch22 Multi Academies Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS' are funded schemes and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Leased assets
Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the period of the leases.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

1. Accounting policies (continued)

In kind funding/support
The Group benefits from the services of secondees, many thousands of voluntary hours and unclaimed out-of-pocket expenses by a very large number of supporters. In addition, companies, organisations and individuals have, in many cases, provided the use of facilities, equipment and premises for various activities and meetings without charge. The value of such gifts in kind have been estimated and included in the consolidated statement of financial activities as income and expenditure when there is a cost to the third party of donating the gift/service. Although our systems are not set up to summarise the total value of these gifts in kind, we do know they are worth in excess of £50k (2019: £50k). This figure does not include a value for the volunteer work which is indispensable to the work that the Group undertakes.

Taxation
The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, it is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively for charitable purposes.

Fund Accounting
The group maintains various types of funds as follows:

Restricted Pension funds
Restricted pension reserves are resources or liabilities relating to the group's obligations to the Local Government Pension Scheme, of which some of its employees are members.

Restricted fixed asset funds
Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted funds
Restricted funds represent grant, donations and legacies received which are allocated by the donor for specific purposes.

Unrestricted funds
Revaluation reserves relate to the measurement of the fair value of certain freehold property. Designated funds are funds that the trustees have designated to be used for specific purposes. General unrestricted funds represent funds which are expendable at the discretion of the trustees in the furtherance of the objects of the Charity.

Critical accounting estimates and areas of judgement
In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements:

a) *Local Government Pension Scheme liability*
The present value of the Local Government Pension Schemes defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

b) *Useful Economic Lives of Intangible Assets*
The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advances, future investments and economic utilisation. Goodwill and computer software impairment reviews are performed annually. These reviews require an estimation of the value is use of the cash generating units to which goodwill and software has been allocated and the public benefit derived from the services provided to beneficiaries in fulfilment of the company and group's charitable objectives.

c) *Impairment of Investments in Subsidiaries*
Impairment reviews of investment in subsidiaries are carried out annually. These reviews require an estimation of both the expected future cash generation of the charitable subsidiaries to which the investments relate and consideration of the public benefit derived from the services provided to beneficiaries in fulfilment of the company and group's charitable objectives.

d) *Land and buildings transferred on conversion*
Long leasehold title of land and buildings has been transferred to the Catch22 Multi Academies Trust at £nil consideration. The premises have been recognised in the Trust's accounts at their fair value as at the date of transfer. This has been estimated at the most recent valuation figures provided by the transferring local authority, as a best approximation of fair value.

e) *Impairment of Long Leasehold Land & Buildings*
Impairment reviews of long leasehold land and buildings are carried out annually. These reviews require an estimation of their market value of the land and buildings and the public benefit derived from the charitable group's services provided to beneficiaries in fulfilment of the company and group's charitable objectives. The trustees recognise the significant uncertainty in the valuation of commercial property caused by the Covid-19 pandemic but do not think there is sufficient evidence to indicate that that the value of the company's long leasehold land and buildings has been materially impaired.
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

Comparative Consolidated Statement of Financial Activities for the Year Ended 31 August 2019

	Note	Restricted Pension Funds (MAT)	Restricted Fixed Assets Funds (MAT)	Restricted Funds	Unrestricted Funds	Year to 31 August 2019
		£'000	£'000	£'000	£'000	£'000
Income from						
Donations and legacies		-	-	429	523	**952**
Grants	2	-	318	2,894	181	**3,393**
Donation – academy transfers (MAT)	3	-	5,020	-	-	**5,020**
Income from charitable activities	6	-	-	13,523	33,233	**46,756**
Income from trading activities		-	-	-	763	**763**
Income from investments	5	-	-	-	318	**318**
Total income		**-**	**5,338**	**16,846**	**35,018**	**57,202**
Expenditure on						
Raising funds		-	-	-	408	**408**
Charitable activities	6					
Ordinary activities		503	527	15,321	35,312	**51,663**
Exceptional		-	-	-	1,506	**1,506**
Trading activities		-	-	-	668	**668**
Total expenditure		**503**	**527**	**15,321**	**37,894**	**54,245**
Net gains on investments	11	**-**	**-**	**-**	**98**	**98**
Net income/(expenditure) for the period		**(503)**	**4,811**	**1,525**	**(2,778)**	**3,055**
Transfers between funds	17,18	259	-	(373)	114	-
Net income/(expenditure) before other recognised gains/(losses)		**(244)**	**4,811**	**1,152**	**(2,664)**	**3,055**
Other recognised gains/(losses)						
Gain on revaluation of Fixed Assets		-	-	-	1,511	1,511
Actuarial gain/(loss) on defined benefit pension scheme	21	(444)	-	-	-	**(444)**
Net movement in funds		**(688)**	**4,811**	**1,152**	**(1,153)**	**4,122**
Reconciliation of funds						
Total funds brought forward		(811)	14,395	3,331	10,819	**27,734**
Total funds carried forward		**(1,499)**	**19,206**	**4,483**	**9,666**	**31,856**

The Group had no recognised gains or losses other than those dealt with in the Statement of Financial Activities

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

2. Donations, legacies and grants

	Year to 31 August 2020				Year to 31 August 2019			
	Fixed Asset Restricted £'000	Restricted £'000	Unrestricted £'000	Total funds £'000	Fixed Asset Restricted £'000	Restricted £'000	Unrestricted £'000	Total funds £'000
NCS & employability		693	-	693		1,868	-	1,868
Vocational training	-	-	-	-	-	-	-	-
Education	555	-	-	555	313	-	-	318
Justice	-	15	115	130	-	70	74	144
Young people & families	-	191	126	317	-	432	89	521
Place based delivery and early action	-	407	301	708	-	429	415	844
Other	-	962	188	1,150	-	524	126	650
	555	2,268	730	3,553	313	3,323	704	4,345

The group has benefited from the support of a number of private donors, trusts, foundations and corporate entities including Barclays Bank plc, The Tides Foundation, The National Lottery Community Fund and The Clothworkers' Foundation.

3. Donations – academy transfers (MAT)

On 1 September 2019, The Coppice Spring Academy was transferred to the Catch22 Multi Academies Trust from the Delta Education Trust. Balances transferred in are detailed below.

	Restricted Pension Fund £000	Restricted Fixed Asset £000	Restricted £000	Total Funds £000
Tangible fixed assets				
Long leasehold land and buildings	-	3,730	-	3,730
Pension liabilities	(297)	-	-	(297)
Net Assets	**(297)**	**3,730**	**-**	**3,433**

In March 2020, land and buildings for use by The Spires Academy was transferred to the Catch22 Multi Academies Trust from the ESFA, as set out below.

	Restricted Pension Fund £000	Restricted Fixed Asset £000	Restricted £000	Total Funds £000
Tangible fixed assets				
Long leasehold land and buildings	-	3,100	-	3,100
Net Assets	**-**	**3,100**	**-**	**3,100**

Transfer from local authority for the year ended 31 August 2019 relates to the following:

On 1 September 2017 The Everitt Academy and on 1 June 2018 The Fen Rivers Academy converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Catch22 Multi Academies Trust from Norfolk County Council and Suffolk County Council respectively, for £nil consideration.

The transfer was accounted for in the comparative period as a combination that is in substance a gift. The assets and liabilities transferred were valued at the best estimate of their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer from local authority on conversion.

During the current year the land and buildings at these schools have been revalued following receipt of the land and buildings valuation as at 31 August 2019 performed by Montagu Evans. The increase in valuation of land and buildings is as follows:

	Restricted Pension Fund £000	Restricted Fixed Asset £000	Restricted £000	Total Funds £000
Tangible fixed assets				
Long leasehold land and buildings	-	5,020	-	5,020
Net Assets	**-**	**5.020**	**-**	**5,020**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

4. Investment income

	Restricted funds £'000	Unrestricted funds £'000	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
Investment income	-	289	**289**	318
	-	**289**	**289**	318

All prior year investment income was also unrestricted

5. Net income/(expenditure) for the year

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
This is stated after charging:		
Depreciation of tangible fixed assets	338	355
Loss on disposal of tangible fixed assets	5	168
Amortisation of goodwill and intangible fixed assets	104	126
Property rental	1,126	1,396
Auditor's remuneration		
Audit fees for Charity's annual accounts	31	30
Audit fees for other services:		
- the audit of the Charity's subsidiaries, pursuant to legislation	44	44
- other fees and taxation advice	32	26

6. Charitable activities

Analysis of income from charitable activities for the year ended 31 August 2020

	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2020 £'000
NCS & Employability	44	3,173	**3,217**
Education	10,088	5,948	**16,036**
Justice	3,850	6,825	**10,675**
Young people & families	1,131	6,798	**7,929**
Vocational training	-	3,165	**3,165**
Place based delivery and early action	472	1,023	**1,495**
Other	-	11	**11**
Total	**15,585**	**26,943**	**42,528**

Analysis of income from charitable activities for the year ended 31 August 2019

	Restricted Funds £'000	Unrestricted Funds £'000	Year to 31 August 2019 £'000
NCS & Employability	-	5,628	**5,628**
Education	8,216	7,991	**16,207**
Justice	3,447	7,224	**10,671**
Young people & families	573	7,829	**8,402**
Vocational training	-	3,598	**3,598**
Place based delivery and early action	1,287	929	**2,216**
Other	-	34	**34**
Total	**13,523**	**33,233**	**46,756**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

6. Charitable activities (continued)

Analysis of expenditure on charitable activities for the year ended 31 August 2020

	Restricted Pension Funds	Restricted Fixed Assets Funds	Restricted Funds	Unrestricted Funds	Year to 31 August 2020
	£'000	£'000	£'000	£'000	£'000
NCS & employability	-	-	1,310	3,024	4,334
Education	734	241	9,686	6,916	17,577
Justice	-	-	3,705	6,306	10,011
Young people & families	-	-	1,314	6,918	8,232
Vocational training	-	-	-	3,907	3,907
Place based delivery and early action	-	-	1,060	1,197	2,257
Other	-	-	562	50	612
Exceptional items	-	-	-	(886)	(886)
Total	**734**	**241**	**17,637**	**27,432**	**46,044**

Included within place based delivery and early action expenditure is £nil (2019: £50k) related to the transition of Community Links Trust into the Catch22 group and the related Community Links Trust restructuring costs.

Included in restricted income (total) and expenditure for Justice is £3,840k and £3,705k respectively for the Unlocked Graduates programme. From 1 September 2020 this project has been transferred to a separate company, of which Catch22 is no longer a member. See note 23 for more details.

Included in income (total) and expenditure for Justice is £474k and £495k respectively from the subsidiary Only Connect UK. With effect from 1 September 2020, the charity left the group and Catch22 ceased to be a member. See note 23 for further details.

Analysis of expenditure on charitable activities for the year ended 31 August 2019

	Restricted Pension Funds	Restricted Fixed Assets Funds	Restricted Funds	Unrestricted Funds	Year to 31 August 2019
	£'000	£'000	£'000	£'000	£'000
NCS & employability	-	-	1,044	5,109	**6,153**
Education	503	527	7,667	9,609	**18,306**
Justice	-	-	3,312	6.784	**10,096**
Young people & families	-	-	973	7,836	**8,809**
Vocational training	-	-	-	4,307	**4,307**
Place based delivery and early action	-	-	1,921	1,493	**3,414**
Other	-	-	404	174	**578**
Exceptional items	-	-	-	225	**225**
Total	**503**	**527**	**15,321**	**35,537**	**51,888**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

6. Charitable activities (continued)

Support Costs
The group operates a shared services approach with the majority of support services being provided by Catch22 Charity Limited to the other companies within the group. Support costs incurred directly by other companies within the group, mainly relating to management and administration, are included within the direct costs of the activity carried out by that company. An analysis of the cost of support services (which are included in the charitable expenditure above) provided by Catch22 Charity Limited to the group is set out below. Costs have been allocated to charitable activities as a proportion of the direct expenditure incurred on that activity.

Year Ended 31 August 2020	Business development, marketing and communications £'000	Facilities & IT £'000	Finance and commercial £'000	Human resources £'000	Management and strategy £'000	Compliance and risk management £'000	Total £'000
Raising Funds	4	5	6	5	2	3	**25**
Charitable activities:							
NCS & employability	66	80	117	81	40	44	**428**
Education	266	324	479	329	160	178	**1,736**
Justice	151	184	273	187	91	101	**987**
Young people & families	125	152	224	154	75	83	**813**
Vocational training	59	72	106	73	36	40	**386**
Place based delivery and early action	34	42	61	42	21	23	**223**
Other	9	11	17	11	6	6	**60**
	710	**865**	**1,277**	**877**	**429**	**475**	**4,633**
Trading activities	6	8	11	8	4	4	**41**
	720	**878**	**1,294**	**890**	**435**	**482**	**4,699**

Governance costs included in the above support costs amount to £88k

Year Ended 31 August 2019	Business development, marketing and communications £'000	Facilities & IT £'000	Finance and commercial £'000	Human resources £'000	Management and strategy £'000	Compliance and risk management £'000	Total £'000
Raising Funds	**5**	**5**	**9**	**7**	**5**	**3**	**33**
Charitable activities:							
NCS & employability	75	68	133	103	73	46	499
Education	224	202	396	306	218	136	1,483
Justice	124	111	219	169	120	75	818
Young people & families	108	97	191	147	105	66	714
Vocational training	53	48	93	72	51	32	349
Place based delivery and early action	42	32	74	57	41	25	277
Other	7	6	12	9	7	4	44
	638	**575**	**1,127**	**870**	**621**	**387**	**4,217**
Trading activities	**8**	**7**	**14**	**11**	**8**	**5**	**54**
	646	**582**	**1,141**	**881**	**629**	**392**	**4,271**

Governance costs included in the above support costs amount to £88k

Exceptional Items
Included within Cost of Charitable Activities are the following exceptional items:

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
Organisational restructuring and service closures	81	225
Provision against group company debtor (not consolidated)	33	267
Expected recovery from third party/(clawback) of funding relating to non-delivery by subcontractor	(1,000)	1,014
Total	**(886)**	**1,506**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

7. Staff costs

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
Salaries	26,392	28,297
Redundancies	133	143
National Insurance contributions	2,508	2,598
Pension contributions	1,728	1,367
	30,761	**32,405**
The average number of employees during the period split as follows:		
Charitable Activities	876	945
Trading	5	5
Support	86	97
Total	967	**1,047**

During the period payments to agencies for temporary staff amounted to £1,590,548 (2019: £2,030,435)
Agency staff are used to cover temporary vacancies and to meet short-term needs.

The number of employees whose annual emoluments were £60,000 and above excluding pension contributions were as follows:

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
£60,001 - £70,000	**17**	**17**
£70,001 - £80,000	**7**	**7**
£80,001 - £90,000	**3**	**3**
£90,001 - £100,000	**2**	**2**
£100,001-£110,000	**-**	**-**
£110,001-£120,000	**-**	**-**
£140,001-£150,000	**1**	**1**

Employer's pension contributions of £201,499 (2019: £203,851) were paid on behalf of the above staff.
No trustees received any remuneration during the period. One (2019: one) trustee was reimbursed £884 (2019: £1,015) during the year for travelling expenses incurred during the year.

Key Management Personnel
The total employee benefits of the Key Management Personnel were £1,052,140 (2019: £1,184,242).

Volunteers
The average number of volunteers for the year to 31 August 2020 totalled 134 (2019: 162). 95 volunteers worked in Young People & Families on various projects, 33 volunteers worked in Justice, 5 worked in Vocational Training and one worked in Education.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

8. Intangible fixed assets – Consolidated

	Computer Software £'000	Goodwill £'000	Total £'000
Cost			
1 September 2019	1,780	457	2,237
Additions	181	-	181
31 August 2020	**1,961**	**457**	**2,418**
Amortisation			
1 September 2019	1,499	457	1,956
Charge for the year	104	-	104
31 August 2020	**1,603**	**457**	**2,060**
Net book value			
At 31 August 2020	**358**	**-**	**358**
At 31 August 2019	281	-	281

9. Intangible fixed assets – Charity only

	Computer Software £'000	Total £'000
Costs		
1 September 2019	1,780	1,780
Additions	181	181
31 August 2020	**1,961**	**1,961**
Amortisation		
1 September 2019	1,499	1,499
Charge for the year	104	104
31 August 2020	**1,603**	**1,603**
Net book value		
At 31 August 2020	**358**	**358**
At 31 August 2019	281	281

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

10. Tangible fixed assets – Consolidated

	Long leasehold land and buildings £'000	Freehold land & buildings £'000	Furniture & equipment £'000	Motor Vehicles £'000	Total £'000
Cost or Revaluation					
1 September 2019	24,545	782	483	30	25,840
Additions	6,831	-	381	-	7,212
Disposals	-	-	(55)	-	(55)
31 August 2020	**31,376**	**782**	**809**	**30**	**32,997**
Depreciation					
1 September 2019	637	128	366	30	1,161
Charge for the year	245	13	80	-	338
Disposals	-	-	(49)	-	(49)
31 August 2020	**882**	**141**	**397**	**30**	**1,450**
Net book value					
At 31 August 2020	**30,494**	**641**	**412**	**-**	**31,547**
At 31 August 2019	23,908	654	117	-	24,679

10. Tangible fixed assets – Charity only

	Long leasehold land and buildings £'000	Freehold land & buildings £'000	Furniture & equipment £'000	Total £'000
Cost or Revaluation				
1 September 2019	3,478	782	328	4,588
Additions	-	-	350	350
31 August 2020	**3,478**	**782**	**678**	**4,938**
Depreciation				
1 September 2019	-	128	253	381
Charge for the year	58	13	62	133
31 August 2020	**58**	**141**	**315**	**514**
Net book value				
At 31 August 2020	**3,420**	**641**	**363**	**4,424**
At 31 August 2019	**3,478**	**655**	**74**	**4,207**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

11. Investment in subsidiary – Charity only

	Investment in subsidiary £'000	Total £'000
Cost		
31 August 2019 and 31 August 2020	**475**	**475**
Impairment		
1 September 2019	222	222
Charge for the year	253	253
31 August 2020	**475**	**475**
Net book value		
At 31 August 2020	**-**	**-**
At 31 August 2019	253	253

11. Investments – Consolidated

	31 August 2020 £'000	31 August 2019 £'000
Investment in associated LLP	105	105
Other investments at market value	10,537	10,896
Investments at market value	**10,642**	**11,001**
Quoted investments	10,001	10,438
Cash held by investment managers	531	453
Unlisted investments	110	110
	10,642	**11,001**
1 September 2019	11,001	11,001
Acquisitions at cost	7,056	3,518
Disposal proceeds	(7,001)	(3,591)
Increase/(decrease) in cash in the portfolio	103	(25)
Change in market value	(517)	98
Market value at 31 August 2020	**10,642**	**11,001**
Historic cost at 31 August 2020	10.290	9,885

	31 August 2020			31 August 2019		
	Market value		Original cost	Market value		Original cost
	£'000	%	£'000	£'000	%	£'000
HSBC - equity	1,011	*10*	1,115	1,379	*12*	1,198
HSBC – funds	5,048	*43*	4,582	5,426	*49*	4,698
HSBC – fixed income	2,850	*27*	2,888	2,375	*22*	2,280
HSBC - others	1,088	*14*	1,060	1,278	*12*	1,166
HSBC - cash	531	*5*	531	428	*4*	428
Other - listed	4	-	4	5	-	5
Other - unlisted	110	*1*	110	110	*1*	110
	10,642	*100*	10,290	**11,001**	*100*	9,885

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

11. Investments – Charity only

	31 August 2020 £'000	31 August 2019 £'000
Investments at market value	10,528	10,886
Quoted investments	9,997	10,458
Cash held by investment managers	531	428
	10,528	**10,886**
1 September 2019	10,886	10,885
Acquisitions at cost	7,056	3,518
Disposal proceeds	(7,001)	(3,591)
Increase in cash in the portfolio	103	(25)
Change in market value	(516)	98
Market value at 31 August 2020	**10,528**	**10,886**
Historic cost at 31 August 2020	10,176	9,770

	31 August 2020			31 August 2019		
	Market value		Original cost	Market value		Original cost
	£'000	%	£'000	£'000	%	£'000
HSBC – equity	1,011	*10*	1,115	1,379	*12*	1,198
HSBC – funds	5,048	*43*	4,582	5,426	*50*	4,698
HSBC – fixed income	2,850	*27*	2,888	2,375	*22*	2,280
HSBC – others	1,088	*15*	1,060	1,278	*12*	1,166
HSBC – cash	531	*5*	531	428	*4*	428
	10,528	*100*	10,176	**10,886**	*100*	9,770

12. Subsidiaries

The charity is the parent of the following subsidiaries:

Name of subsidiary	Country of incorporation	Registered Office	Activity	Level of control	Aggregate amount of assets, liabilities and funds £'000	Turnover incl. invest income £'000	Costs £'000	Surplus/ (deficit) for the year £'000
The Royal Philanthropic Society incorporating the Rainer Foundation *Charity Number 229132*	England and Wales	N/A	Dormant	100%	-	-	-	-
Crime Concern Trust Limited *Company Number: 02259016 Charity Number 800735*	England and Wales	(1)	Dormant	100%	-	-	-	-
Catch22 Social Enterprise Limited *Company Number: 06166785*	England and Wales	(1)	Dormant	100%	(646)	-	-	-
Catch22 Social Enterprise Solutions Limited *Company Number: 07971380*	England and Wales	(1)	Providing training and employment opportunities for the unemployed	100%	(5)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

12. Subsidiaries (continued)

Name of subsidiary	Country of incorporation	Registered Office	Activity	Level of control	Aggregate amount of assets, liabilities and funds £'000	Turnover incl. invest income £'000	Costs £'000	Surplus/ (deficit) for the year £'000
Pupil Parent Partnership Limited *Company Number: 04872659*	England and Wales	(2)	Dormant	100%	-	-	-	-
Include *Company Number: 02429781* *Charity Number 0803333*	England and Wales	(2)	Dormant	100%	-	-	-	-
Catch22 Multi Academies Trust Limited *Company Number: 08299181*	England and Wales	(2)	Advancing for the public benefit, education in the UK through the operation of alternative provision schools	100%	24,930	17,402	(11,382)	6,020
Only Connect UK *Company Number: 05848399* *Charity Number 1116147*	England and Wales	(3)	Advancing the education and prospects of prisoners, ex-offenders and young people at risk of crime in London	100%	59	734	495	239
Citizen22 *Company Number: 09754657*	England and Wales	(2)	Dissolved 4 February 2020	100%	-	-	-	-
Community Links Trust Limited *Company Number: 02661182* *Charity Number 1018517*	England and Wales	(4)	Community delivery and early action	100%	3,438	2,364	(2,099)	265
Community Links Trading Limited *Company Number: 05737749*	England and Wales	(4)	Events management, production services and storage	100%	(63)	301	(376)	(75)
Unlocked Graduates *Company Number: 11448853* *Charity Number 1187552*	England and Wales	(5)	Dormant	100%	-	-	-	-
Not consolidated:								
for the year ended 31 August 2020								
Launch22 Limited *Company Number: 08789117* *Charity Number 1156715*	England and Wales	(2)	Mentoring, advice and training, access to facilities and workspace to enable persons to become self-supporting Ceased operating July 2020	100%	(491)	227	(298)	(71)

Launch22 is not included in the consolidated financial statements of Catch22 Charity Limited as the company has taken advantage of the exemption provided by section 479A of the Companies Act 2006 not to include Launch22, as it is immaterial to the group.

The list of Registered Offices is set out below:

(1) Rectory Lodge, High Street, Brasted, Kent, TN16 IJF
(2) 27 Pear Tree Street, London, EC1V 3AG
(3) 32 Cubitt Street, London, WC1X 0LR
(4) 105 Barking Road, London, E16 4HQ
(5) 36 Whitefriars Street, London, EC4Y 8BQ

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

13. Debtors: amounts due within one year

	31 August 2020 £'000	31 August 2019 £'000
Consolidated		
Grant and trade debtors	1,755	3,498
Other debtors	1,161	282
Prepayments and accrued income	2,623	3,723
Amounts owed by other group companies	-	8
	5,539	**7,511**
Charity only		
Grant and trade debtors	**1,362**	2,847
Other debtors	**1,072**	162
Prepayments and accrued income	**1,916**	3,292
Amounts owed by other group companies	**169**	117
	4,519	**6,418**

14. Creditors: amounts falling due within one year

	31 August 2020 £'000	31 August 2019 £'000
Consolidated		
Bank overdraft	3,750	3,772
Bank loan	110	110
Trade creditors	801	1,862
Accrued expenditure and income in advance	5,822	3,873
Other taxes and social security	1,699	1,400
Other creditors	324	320
	12,506	**11,337**

Included in other creditors are outstanding pension contributions amounting to £218k (2019: £187k). £3,750k (2019: £3,750k) of the bank overdraft is secured by a fixed charge over the investments of the charity. It is provided by HSBC Private Bank and is repayable on demand and interest is charged at 1.25% above the base rate. the total facility available is £5,000k. In addition, the charitable group has a £1m unsecured overdraft available from Barclays Bank with interest charged at 3% above the base rate.

Charity only		
Bank overdraft	3,750	3,772
Bank loan	110	110
Trade creditors	418	1,528
Accrued expenditure and income in advance	4,728	3,159
Other taxes and social security	1,545	1,220
Amounts owing to other group companies	2,525	1,766
Other creditors	166	100
	13,242	**11,655**

Included in other creditors are outstanding pension contributions amounting to £90k (2019: £96k). £3,750k (2019: £3,750k) of the bank overdraft is secured by a fixed charge over the investments of the charity. It is provided by HSBC Private Bank and is repayable on demand and interest is charged at 1.25% above the base rate. the total facility available is £5,000k. In addition, the charity has a £1m unsecured overdraft available from Barclays Bank with interest charged at 3% above the base rate.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

14. Creditors: amounts falling due within one year

Consolidated – deferred income movement	**£'000**
Balance at 1 September 2019	1,539
Amount released in the period	(1,539)
Amount deferred in the period	4,296
Balance at 31 August 2020 – all due within one year	**4,296**

Charity only – deferred income movement	**£'000**
Balance at 1 September 2019	1,209
Amount released in the period	(1,209)
Amount deferred in the period	3,613
Balance at 31 August 2020 – all due within one year	**3,613**

15. Creditors: amounts falling after more than one year

	31 August 2020 £'000	31 August 2019 £'000
Consolidated		
Bank loan	183	293
	183	**293**
Charity only		
Bank loan	183	293
	183	293

A bank loan of £1.1m was received in May 2013 and is repayable in 120 monthly instalments of £9,167. The amount outstanding at the 31 August 2020 is £293k – shown as £183k due in more than one year and £110k due in less than one year - (2019: £403k). The bank loan is secured by a fixed charge over the charity's leasehold property at Pear Tree Street, London. Interest is charged at 3.28% above base rate.

16. Provisions

	31 August 2020 £'000	31 August 2019 £'000
Consolidated		
Pension fund deficit (note 18)	2,682	1,499
Potential clawback of funding relating to non-delivery by a subcontractor	1,014	1,014
	3,696	**2,513**
Charity only		
Potential clawback of funding relating to non-delivery by a subcontractor	1,014	1,014
	1,014	**1,014**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

17. Restricted funds

	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Total Restricted funds £'000
Consolidated				
Balance at 1 September 2019	(1,499)	19,206	4,483	**22,190**
Income	(297)	7,385	17,853	**24,941**
Expenditure	(734)	(241)	(17,637)	**(18,612)**
Transfers between funds	317	(23)	(321)	**(27)**
Actuarial gain/(loss) on defined benefit pension scheme	(469)	-	-	**(469)**
Balance at 31 August 2020	**(2,682)**	**26,327**	**4,378**	**28,023**
Charity only				
Balance at 1 September 2019	-	-	2,285	**2,285**
Income	-	-	6,712	6,712
Expenditure	-	-	(6,841)	(6,841)
Balance at 31 August 2020	**-**	**-**	**2,156**	**2,156**

The specific purposes for which the funds are to be applied are as follows:

Restricted pension funds

These arise in Catch22 Multi Academies Trust and represent the negative reserve in respect of the liability on the LGPS defined benefit pension scheme.

Restricted fixed asset funds

These arise in Catch22 Multi Academies Trust and represent the net book value of the land and buildings of academies transferred from the local authority on conversion.

Restricted funds

These arise from donations, grants and fees to fund activities or services as specified by the donor. Income represents donations, grants and fees from government bodies and corporate and trust donors. Expenditure represents expenditure on specific services linked to these restricted donations, grants and fees. Restricted funds also include the activities of the subsidiary company, Catch 22 Multi Academies Trust Limited.

An analysis of restricted funds by activity is set out below:

Transfers between funds

Restricted pension funds: £317k (2019: £259k) – this represents the actual employer contributions in year to the LGPS scheme, transferred from restricted funds in the Catch22 Multi Academies Trust
Restricted fixed asset funds: (£23k) (2019: (£nil)) – this represents property maintenance expenditure transferred to restricted funds in the Catch22 Multi Academies Trust
Restricted funds: (£321k) (2019: £(373k)) **-** (£317k) and £23k as described above. The remaining (£27k) (2019: (£114k) represents charges for services between the Charity and Catch22 Multi Academies Trust, transferred from/(to) general funds

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

17. Restricted funds (continued)

Prior year	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Total Restricted funds £'000
Consolidated				
Balance at 1 September 2018	(811)	14,395	3,331	16,915
Income	-	5,338	16,846	22,184
Expenditure	(503)	(527)	(15,321)	(16,351)
Transfers between funds	-	-	(373)	(373)
Actuarial gain/(loss) on defined benefit pension scheme	(185)	-	-	(185)
Balance at 31 August 2019	**(1,499)**	**19,206**	**4,483**	**22,190**
Charity only				
Balance at 1 September 2018	-	-	1,149	1,149
Income	-	-	6,855	6,855
Expenditure	-	-	5,719	5,719
Balance at 31 August 2019	**-**	**-**	**2,285**	**2,285**

Current year

Consolidated by charitable activity	Balance 1 September 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2020 £'000
NCS and employability	1,264	736	(1,310)	-	**690**
Education	1,074	10,088	(9,686)	(321)	**1,155**
Justice	206	4,104	(3,705)	-	**605**
Young people and families	467	1,323	(1,314)	-	**476**
Place based delivery and early action	817	1,039	(1,024)	-	**832**
Place based delivery and early action – fixed assets	372	-	(37)	-	**335**
Other	283	563	(561)	-	**285**
Total restricted funds	**4,483**	**17,853**	**(17,637)**	**(321)**	**4,378**

Charity only by charitable activity	Balance 1 September 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2020 £'000
NCS and employability	1,264	736	(1,310)	-	**690**
Justice	271	4,090	(3,656)	-	**705**
Young people and families	467	1,323	(1,314)	-	**476**
Other	283	563	(561)	-	**285**
Total restricted funds	**2,285**	**6,712**	**(6,841)**	**-**	**2,156**

Prior year

Consolidated by charitable activity	Balance 1 September 2018 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2019 £'000
NCS and employability	438	1,869	(1,043)	-	**1,264**
Education	899	8,216	(7,668)	(373)	**1,074**
Justice	2	3,517	(3,313)	-	**206**
Young people and families	434	1,005	(972)	-	**467**
Place based delivery and early action	985	1,715	(1,883)	-	**817**
Place based delivery and early action – fixed assets	409	-	(37)	-	**372**
Other	164	524	(405)	-	**283**
Total restricted funds	**3,331**	**16,846**	**15,321**	**(373)**	**4,483**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

17. Restricted funds (continued)

Prior year

Charity only by charitable activity	Balance 1 September 2018 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 31 August 2019 £'000
NCS and employability	438	1,869	(1,043)	-	**1,264**
Education	112	3,447	(3,288)	-	**271**
Justice	435	1,005	(973)	-	**467**
Young people and families	164	524	(405)	-	**283**
Total restricted funds	**1,149**	**6,845**	**(5,709)**	**-**	**2,285**

18. Unrestricted funds

	Balance 1 September 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Net gains/(losses) on investments £'000	Net gain on revaluation of fixed assets £'000	Balance 31 August 2020 £'000
Consolidated							
Revaluation reserve	2,589	-	(67)	**-**	-	-	**2,522**
Designated fixed assets	55	-	(4)	**-**	-	-	**51**
General fund	7,022	28,263	(28,029)	27	(527)	-	**6,756**
Total	**9,666**	**28,263**	**(28,100)**	**27**	**(527)**	**-**	**9,329**
Charity							
Revaluation reserve	1,707	-	(58)	**-**	-	-	**1,649**
General fund	5,663	26,569	(26,518)	**-**	(526)	-	**5,188**
Total	**7,370**	**26,569**	**(26,576)**	**-**	**(526)**	**-**	**6,837**

Revaluation reserve

This represents the difference between the net book value and valuation of revalued property.

Designated fixed assets

This represents the net book value of Community Links Trust fixed assets, which were not purchased with restricted funds. Depreciation relating to such fixed assets is charged to this fund.

General fund

This represents funds which are not restricted or designated for specific purposes. General funds are expendable at the discretion of the trustees to further the charitable objects of the Catch22 group.

Prior year	Balance 1September 2018 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Net gains on investments £'000	Net gain on revaluation of fixed assets £'000	Balance 31 August 2019 £'000
Consolidated							
Revaluation reserve	1,087	-	(9)	-	-	1,511	**2,589**
Designated transition funding	50	-	(50)	-	-	-	**-**
Designated fixed assets	55	-	-	-	-	-	**55**
General fund	9,627	35,018	(37,835)	114	98	-	**7,022**
Total	**10,819**	**35,018**	**(37,894)**	**114**	**98**	**1,511**	**9,666**
Charity							
Revaluation reserve	196	-	-	-	-	1,511	**1,707**
General fund	8.837	32,773	(36,045)	-	98	-	**5,663**
Total	**9,033**	**32,773**	**(36,045)**	**-**	**98**	**1,511**	**7,370**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

19. Analysis of net assets between funds

Consolidated Fund balances at 31 August 2020 are represented by:	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Unrestricted funds £'000	31 August 2020 Total £'000
Tangible fixed assets	-	25,819	335	5,393	**31,547**
Intangible fixed assets	-	-	-	358	**358**
Investments	-	-	-	10,642	**10,642**
Current assets/(liabilities)	-	508	4,043	(5,867)	**(1,316)**
Long term liabilities	-	-	-	(183)	**(183)**
Provisions	(2,682)	-		(1,014)	**(3,696)**
Total net assets	**(2,682)**	**26,327**	**4,378**	**9,329**	**37,352**
Charity Only **Fund balances at 31 August 2020 are represented by:**					
Tangible fixed assets	-	-	-	4,424	**4,424**
Intangible fixed assets	-	-	-	358	**358**
Investments	-	-	-	10,528	**10,528**
Current assets/(liabilities)	-	-	2,156	(7,276)	**(5,120)**
Long term liabilities	-	-	-	(183)	**(183)**
Provisions	-	-	-	(1,014)	**(1,014)**
Total net assets	**-**	**-**	**2,156**	**6,837**	**8,993**

Consolidation Fund balances at 31 August 2019 are represented by:	Restricted pension funds £'000	Restricted fixed asset funds £'000	Restricted funds £'000	Unrestricted funds £'000	31 August 2019 Total £'000
Tangible fixed assets	-	19,129	372	5,175	**24,676**
Intangible fixed assets	-	-	-	284	**284**
Investments	-	-	-	11,001	**11,001**
Current assets/(liabilities)	-	77	4,111	(5,487)	**(1,299)**
Long term liabilities	-	-	-	(293)	**(293)**
Provisions	(1,499)	-	-	(1,014)	**(2,513)**
Total net assets	**(1,499)**	**19,206**	**4,483**	**9,666**	**31,856**
Charity Only Fund balances at 31 August 2019 are represented by:					
Tangible fixed assets	-	-		4,204	**4,204**
Intangible fixed assets	-	-	-	537	**537**
Investments	-	-	-	10,885	**10,885**
Current assets/(liabilities)	-	-	2,285	(6,949)	**(4,664)**
Long term liabilities	-	-	-	(293)	**(293)**
Provisions				(1,014)	**(1,014)**
Total net assets	**-**	**-**	**2,285**	**7,370**	**9,655**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

20. Commitments under operating leases

Consolidation

At 31 August 2020 the group had future minimum commitments under non-cancellable operating leases as follows:

	31 August 2020 £'000	31 August 2019 £'000
Land and buildings:		
expiring in the first year	383	845
expiring in the second to fifth year	105	265
expiring after five years	285	286
	773	**1,396**

Charity only

At 31 August 2020 the charity had future minimum commitments under non-cancellable operating leases as follows:

	31 August 2020 £'000	31 August 2019 £'000
Land and buildings:		
expiring in the first year	383	883
expiring in the second to fifth year	105	265
expiring after five years	285	286
	773	**1,434**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

21. Pension and Similar Obligations

The Catch22 Multi Academies Trust employees belong to six principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and Local Government Pension Scheme (LGPS') for non-teaching staff, consisting of the Hampshire County Council Pension Fund which is managed by Hampshire County Council for Ashwood Academy and The Coppice Springs Academy staff, the Northamptonshire Pension Fund which is managed by Northamptonshire County Council for the Spires Academy staff, the Devon County Council Pension Fund which is managed by Devon County Council for the Burton Academy and Brunel Academy staff in Torbay, the Norfolk County Council Pension Fund which is managed by Norfolk County Council for Fen Rivers Academy staff and the Suffolk County Council Pension Fund which is managed by Suffolk County Council for Everitt Academy staff.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and for the five LGPS schemes 31 March 2019.

Contributions amounting to £111,387 were payable to the schemes at 31 August 2020 (2019: £82,217) and are included within other creditors payable within one year.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary – these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS affecting contributions during the year was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumes nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer pension costs paid to TPS in the period amounted to £665k (2019: £406k).

A copy of the valuation report and supporting documentation is available on the Teachers' Pension website.

Under the definitions set out in FRS102, the TPS is a multi-employer pension scheme. The charitable group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charitable group has set out above the information available on the scheme.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes

The LGPS' are funded defined benefit pension schemes, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £410k (2019: £332k), of which employer's contributions totalled £317k (2019: £259k) and employees' contributions totalled £93k (2019: £73k). The agreed contribution rates for future years is between 6.5 and 16.9 per cent for employers and is between 5.5 and 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions	**At 31 August 2020**	**At 31 August 2020**	**At 31 August 2020**	**At 31 August 2020**	**At 31 August 2020**
	Hampshire	**Norfolk**	**Northamptonshire**	**Suffolk**	**Torbay**
Rate of increase in salaries	3.30%	2.90%	2.70%	2.90%	3.20%
Rate of increase for pensions in payment/inflation	2.30%	2.20%	2.20%	2.20%	2.20%
Discount rate for scheme liabilities	1.70%	1.70%	1.70%	1.70%	1.65%
Inflation assumption (CPI)	2.30%	2.20%	2.20%	2.20%	2.20%
RPI Inflation	3.30%	3.20%	3.20%	3.20%	3.20%

	At 31 August 2019	**At 31 August 2019**	**At 31 August 2019**	**At 31 August 2019**	**At 31 August 2019**
	Hampshire	**Norfolk**	**Northamptonshire**	**Suffolk**	**Torbay**
Rate of increase in salaries	3.60%	2.60%	2.60%	2.30%	2.15%
Rate of increase for pensions in payment/inflation	3.50%	2.30%	2.30%	2.30%	2.15%
Discount rate for scheme liabilities	1.90%	1.90%	1.90%	1.90%	1.90%
Inflation assumption (CPI)	2.10%	2.30%	2.30%	2.30%	2.15%
RPI Inflation	3.10%	3.30%	3.30%	3.30%	3.15%

NOTES TO THE FINANCIAL STATEMENT
YEAR ENDED 31 August 2020

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

Sensitivity Analysis
Approximate monetary increase to the obligation as a result of the following changes in assumptions at 31 August 2020 are set out below:

	At 31 August 2020	At 31 August 2019
	£000	£000
Hampshire		
0.1% increase in the salary increase rate	5	5
0.1% increase in the pension increase rate	56	15
0.1% decrease in real discount rate	64	19
Norfolk		
0.5% increase in the salary increase rate	3	-
0.5% increase in the pension increase rate	42	24
0.5% decrease in real discount rate	46	24
Northamptonshire		
0.5% increase in the salary increase rate	-	-
0.5% increase in the pension increase rate	40	47
0.5% decrease in real discount rate	40	48
Suffolk		
0.5% increase in the salary increase rate	-	-
0.5% increase in the pension increase rate	56	27
0.5% decrease in real discount rate	56	27
Torbay		
0.1% increase in the salary increase rate	1	3
0.1% increase in the pension increase rate	62	52
0.1% decrease in real discount rate	63	55

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 August 2020 Hampshire	**At 31 August 2020 Norfolk**	**At 31 August 2020 Northamptonshire**	**At 31 August 2020 Suffolk**	**At 31 August 2020 Torbay**
Retiring today					
Males	23.0 years	21.7 years	21.5 years	21.9 years	22.9 years
Females	25.5 years	23.9 years	23.7 years	24.1 years	24.1 years
Retiring in 20 years					
Males	24.7 years	22.8 years	22.3 years	22.7 years	24.3 years
Females	27.2 years	25.5 years	25.1 years	25.6 years	25.5 years

	At 31 August 2019 Hampshire	**At 31 August 2019 Norfolk**	**At 31 August 2019 Northamptonshire**	**At 31 August 2019 Suffolk**	**At 31 August 2019 Torbay**
Retiring today					
Males	23.1 years	21.1 years	22.1 years	21.3 years	22.5 years
Females	25.8 years	23.5 years	24.2 years	23.5 years	24.4 years
Retiring in 20 years					
Males	24.7 years	22.4 years	23.9 years	22.3 years	24.2 years
Females	27.6 years	25.0 years	26.1 years	24.9 years	26.2 years

The charitable group's share of the assets and liabilities in the scheme and the expected rate of return were:

	Fair value at 31 August 2020	Fair value at 31 August 2019
	£000	£000
Equities	**1,448**	872
Government Bonds	**403**	135
Property	**185**	206
Corporate Bonds	**36**	13
Cash	**49**	28
Other	**371**	207
Total market value of assets	**2,492**	1,461

Amounts recognised in the statement of financial activities

	2020	2019
	£000	£000
Current service cost	**(699)**	(427)
Past service cost	**-**	(56)
Net interest cost	**(35)**	(20)
Total operating charge	**(734)**	(503)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

21. Pension and Similar Obligations (continued)

Local Government Pension Schemes (continued)

Changes in the present value of defined benefit obligations were as follows:

	2020	2019
	£000	£000
At 1 September	**2,960**	1,909
Transfer of existing academy	**836**	-
Current service cost	**699**	427
Past service cost	**-**	56
Interest cost	**76**	55
Employee contributions	**93**	73
Actuarial (gain)/loss	**535**	472
Benefits paid	**(25)**	(32)
At 31 August	**5,174**	**2,960**

Changes in the fair value of the charitable group's share of scheme assets:

	2020	2019
	£000	£000
At 1 September	**1,461**	1,098
Transfer of existing academy	**539**	-
Interest income	**41**	35
Contributions by members	**93**	73
Contributions by the employer	**317**	259
Actuarial (loss)/gain	**66**	28
Benefits paid	**(25)**	(32)
At 31 August	**2,492**	**1,461**

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 August 2020

22. Related party transactions

a) During the year Catch22 provided services and recharged costs to The Catch22 Multi Academies Trust Ltd (MAT) amounting to £436k (2019: £490k). The MAT provided services to Catch22 amounting to £230k (2019: £273k). At the balance sheet date Catch22 was owed £34k by the MAT (2019: £14k was owed to the MAT).

b) There were no transactions between Catch22 and Catch22 Social Enterprise Solutions Ltd (Solutions) during the year. At the balance sheet date Catch22 was owed £109k (2019: £109k by Solutions.

c) There were no transactions between Catch22 and Catch22 Social Enterprise Ltd (Auto22) during the year. The amount that was due to Catch22 from Auto22 at 31 August 2020 amounting to £646k (2019: £646k) was written off as irrecoverable in prior years and therefore the balance due at 31 August 2020 included within the Catch22 financial statements was £nil (2019: £ nil).

d) During the year, the Pupil Parent Partnership (PPP) donated £1k (2019:£nil) to Catch22 and Catch22 assumed liability for PPP's outstanding creditors of £50k.The amount owed by Catch22 to PPP at the balance sheet date was £nil (2019: £51k).

e) During the year, Include donated £253k (2019: £nil) to Catch22 and Catch22 assumed liability for Include's outstanding creditors of £22k.The amount owed by Catch22 to Include at the balance sheet date was £nil (2019: £275k).

f) During the year Catch22 made payments on behalf of Only Connect UK (OC) amounting to £18k, which were fully repaid in the year (2019: £115k – net of amounts repaid). OC charged rent to Catch22 of £nil (2019: £53k). Also, during the year Catch22 converted £260k (2019: £nil) of the amount owed by OC into a donation to OC. At the balance sheet date Catch22 was owed £6k (2019: £295k) by OC. Included within this amount is a loan for £nil (2019: £260k) which is due after more than 1 year, as reported in Note 13. At the balance sheet date, a provision against the full amount of the debt, £6k (2019: £295k) has been made in the Catch22 accounts.

g) During the year Catch22 purchased services from Community Links Trust amounting to £1k (2019: £40k) and Catch22 made payments on behalf of Community Links Trust (net of amounts repaid) to Community Links Trust of £81k (2019: £151k). At the balance sheet date Catch22 owed £14k (2019: £nil) to Community Links Trust.

h) On 1 July 2019 Community Links Trust entered into an agreement to invest its surplus cash with Catch22, interest of 0.5% above Barclays bank base rate is payable on the amount invested. At 31 August 2020 Community Links had invested £2,511k (2019: £1,425k) with Catch22, which was the amount Catch22 owed Community Links Trust in respect of this agreement.

i) During the year Catch22 purchased services from Community Links Trading amounting to £nil (2019: £12k). Also, during the year Catch22 recharged costs to Community Links Trading, of £17k (2018: £8k – net of amounts reimbursed). At the balance sheet date Catch22 was owed £25k (2019: £8k) by Community Links Trading.

j) On 31 March 2015 Catch22 made a loan of £125k to another charity, Launch22 Limited (formerly Launchpad Labs Limited), at an interest rate of LIBOR plus 0.75% per annum. The amount remained due to Catch22 at 31 August 2020 (2019: £125k). The loan was due for repayment in four equal annual instalments commencing on the second anniversary of the agreement, but remains outstanding and Catch22 made a full provision against this debt in the financial year ended 31 August 2016. Catch22 became the sole member of Launch22 on 23 May 2017 and paid amounts totalling £33k on behalf of Launch22 during the financial year (2019: £78k). £300k was due to Catch22 at the balance sheet date (2019: £267k). At the balance sheet date a provision against the full amount of the debt has been made, including an additional £33k provision in the financial year (2019: £267k). Also, during the year Catch22 made a donation to Launch22 relating to rent on the property from which Launch22 operates amounting to £nil (2019: £53k). Launch22 has not been consolidated into the results of the group for the year ended 31 August 2020 as it is not material. Launch22 closed in July 2020.

k) Catch22 Social Enterprise Solutions Limited is a member of Public Services Lab LLP (PSL), which was incorporated on 24 November 2016, and it controls 32.5% of the voting rights in that entity. There were no transactions between PSL and the Catch22 group during the year and there were no balances outstanding between these entities at the balance sheet date (2019 £nil).

l) Catch22 owns 50% of the voting rights in Jobs22 Limited. This company was incorporated in June 2020 and remained dormant through to 31 August 2020.

23. Post balance sheet events

a) On 1 September 2020, Catch22 ceased to be a member of Only Connect UK and that company left the charitable group. The results of Only Connect UK for the year ended 31 August 2020 are disclosed in note 12. These results are stated after the donation of £260k (2019: £nil) from Catch22 to Only Connect UK as disclosed in note 22.

b) Following the successful incubation of the Unlocked Graduates programme within Catch22 from 1 September 2020 the programme was operated through a separate company, Unlocked Graduates (Company Number: 11448853; Charity Number 1187552). On 1 September 2020, Catch22 ceased to be a member of Unlocked Graduates. During the year ended 31 August 2020 income relating to the Unlocked Graduates programme was £3,840k and expenditure was £3,405k. At the balance sheet date £704k of Restricted Reserves were held in respect of this programme, which has been transferred to Unlocked Graduates during 2020/21.

c) On 1 January 2021 Catch22 completed a merger to become the sole member of Ripple Community Interest Company (Company Number: 07484690). Ripplez' mission and passion is working alongside vulnerable women and families to meet their health and social needs, encourage aspiration and promote self-efficacy through high quality evidence based programmes. The majority of Ripplez services will be delivered within Catch22, with one legacy service continuing to be delivered by the company.

d) On 1 February 2021, the services delivered by Community Links Trust (see note 12) were transferred into Catch22, following completion of a merger process. All services previously delivered by Community links Trust will now be delivered from within Catch22.


A not for profit
business with
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CATCH22 PEOPLE

Patron
HRH The Princess Royal

Board of Trustees
Terry Duddy, Chairman
Carl Cramer, Treasurer (resigned 8 June 2020)
Caroline Artis, Treasurer (appointed 24 February 2021)
Mike Adamson
Elaine Bailey (resigned 16 December 2020)
Kieron Boyle
Pauline Campbell (resigned 16 September 2020)
Ben Cooper
Matthew Halstead (appointed 16 September 2020)
Jeff Jacobs (appointed 1 July 2020)
Daniel Kruger (resigned 21 January 2020)
John Marlor (resigned 20 December 2019)
Gita North (appointed 23 January 2020)
Tove Okunniwa
Pria Rai (appointed 28 January 2020)
Claire Starza-Allen (appointed 16 September 2020)
Paul Williams (resigned 20 December 2019)
Richard Williams (appointed 1 July 2020 & resigned 19 March 2021)
Sean Williams
Honor Wilson-Fletcher

Chief Executive
Chris Wright

Company Secretary
Nigel Richards

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E14 5HP

Solicitors
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Clerkenwell
London
EC1M 6BHR

Investment Managers
HSBC Private Bank (UK) Limited
78 St James's Street
London SW1A 1JB

Auditors
Moore Kingston Smith LLP
Devonshire House,
60 Goswell Road,
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EC1M 7AD





catch 22

www.catch22.org.uk

Catch22 is a registered charity (1124127) and a company limited by guarantee (6577534). Registered office: 27 Pear Tree Street, London EC1V 3AG. Tel: 020 7336 4800.