

CAREER CONNECT

England & Wales · Charity number 1141077

Details

Other names	GMCP, GREATER MERSEYSIDE CONNEXIONS PARTNERSHIP
Status	Registered
Legal form	Charitable company
Company number	04233289
Registered	2011-04-01
Register	View on the Charity Commission register

Contact

Address	Career Connect 7th Floor Walker House Exchange House Liverpool L2 3YL
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Website	www.careerconnect.org.uk

Activities

Objects: 1 TO ADVANCE IN LIFE CHILDREN AND YOUNG PEOPLE IN THE UNITED KINGDOM, AND PRIMARILY GREATER MERSEYSIDE AND THE SURROUNDING AREAS, BY DEVELOPING THEIR SKILLS, EDUCATION, CAPACITIES AND CAPABILITIES TO ENABLE THEM TO PARTICIPATE IN SOCIETY AS INDEPENDENT, MATURE AND RESPONSIBLE INDIVIDUALS2 TO PROMOTE SOCIAL INCLUSION IN THE UNITED KINGDOM, AND PRIMARILY GREATER MERSEYSIDE AND THE SURROUNDING AREAS, BY PREVENTING PEOPLE FROM BECOMING SOCIALLY EXCLUDED, RELIEVING THE NEEDS OF THOSE PEOPLE WHO ARE SOCIALLY EXCLUDED, AND ASSISTING THEM TO INTEGRATE INTO SOCIETY; AND3 THE RELIEF OF UNEMPLOYMENT IN THE UNITED KINGDOM, AND PRIMARILY GREATER MERSEYSIDE AND THE SURROUNDING AREAS, IN SUCH WAYS AS MAY BE THOUGHT FIT, INCLUDING ASSISTANCE TO FIND EMPLOYMENT

Activities: Career Connect's Vision is a society where every individual realises their full potential. Our Mission is to drive social mobility by enabling more people to access and succeed in education, training and employment.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Economic/community Development/employment
- **Who:** Children/young People, People With Disabilities, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£14,179,401	£14,838,770	£6,818,974	337
2024-03-31	£14,711,031	£14,761,240	£7,360,998	334
2023-03-31	£17,062,840	£14,750,441	£6,992,718	337
2022-03-31	£10,596,646	£11,044,648	£6,810,119	304
2021-03-31	£9,921,404	£10,271,005	£4,483,424	296

Trustees

Name	Role	Appointed
Andrew David Rannard		2020-07-13
Elaine Sweeney		2020-07-27
Jessica Evans		2025-07-22
Joanne Reilly		2025-07-22
Katie Pettifer		2021-12-01
Lauren Bellaera		2021-12-01
Leona Letts		2025-07-22
Lorraine Antonia Carrol Dodd		2014-09-05
Moriah Rose Nell		2020-07-13
Steven Leach		2021-07-16
Susan Ann Smith		2020-07-13
Thomas McBride		2021-12-01

Accounts



Annual Report

2024/25

Charity number: 1141077

Company number: 4233289

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INTRODUCTION FROM THE CHAIR

Welcome to our annual report for 2024/25. The last year has been a significant one for the Charity where we held a round table event at the House of Lords with key partners, stakeholders and parliamentarians on the critical issue of the economic value of careers guidance. Building on this we delivered a regional best practice event with our 8 Local Authority delivery areas sharing what works in services for young people not engaged in employment, education or training (NEET) and those at risk of NEET. We have continued to grow and develop across the North West and are privileged to have been awarded the contract for delivery of the new programme working with offenders in custody and in the community on release, Creating Future Opportunities Evolution (CFOE).

We have continued to drive forward our vision and reach, supporting young people and adults to make progress in their lives, including 12,881 adults through our justice services contracts (in 2024/25 we worked across 18 prisons right across the UK), 51,000 young people across 245 schools, delivered careers training and continuous professional development to 221 people from a diverse range of organisations and tracking and support services to a further 43,273 young people. **That means we have delivered our high quality professional support services to 107,375 people, an increase of 10% year on year!**

We have achieved major success in delivering our ambitious growth strategy allowing us to extend our impact and support to more people than ever to realise their potential. We have broadened our geographical reach and deliver services right across the UK. We have continued our successful partnership with Macintyre Academies, delivering the Inspirational Futures programme. The programme is delivered in three specialist SEMH schools in Warwickshire, aiming to increase employer engagement and employability skills for the students across the academy trust. Career Connect also had its contract extended to deliver a continued support programme for at-risk of NEET and NEET young people in Manchester and Salford, funded through the UK Shared Prosperity Fund (UKSPF) until March 2026.

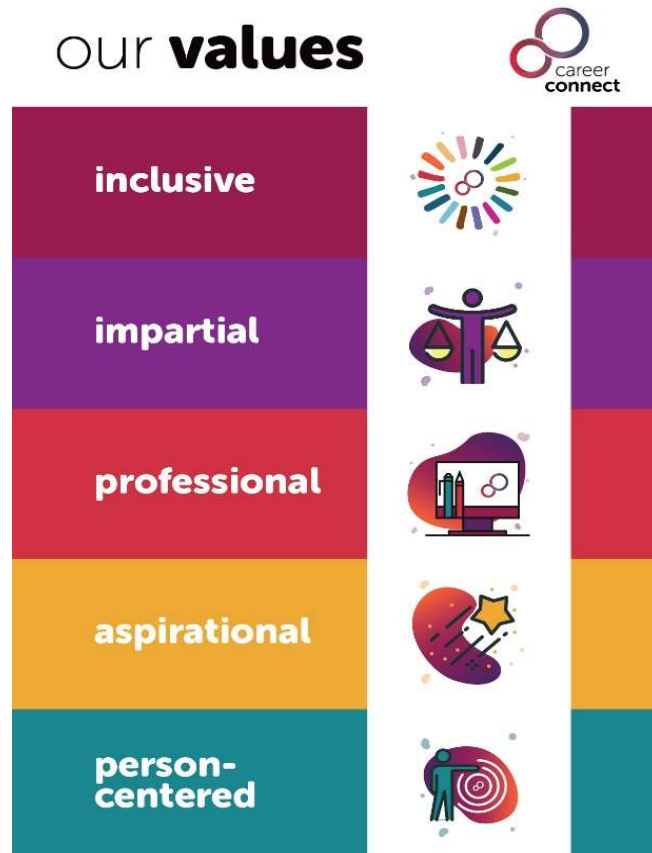
We have completed the first phase of our ambitious digital transformation programme, readying the Charity for the future, revolutionising our data analysis capability, designing a new website and introducing a new CRM (customer relationship management system). We continue to invest in research and evaluate our impact to assess the effectiveness of our programs and initiatives. By understanding what works and what doesn't, we can improve our services and maximize their impact. Through our talented workforce we delivered a practitioner research programme enabling insights into areas such as the impact of PTSD on veterans in custody and the prevalence of ADHD amongst the NEET group.

We also further developed our Participant Voice strategy. Our ambassadors do a fantastic job of keeping us focused on the issues and support which are important to young people and to helping us adjust our processes, programmes and campaigns to be more attuned to the young people that we serve. We established a Voice Champions Network, which is an internal group creating a dedicated space for staff to share best practice and strengthen how we gather participant insights across the Charity. Each operational team leads at least one dedicated participation project annually– these are designed to actively involve participants in shaping solutions. They vary in approach from gathering feedback to partnering closely with participants to co-create outcomes.

We have focussed on providing integrated support and training services for external groups and individuals, including our own staff, who work with people. As well as our Information, Advice and Guidance qualifications we offer mental health and wellbeing courses both accredited and non accredited and using our expertise to offer a developing range of support sessions in areas such as ADHD, Autism and Neurodiversity.

I would like to take this opportunity to thank our teams and my fellow Trustees for their work and commitment to the Charity over the last year.

Lorraine Dodd – Chair of Career Connect
TRUSTEES' REPORT



Our Impact

2024/25 Key Statistics

In 2024/25 we have:

- Worked with 107,375 people across the range of our services (2023/24 97,492).
- 12,881 adults across our justice services.
- Provided careers education, information, advice and guidance to 51,000 young people across 245 schools.
- Provided careers training and CPD with 221 people across local authorities, schools and professional careers agencies.
- Been responsible for tracking and support services for 43,273 NEET and at risk of NEET young people across 8 local authority areas, including providing substantive support to 28,605 young people.
- Generated over £8 million in social value in 2023/24 and retained this value in 2024/25.

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Impactful Careers Education for School Aged Young People

Careers education, advice, and guidance play a pivotal role in the development and future prospects of school-aged children. First, by providing comprehensive and tailored careers education, students are exposed to a range of potential career paths, allowing them to make informed decisions about their future.

Tailored guidance supports students to explore potential career pathways, understand the qualifications and skills required, and make well-informed subject choices, leading to better academic outcomes and increased career prospects. Career Connect provides tailored Careers Education, Information, Advice and Guidance (CEIAG) services for schools and colleges, helping them to meet each of the eight Gatsby Benchmarks. These provide the framework for excellence in school-based Careers provision in England. We work with young people in mainstream schools, specialist schools, and alternative provision.

As one of the largest providers of Careers Guidance to Schools and Colleges across England we have supported over 51,000 young people across 245 schools this year in the North-West, Midlands, and Oxfordshire regions.

Work with employers

In 2024/25 our schools and colleges team provided targeted employability sessions to 10,350 young people across the country, and created more than 850 employer links, providing activities including work experience, employer sessions, work-related activities, and mock interviews. They arranged 25 careers and transition fairs and 10 events to share information with parents. They also delivered bespoke programmes of employer encounters to more than 30 schools across the UK, providing aspirational and inspiring sessions for every key stage.

Digital innovation

We have also completed the first phase of our ambitious digital transformation programme, readying the Charity for the future, revolutionising our data analysis capability, designing a new website and introducing a new Customer Relationship Management (CRM) system.

Our NEET Services

At age 16, effective careers support is crucial in preventing young people from becoming NEET (Not in Education, Employment, or Training). It serves as a bridge between education and the workforce, helping them navigate the critical transition from school to future careers. By providing guidance and resources, careers support empowers young people to explore options, understand industry requirements, and make informed decisions aligned with their interests and skills. This reduces the risk of disengagement and keeps them on track.

In 2024/25, our teams worked in partnership with eight local authorities in Liverpool, Manchester, Salford, Sefton, St. Helens, Wirral, Halton, and Knowsley.

In the last year, we worked with 43,273 young people who are either NEET or at risk of NEET, providing those in need with tailored support into education, employment, and training. This work was delivered in partnership with our eight local authorities listed above.

In Salford this year we once again supported the delivery of 4 summer programmes for young people leaving year 11 who were most at risk of becoming NEET. 35 young people attended these programmes and 29 of these moved into and sustain a place in EET. Ongoing evaluation of these summer programmes proves that attendance at a programme increases the chance of young people progressing onto and sustaining a place in EET.

In St Helens our engagement rate with NEET young people is 82% per month (Northwest rate: 42%). This means contact with 82% of the NEET cohort, building relationships and achieving positive outcomes.

Training Services

We have continued to empower those who provide careers education, advice and guidance, and those in public facing roles, through high quality, nationally accredited qualifications.

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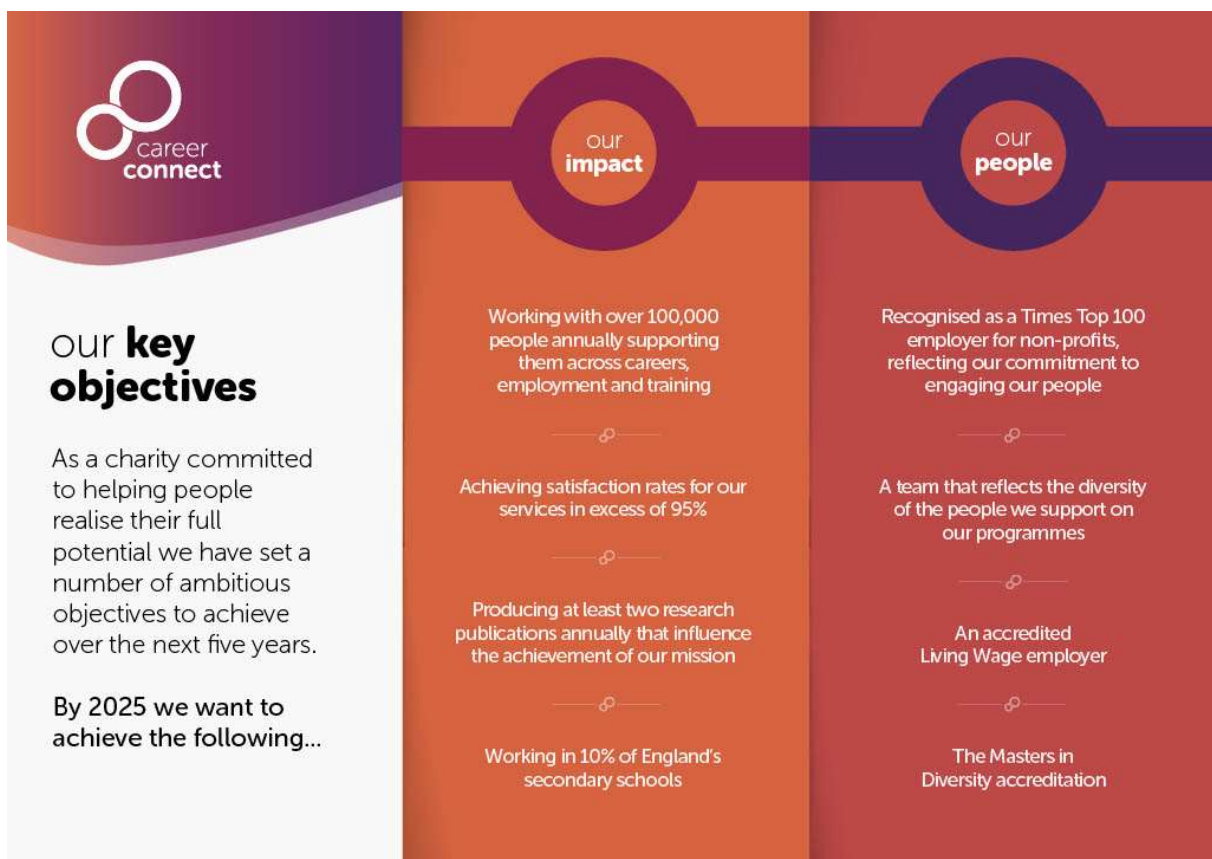
We are an Accredited Training Centre, accredited to deliver courses through four awarding bodies: OCR, City & Guilds, ILM and NCFE.

Our qualifications include:

- Advice and Guidance from Level 2 to Level 4
- Coaching at Level 3
- Careers-related qualifications at Levels 4 and 6

In 2024/25 we delivered:

- City & Guilds Level 3 Certificate in Advice and Guidance, and Level 4 Diploma in Advice and Guidance to 47 people
- Level 4 Diploma in Careers Information and Advice to 41 people
- Level 6 Diploma in Careers Guidance and Development to 157 people
- Careers Leaders training to 154 people
- We are pleased to continue to deliver the level 6 Careers Leaders programme for those leading Careers programmes in schools, funded by the Careers and Enterprise Company.



Future Plans

2024/25 was the final year of our Five Year Strategy which is designed to increase our impact, ensure our sustainability and broaden our reach.

We have now set out a new strategy for 2025/28 and we plan to:

- Further expand our work with schools building on the growth already achieved in 2024/25.

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- Build on the excellence of our Accredited Training Centre and expand our offer.
- Continue to grow our commercial service offer enabling further diversification as part of our sustainability strategy.
- Increase our income through Trusts and Foundations, supporting the piloting of innovative delivery models.
- Develop our research and impact capability and our voice within the sector.
- Implement phase 2 of an ambitious digital transformation programme.

Public Benefit

The Board confirms that it has complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit.

The charitable purpose for the Charity within the meaning of the Act is enshrined within its objects, as given in the memorandum and articles of association, and as described in this report.

Activities undertaken for the public benefit include:

- The delivery of relevant up to date careers information, advice and guidance to adults and young people according to individual need.
- The support of vulnerable and disadvantaged young people and adults to achieve their potential.
- The support of adults and young people from a wide range of backgrounds and circumstances through their transition into further learning and work.

Diversity and Inclusion

Career Connect has again been recognised by the National Centre for Diversity, as one of the Top 100 Most Inclusive Employers 2024, placed at number 17 on their annual list.

We continue to prioritise equality, diversity, and inclusion, maintaining our silver accreditation as an Investor in Diversity. Career Connect recognises the value of this key strategic priority, underpinning all that we do as an employer and service provider.

- We are proud to be validated as a Disability Confident Leader, the highest level awarded by DWP, which reflects an organisations approach to employing disabled people. Whilst nearly 500 employers based in the Liverpool City Region have signed up to the scheme, just 15 hold Disability Confident Leader status. We believe in promoting the job interview guarantee for people with disabilities as it helps us to attract great people. Candidates are encouraged to highlight any reasonable adjustments needed to fully participate in the recruitment process, such as materials in other formats and British Sign Language interpreters.
- Staff complete a health questionnaire once they commence employment, to identify any reasonable adjustments needed to succeed in the role. 31% of the workforce have a disability or long-term health condition. Occupational Health and Access to Work undertake workplace assessments to help identify appropriate adjustments, e.g. assistive technologies for people with a visual impairment. Full training is available to ensure people can make use of the software or equipment provided. This is regularly reviewed to ensure it remains supportive.
- The Charity provides training and development to all staff and reasonable adjustments are in place for those with disabilities. This includes accessible training venues and information in other formats. In addition, specific disability awareness training is provided to staff, which improves delivery of services to disabled people but also helps promote good working relations between our staff. Increasing numbers of our people are sharing their own recent diagnosis for neuro-diverse conditions such as ADHD and Autism.
- We continue to facilitate staff support groups which are very well attended and clearly valued, including a peer support group focussing on Neurodiversity and a staff group focusing on Menopause. Guest

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speakers provide expert input to these sessions, supporting staff to develop strategies that work for them.

- We strive to understand any specific barriers or challenges that our staff face so that we can ensure we are maximising the potential of all Career Connect people and improve experiences at work for everyone. Following consultation, we have introduced monitoring of our workforce sexual orientation. Data will tell Career Connect about the number of LGBTQ+ employees employed by the Charity. As with other EDI data we collect, we will also be able to monitor job applications, career development, access to training, people who take up progression opportunities. Declaration of data on ethnicity and religion is voluntary, but we see increasing numbers of staff sharing this information on their HR file, less than 1% choose “prefer not to state” their ethnicity.
- We are taking a positive action approach to increasing the diversity of our workforce, including directly approaching partner agencies who work with minority groups with details of our vacancies and mandatory training for hiring managers to ensure unconscious bias does not influence decision making.
- An area for ongoing improvement is increasing the ethnic diversity of our teams, including those in senior positions. We have seen a further increase over the last year with the proportion of staff from Black, Asian and Ethnic Minorities increasing to 17%, with a goal to increase this further to 20% by the end of 2028.
- The gender imbalance in the Charity has remained at 75% female for many years, which is similar to many other organisations in our sector and we continue to welcome applications from people of all gender identities. Our median gender pay gap was reported at 3% this year, down from 8% when monitoring first commenced in 2017.

Environmental Impact

Career Connect has always been committed to playing its part in addressing the climate emergency and in the past five years we have made huge strides in reducing our own footprint and we continue to do so:

- We have worked closely with Positive Planet as we have for the past 3 years, to audit and calculate our carbon footprint measurement annually and successfully implement the actions set out in our Net Zero Carbon Reduction Plan for the year. Our Reduction Plan can be accessed on our website, under the Sustainability page. Our total emissions have reduced by 19% from 932 to 757 and our Carbon Intensity (tCO₂e per FTE) has reduced by 23% from 3.1 to 2.4 in year.
- The Charity has a ‘Green Team’ which is a cross representation of staff from all areas of the Charity who are passionate about environmental sustainability. Each representative act as Environmental Champions in their teams as we believe communication is key in delivering the sustainability message.
- The Charity achieved Bronze Accreditation from the Carbon Literacy Organisation this year, and Silver Accreditation from Positive Planet, a great acknowledgement of our commitment to reducing our footprint.
- 2025/26 we intend to continue working with Positive Planet for continuous improvement and focus on decreasing our environmental impact to achieve Net Zero emissions by 2040.
- The Charity’s Senior Team and the Green Team are already Carbon Literacy trained, in 2025/26 we intend to train all other managers in our aim to achieve Silver Accreditation with the Carbon Literacy Organisation and Gold Accreditation with Positive Planet.

Social Value

In 2024/25, we used the created over £8million of Social Value through:

- Promoting local skills and employment through the creation of apprenticeships, training opportunities and providing a Real Living Wage to our staff.
 - Supporting responsible regional business growth through our support for mental health and wellbeing initiatives, equality and diversity, both for Career Connect and our local supply chains.
 - Cultivating healthier, safer, and more resilient communities; and through our Beneficiary Fund.
- Decarbonising and safeguarding our environment through a range of initiatives to reduce our environmental impact.

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We use the Social Value TOMS (Themes, Outcomes, and Measures) tool framework designed to help organisations measure and maximize their social value— the positive impact they have on society beyond financial profits – to estimate our impact across the charity.

Financial Review 2024/25

In 2024/25 the Group maintained income levels of £14,179k (£14,711k in 2023/24). We continued to invest in increasing our impact, in terms of digital transformation and research and evaluation.

We have continued our growth in our Criminal Justice work, seeing an increase in income from £6,436k in 2023/24 to £7,275k in 2024/25.

Overall, the Group reports a deficit of £543k (2023/24 a surplus: £368k) once movement on investments are taken into account.

The cash position of the Charity remains strong at £4,030k. The strength of our cash position helps to ensure the Charity is able to manage any short-term fluctuations in income while investing in growth.

The Charity saw a positive movement on our investments of £117k (£418k in 2023/24) as a result of the economic climate.

Group Income for the year ended 31 March 2025 was £14,179k (£14,711k in 2023/24) of which £13,737k (2023/24 £14,227k) was on charitable activities and £309k (2023/24 £370k) from non-charitable activities via Career Connections our trading subsidiary.

The Group spent £14,839k (2023/24 £14,761k).

Reserves

The Charity holds reserves to ensure its continued sustainability and allow investment in delivering the Mission of the Charity.

Free reserves are defined by the Charity Commission as unrestricted funds available to spend on the general purposes of the Charity and therefore excluding those designated for particular purposes and those already utilised in purchasing tangible fixed assets.

Free reserves may be utilised for the following purposes:

- To protect the Charity against a fall in income levels.
- To ensure that all liabilities can be discharged in the event of the closure of the Charity.
- To provide working capital in the event that expenditure is needed ahead of income being received, which is often the case in commissioned services.
- To provide funding for new initiatives or opportunities.
- To protect the Charity against unplanned adverse events such as losing key staff, theft, fire or adverse publicity.

Career Connect's reserves policy states that the Charity should hold a minimum of three months and a maximum of six months of operating expenditure. At the end of 2024/25 this was calculated as between £3.5m and £7m. Our current free reserves excluding the defined benefit pension scheme stand at £6.8m (2023/24: £7.3m) which is above the minimum and within the range agreed in our policy. On the basis of current investment plans and cashflow planning we expect our reserves to reduce over the next year, however, remaining above the minimum threshold.

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Pensions

The group operates two funded defined-benefit pension schemes and a money purchase scheme as the auto-enrolment alternative. The effect of compliance with FRS102 is disclosed in Note 23 to the financial statements. A valuation carried out at 31 March 2025 shows the market value of the assets of the schemes to be £4,925k (2024: £17,576k) and the present value of the liabilities £2,418k (2024: £8,194k). The net asset on the Schemes of £Nil is a statement of the transient situation at 31 March 2025, and the Trustees recognise that this can fluctuate year on year notably in response to market factors and the actuarial assumptions made.

Reference and Administrative Details

Registered Charity Name	Career Connect
Charity Registration Number	1141077
Company Registration Number	4233289
Registered Office	Walker House Exchange Flags Liverpool Merseyside L2 3Y

Structure, Governance and Management

Career Connect is a registered Charity (number 1141077) and a company limited by guarantee (number 4233289) and is governed by its Articles of Association dated 13 June 2001 and amended by Special Resolutions dated 22 September 2010, 11 March 2011, 24 April 2014, 9 June 2017, 26 October 2020 and 21 October 2025. Career Connect has two wholly owned subsidiary companies, Achieve Connect and Career Connections Limited.

Following a review of the group structure, the Charity plans has decided to place Achieve Connect into voluntary liquidation, as its aims and objectives are now fully aligned and delivered within the Charity.

The Trustees

The trustees, who are also directors for the purposes of company law, who served the company during the period were as follows:

Mrs Lorraine Dodd	Chair
Dr Lauren Bellaera	
Ms Eloise Boye	Resigned 22/10/24
Mrs Sheila Clark	Chief Executive
Ms Jessica Evans	Appointed 22/07/25
Mr Steven Leach	Staff Trustee
Ms Leona Letts	Appointed 22/07/25
Ms Nina Ma	Resigned 22/10/24
Mr Tom McBride	
Ms Moriah Nell	
Ms Lennina Ofori	Resigned 22/10/24
Ms Katie Pettifer	
Mr Andrew Rannard	
Ms Joanne Reilly	Appointed 22/07/25
Ms Susan Smith	
Ms Elaine Sweeney	

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Co-opted and Independent Members

Mr Alexander Mansfield

Independent Chair Audit and Risk Committee

Secretary

Ms Gillian Holywell

Auditor

HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

There are currently a total of 12 Trustees and 1 Co-opted/Independent members who represent a spread of experience and interests in the field we operate.

The majority of Trustees are appointed through open recruitment in addition to potential Trustees being identified by partner organisations or serving Trustees who have the necessary skills, experience and enthusiasm to complement the current Board.

In 2021/22 our external Board effectiveness review undertaken by NCVO was completed. In line with best practice a regular review takes place. The last review highlighted a number of areas of best practice and was very positive regarding the effectiveness of the Board and our governance structures. The Charity intends to repeat the next review in 2025/26 as planned.

Each Trustee receives the Charity Commission Trustee guide which covers internal and external requirements of being a Trustee; the Board also reviews its own training needs and performance annually.

The Board has agreed the terms of reference for each committee and has also agreed a policy of Delegated Authority to the Executive, retaining responsibility for key strategic decisions. Throughout the year the Board has scrutinised the operations of the Executive, within this authority.

Executive Management

Responsibility for the planning, co-ordination and day-to-day management of staff and operations is delegated to an Executive Team led by the Chief Executive and supported by a Senior Leadership Team. Formal reporting by the Chief Executive to the Board takes place at regular Board meetings and informally as appropriate throughout the year. The systems of control that are designed to provide reasonable assurance regarding risk management and against material misstatement or loss include:

- An annual budget approved by the Board.
- A Three-Year strategic plan.
- Financial reports to every Board meeting including forecasts against budget.
- Regular review of financial results, variance from budget and non-financial performance indicators and reports.
- A clear delegation of authority and segregation of duties.
- Identification and management of risks, reported regularly to Board and Audit and Risk Committee.
- Regular meetings of the Audit and Risk and the Investment and Remuneration Committees.
- A comprehensive three-year Internal Audit plan agreed by the Board and delivered by Forvis Mazars.
- We are registered with the Fundraising Regulator, providing evidence of our commitment to high fundraising standards and building public trust in the Charity and wider sector.

Senior Leadership Team Remuneration

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Reward and remuneration for the Charity including the Executive and Senior Leadership Team (SLT) is reviewed by the Investment and Remuneration Committee at least on an annual basis. Salaries and benefits are set taking into account appropriate benchmarks and to balance the need to retain and attract talented individuals while ensuring the appropriate use of Charitable funds. Salaries are compared to pay rates in similar organisations in the Careers/Employment sector including both Charitable and private sector organisations. In order to ensure transparency, the salary of the CEO is set out below. The Executive team and SLT are offered the same benefits package as all staff. In addition, when all staff pay rises are undertaken a flat rate is utilised to ensure that lower paid staff receive a higher percentage uplift.

Role	Annual Gross Salary 2023/24	Annual Gross Salary 2024/25
CEO	£97,200	£101,088

The pay ratio of our CEO's pay in 2023/24 to our employees is as follows:

- Upper quartile (£38,626): 2.5.1
- Median pay (£28,417): 3.4.1

In 2024/25 the pay ratio was as follows:

- Upper quartile (£38,860): 2.6.1
- Median pay (£28,018): 3.6.1

Audit and Risk Committee

The committee comprises up to 10 members, of whom the majority are Trustees. The Chair and Chief Executive are attendees but not members of the Committee. The Charity's Internal Auditor (Forvis Mazars) are in attendance at each meeting, while the External Auditor attends as appropriate throughout the year. Open dialogue is encouraged between non-executive members and both Internal and External Auditors.

The committee meets at least three times a year and provides a forum for reporting by the Charity's external and internal auditors, who have full independent access to members. The committee also receives reports from other independent bodies as appropriate.

The Internal Auditor monitors the systems of internal control, risk management and governance procedures in accordance with an Annual Audit Plan, reporting their findings to the committee and to management. The Audit Plan is drawn up in consultation with management using a risk based approach.

The committee regularly reviews the Risk register, in particular the potential for new risks and the effectiveness of monitoring and control actions agreed.

Statement of Internal Control

The Board has responsibility for maintaining a good, sound system of internal control that supports the achievement of Charity policies, aims and objectives, whilst safeguarding the funds and assets of the Charity.

The system of internal control is designed to assess and manage rather than eliminate risk. It can therefore only provide reasonable and not absolute assurance of effectiveness.

Our system of control is based on an on-going process designed to identify the principal risks to the achievement of Charity aims and objectives to evaluate the nature and extent of those risks and to manage them effectively, efficiently and economically. Risk Management Policy and Strategy continue to reflect the changes and challenges facing the organisation.

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The Board through the Audit and Risk Committee review the Risk Register during the year and monitor progress on the risks identified and the procedures in place for identification and management of risk.

The Agenda for the Board and its Audit and Risk Committee include, as a standing item, the area of risk management which is considered on a regular basis throughout the year.

The Charity reviews its Risk management Procedures and processes on an ongoing basis to ensure that it is fit for purpose in the changing operational environment and is fully embedded within the organisation.

Any review of the effectiveness of internal control is informed by regular reports from Charity's internal auditors and by the Chief Executive who is responsible for the integration and implementation of Risk Management.

The Board received an annual review from the Company's Internal Auditors, Forvis Mazars, which gave an overview on all the Internal Audits completed during the year to March 2025. Mazars annual opinion on the framework of governance, risk management and control are reported under the following categories:

- Substantial
- Moderate
- Limited
- Unsatisfactory

The Internal Auditors overall opinion of the review was "On the basis of our audit work, our opinion on the framework of governance, risk management and control is **Moderate** in its overall adequacy and effectiveness."

In addition, the External Auditor again found no material weaknesses in the Charity's systems.

As an important part of the Risk management process the Charity regularly reviews its Safeguarding and Whistleblowing Policy and Procedures and continues to review its practice to ensure that staff are fully conversant with the changing requirements and challenges of the job.

Risk Management

Risk is an uncertain event, which may have a positive or negative effect on an organisation meeting its strategic objectives. Risk arises as much from the non-realisation of potential opportunities as from the occurrence of potential threats. It is not possible to entirely eliminate risk.

The Charity has adopted a common approach to the management of risk throughout the organisation. This will be achieved via adherence to the risk management procedures.

The Charity will identify and agree the level of risk exposure that it will tolerate. This is required to:

- make clear what activities the Charity (where it has a choice) will and will not engage in.
- help inform decision making.
- shape corporate and other individual strategies.
- help inform business and strategic planning.
- help prioritise the management and reporting of risks.
- proactively review opportunity risk.
- assess the risk arising from the new activities and opportunities.

The above will be considered in the context of overall the Charity objectives.

The Charity seeks to be risk aware rather than risk averse. Every member of staff, from the directors through line managers to the individual employee must be aware of the nature of risk, and the agreed system of control.

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The Charity will adopt a pro-active approach to risk management which:

- anticipates the possibility that unforeseen events may adversely affect the achievement of key objectives; and
- maximises the possibility that opportunities are taken to progress all objectives.

The risk management process is designed to ensure that potential opportunities and threats are proactively and systematically identified, assessed and addressed. It also provides for the monitoring and reporting of risk on an ongoing basis and is capable of independent verification.

The table below sets out a number of key risks for the Charity:

Key Risk	Mitigation
Funding Challenges	• Diversification of income streams • Invest in Flexible Response Team infrastructure to maximise contract value and respond to dynamic purchasing • Investment in Business Growth, including research and impact and digital capacity • Implementation of digital transformation programme resulting in greater efficiencies and anticipated savings
Significant loss of beneficiary data	• Robust security plans to ensure retention of data • Cyber Essentials Plus accreditation • Regular patching and updates on all critical software and hardware • All staff undertake mandatory training on Information Security • IASME Gold accreditation re-awarded in 2024/25 • Security Operations Centre
Increased staff turnover and difficulty in recruiting new talent at all levels of the Charity	• People Strategy outlines our new and refreshed employee benefits • Annual pay review and market rate testing • Investment in internal accredited training for staff targeting areas of growth • Consistently high ratings on Glassdoor • Developing new models of recruitment through Trainee roles and Careers Academy

Provision of Information to Auditors

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

- so far as that each Trustee is aware, there is no relevant audit information of which the group's auditors are unaware, and
- that each Trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the Charity's auditors in connection with preparing their report and to

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establish that the Charity's auditors are aware of that information.

Responsibilities of the Trustees

The Trustees (who are also Directors of Career Connect for the purposes of Company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- make 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 group will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

On 18 November 2024 the company's auditor changed its name from haysmacintyre LLP to HaysMac LLP. HaysMac LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

The Trustees' Annual Report, including the Strategic Report, has been signed by order of the Trustees on 21 October 2025.



Ms Gillian Holywell
Company Secretary

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAREER CONNECT

Opinion

We have audited the financial statements of Career Connect for the year ended 31 March 2025 which comprise the Group Statement of Financial Activities, the Group and Charity Balance sheets, the Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2025 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAREER CONNECT (CONTINUED)

Opinion 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 Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and.
- the strategic report and the directors' report included within 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 the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the

CAREER CONNECT
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAREER CONNECT (CONTINUED)

financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, in particular in relation to recording income and charitable activities in the correct accounting period and management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity relevant to the preparation of the financial statements to ensure these were in place throughout the year;
- Reviewing debtor recoverability post year end;
- Reviewing management's decisions on bad debt;
- Reviewing post balance sheet events;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)

for and on behalf of

HaysMac LLP

Statutory Auditors

10 Queen Street Place

London

EC4R 1AG

Date: 24 October 2025

CAREER CONNECT
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**GROUP STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Unrestricted funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Income from:				
Donations, grants and legacies	4	3	3	4
Charitable activities	5	13,737	13,737	14,227
Trading income		309	309	370
Investments	6	130	130	110
Total income		14,179	14,179	14,711
Expenditure on:				
Raising funds:				
- Fundraising		239	239	210
- Trading		395	395	469
Charitable activities:				
- Criminal Justice		7,020	7,020	6,256
- Local Authority		5,216	5,216	6,017
- Schools		1,969	1,969	1,809
Total expenditure		14,839	14,839	14,761
Net expenditure before net gains on investments		(660)	(660)	(50)
Net gains on investments	14	117	117	418
Net movement in funds before other recognised gains/(losses)		(543)	(543)	368
Other recognised gains/(losses):				
Actuarial gains on defined benefit pension schemes	23	-	-	-
Net movement in funds		(543)	(543)	368
Reconciliation of funds:				
Total funds brought forward		7,363	7,363	6,995
Total funds carried forward		6,820	6,820	7,363

The group statement of financial activities has been prepared on the basis that all operations are continuing operations.

Income, expenditure and funds in both the current and previous financial year relate entirely to unrestricted funds.

The notes on pages 21 to 39 form part of these financial statements.

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(A Company Limited by Guarantee)
REGISTERED NUMBER: 04233289

GROUP BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £000	2024 £000
Fixed assets			
Intangible assets	12	293	-
Tangible assets	13	175	218
Investments	14	4,397	4,284
		<u>4,865</u>	<u>4,502</u>
Current assets			
Debtors	16	1,618	1,114
Cash at bank and in hand		4,030	4,455
		<u>5,648</u>	<u>5,569</u>
Creditors: amounts falling due within one year	17	(3,693)	(2,708)
		<u>1,955</u>	<u>2,861</u>
Net current assets			
		<u>6,820</u>	<u>7,363</u>
Total assets less current liabilities			
		<u>6,820</u>	<u>7,363</u>
Net assets excluding pension scheme			
Defined benefit pension scheme scheme	23	-	-
		<u>6,820</u>	<u>7,363</u>
Total net assets		<u><u>6,820</u></u>	<u><u>7,363</u></u>
Charity funds			
Unrestricted funds	18	6,820	7,363
		<u>6,820</u>	<u>7,363</u>
Total funds		<u><u>6,820</u></u>	<u><u>7,363</u></u>

The financial statements were approved and authorised for issue by the Trustees on 21 October 2025 and signed on their behalf by:

Lorraine Dodd

Lorraine Dodd
(Trustee)

The notes on pages 21 to 39 form part of these financial statements.

CAREER CONNECT
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04233289

CHARITY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	2025 £000	2024 £000
Fixed assets			
Intangible assets	12	293	-
Tangible fixed assets	13	175	206
Investments	14	4,397	4,284
		<u>4,865</u>	<u>4,490</u>
Current assets			
Debtors	16	1,983	924
Cash at bank and in hand		4,020	4,435
		<u>6,003</u>	<u>5,359</u>
Creditors: amounts falling due within one year	17	(3,591)	(2,706)
Net current assets		<u>2,412</u>	<u>2,653</u>
Total assets less current liabilities		<u>7,277</u>	<u>7,143</u>
Net assets excluding pension scheme		<u>7,277</u>	<u>7,143</u>
Total net assets		<u>7,277</u>	<u>7,143</u>
Charity funds			
General reserve	18	7,277	7,143
Total funds		<u>7,277</u>	<u>7,143</u>

The surplus/(deficit) of the parent Company before consolidation was £134k (2024: £182k).

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

The financial statements were approved and authorised for issue by the Trustees on 21 October 2025 and signed on their behalf by:

Lorraine Dodd

Lorraine Dodd
(Trustee)

The notes on pages 21 to 39 form part of these financial statements.

CAREER CONNECT
(A Company Limited by Guarantee)

**GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	2025 £000	2024 £000
Cash flows from operating activities			
Net cash used in operating activities	20	(207)	785
Cash flows from investing activities			
Interest from investments		130	110
Other investment income		54	-
Purchase of intangible assets		(293)	-
Purchase of tangible fixed assets		(109)	(36)
Net cash (used in)/provided by investing activities		(218)	74
Change in cash and cash equivalents in the year		(425)	859
Cash and cash equivalents at the beginning of the year		4,455	3,596
Cash and cash equivalents at the end of the year	21	4,030	4,455

The notes on pages 21 to 39 form part of these financial statements

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

1. General information

Career Connect is a charitable company limited by guarantee registered in England and Wales. The registered office is Walker House, Exchange Flags, Liverpool, Merseyside, L2 3YL.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Career Connect meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are prepared in sterling, which is the functional currency of the Charity.

Monetary amounts in these financial statements are stated in Pounds Sterling, rounded to the nearest £'000.

2.2 Basis of consolidation

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings, Career Connections Limited and Achieve Connect. The results are consolidated on a line-by-line basis. The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.3 Company status

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

2.4 Preparation of accounts on a going concern basis

The financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. There are no material uncertainties about the group's ability to continue as a going concern and the Trustees consider it appropriate to continue to prepare the financial statements on a going concern basis.

2.5 Income

Income comprises mainly grant and contract funding for projects from government and other bodies. Additional income arises from trading income of subsidiaries, premises income and interest received.

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

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

2. Accounting policies (continued)

2.5 Income (continued)

Income from government and other grants is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for provision of specified services is deferred until the criteria for income recognition are met.

2.6 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.7 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Group Statement of Financial Activities.

2.8 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

No amortisation has been applied for the current year as the assets are not yet live.

Amortisation is provided on the following bases:

CRM	-	4 years straight line
Website and data warehouse	-	3 years straight line

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

2. Accounting policies (continued)

2.9 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives are as follows:

Fixtures and fittings	- 5 years straight line
Computer equipment	- 3 years straight line

2.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Group Statement of Financial Activities.

2.11 Debtors

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

As at 31 March 2025, the bad debt provision is £nil (2024: £22,315).

2.12 Cash at bank and in hand

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

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Group Statement of Financial Activities as a finance cost.

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

2. Accounting policies (continued)

2.14 Financial instruments

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

2.15 Pensions

Career Connect's services contract expired on 31 July 2024, resulting in Career Connect becoming an exiting employer as defined in the 2013 LGPS Regulations. There is no associated exit payment.

The Charity operates two defined benefit pension schemes for employees. The assets of the scheme are held separately from those of the Charity.

In relation to the Career Connect Manchester Pension Fund, the latest valuation provided for FRS 102 purposes indicates a surplus position of £2,507k (2024: £1,811k). At the date of approving these financial statements, it is not possible to determine with reasonable accuracy the final amounts which will be due to or from the scheme on exit of the scheme. On this basis, the trustees do not consider that the surplus is recoverable and therefore the pension scheme asset has been derecognised in line with accounting standards.

In relation to the Achieve Connect Greater Manchester Pension Fund, the latest valuation provided for FRS 102 purposes indicates an surplus position of £2,500k (2024: £7,571k). FRS 102 requires that a pension scheme asset is reflected only to the extent that it is recoverable by way of future contributions or refunds from the scheme. On this basis, the trustees do not consider that the surplus is recoverable and therefore the pension scheme asset has been derecognised in line with accounting standards.

Current service costs, past service costs and gains and losses on settlements and curtailments are charged to appropriate resources expended categories in the statement of financial activities. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of financial activities during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount as other finance costs or income. Net pension finance costs are allocated to appropriate resources expended categories in the statement of financial activities. Net pension finance income is recognised as an incoming resource in the statement of financial activities. Actuarial gains and losses are recognised immediately as other recognised gains and losses in the statement of financial activities.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme surplus (to the extent that it can be recovered) is recognised in full on the balance sheet, net of related deferred tax.

The Charity also participates in a defined contribution pension scheme, in respect of which the charge to the Statement of Comprehensive Income represents the total employer liability for service received from the relevant employees in the year.

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

2. Accounting policies (continued)

2.16 Fund accounting

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

3. Critical accounting judgements and estimation uncertainty

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

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

The Trustees recognise that there exists a significant estimate in relation to the recognition of pension scheme assets.

In the view of the Trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

4. Income from donations and legacies

	Unrestricted funds 2025 £000	Total funds 2025 £000	<i>Total funds 2024 £000</i>
Donations	3	3	4
	<u>3</u>	<u>3</u>	<u>4</u>

5. Income from charitable activities

	Unrestricted funds 2025 £000	Total funds 2025 £000	<i>Total funds 2024 £000</i>
Criminal Justice	7,275	7,275	6,436
Local Authority	5,017	5,017	6,339
Schools	1,445	1,445	1,381
Other	-	-	71
	<u>13,737</u>	<u>13,737</u>	<u>14,227</u>

6. Investment income

	Unrestricted funds 2025 £000	Total funds 2025 £000	<i>Total funds 2024 £000</i>
Interest receivable	130	130	110
	<u>130</u>	<u>130</u>	<u>110</u>

CAREER CONNECT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

7. Analysis of expenditure on charitable activities

Analysis for the year ended 31 March 2025

	Direct costs £'000	Support costs £'000	2025 £'000
Criminal Justice	6,139	881	7,020
Local Authority	4,561	655	5,216
Schools	<u>1,722</u>	<u>247</u>	<u>1,969</u>
	<u>12,422</u>	<u>1,783</u>	<u>14,205</u>

Comparative analysis of expenditure on charitable activities for the prior year

	Direct costs £'000	Support costs £'000	2024 £'000
Criminal Justice	5,286	970	6,256
Local Authority	5,111	906	6,017
Schools	<u>1,529</u>	<u>280</u>	<u>1,809</u>
	<u>11,926</u>	<u>2,156</u>	<u>14,082</u>

8. Analysis of support costs

	2025 £'000	2024 £'000
Support costs consist of the following:		
Travel	7	9
Telephone and IT	367	466
Other office costs	159	201
Recruitment	22	49
Training and development	36	63
Governance	97	105
Project costs	13	17
Other	22	106
Depreciation	81	127
Wages	<u>979</u>	<u>1,013</u>
	<u>1,783</u>	<u>2,156</u>

CAREER CONNECT
(A Company Limited by Guarantee)

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

9. Auditors' remuneration

	2025	<i>2024</i>
	£000	<i>£000</i>
Auditor's remuneration for audit	21	<i>25</i>
Fees payable to the Charity's auditor in respect of:		
Other auditor costs	6	<i>8</i>
	27	<i>33</i>

10. Net movement in funds

This is stated after charging:

	2025	<i>2024</i>
	£000	<i>£000</i>
Auditor's remuneration: audit	21	<i>25</i>
Auditor's remuneration: non-audit fees	6	<i>8</i>
Depreciation of owned fixed assets	147	<i>234</i>
	174	<i>267</i>

11. Staff costs

	Group	<i>Group</i>	Charity	<i>Charity</i>
	2025	<i>2024</i>	2025	<i>2024</i>
	£000	<i>£000</i>	£000	<i>£000</i>
Wages and salaries	9,274	<i>9,210</i>	9,274	<i>9,210</i>
Social security costs	817	<i>776</i>	817	<i>776</i>
Contribution to defined contribution pension schemes	535	<i>445</i>	535	<i>445</i>
	10,626	<i>10,431</i>	10,626	<i>10,431</i>

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

	Group	<i>Group</i>	Charity	<i>Charity</i>
	2025	<i>2024</i>	2025	<i>2024</i>
	No.	<i>No.</i>	No.	<i>No.</i>
Staff	337	<i>334</i>	337	<i>334</i>

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

11. Staff costs (continued)

Under the Charity's memorandum and articles they are allowed to pay reasonable and proper remuneration to the officers. The remuneration paid during the period to Mrs Dodd, the Chair of the Board of Trustees was £5k (2024: £5k) for their role as chair. Expenses of £1k (2024: £1k) were reimbursed to 4 (2024: 1) trustees during the year in relation to travel and other expenses.

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

	Group 2025 No.	<i>Group 2024 No.</i>
In the band £60,000 - £69,999	8	6
In the band £100,000 - £109,999	1	1

The total remuneration of key management personnel was £119k (2024: £114k).

12. Intangible assets

Group and Charity

	Website £000	Data Warehouse £000	CRM £000	Total £000
Cost				
Additions	86	38	169	293
At 31 March 2025	86	38	169	293
Net book value				
At 31 March 2025	86	38	169	293
At 31 March 2024	-	-	-	-

CAREER CONNECT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

13. Tangible fixed assets

Group and Charity

	Fixtures and fittings £000	IT £000	Total £000
Cost or valuation			
At 1 April 2024	114	753	867
Additions	6	103	109
Disposals	(5)	(18)	(23)
At 31 March 2025	<u>115</u>	<u>838</u>	<u>953</u>
Depreciation			
At 1 April 2024	47	602	649
Charge for the year	25	122	147
On disposals	-	(18)	(18)
At 31 March 2025	<u>72</u>	<u>706</u>	<u>778</u>
Net book value			
At 31 March 2025	<u><u>43</u></u>	<u><u>132</u></u>	<u><u>175</u></u>
At 31 March 2024	<u><u>67</u></u>	<u><u>151</u></u>	<u><u>218</u></u>

CAREER CONNECT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

14. Fixed asset investments

Group and Charity	Listed investments £000
Cost or valuation	
At 1 April 2024	4,284
Additions	792
Disposals	(508)
Revaluations	(117)
Other movement	(54)
At 31 March 2025	<u>4,397</u>

Investments comprise:

	2025 £000	2024 £000
Fixed interest	887	792
UK equities	668	737
Overseas equities	1,862	2,168
Alternatives	587	555
Cash	393	32
	<u>4,397</u>	<u>4,284</u>

The investments are held with Rathbone Investment Management Limited and are shown at market value at the balance sheet date.

CAREER CONNECT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

15. Net income from trading activities of subsidiary

The charity is the sole member of two companies limited by guarantee: Career Connections Limited (03141192) and Achieve Connect (03075969).

Career Connections Limited

The principal activities during the year were commercial services and sale of products which support the charity.

	2025	2024
	£'000	£'000
Turnover	309	370
Administrative expenditure	(394)	(501)
Gift Aid payment	-	-
Loss on ordinary activities after taxation	<u>(85)</u>	<u>(131)</u>
 Total assets	 37	 93
Total liabilities	<u>(495)</u>	<u>(465)</u>
Reserves	<u>(458)</u>	<u>(372)</u>

Achieve Connect

The principal activity during the year was providing the additional advice information and guidance services of Career Connect, relating to Her Majesty's Prison and Probation Services (HMPPS). The activity of Achieve Connect has been included in the Criminal Justice charitable activity in the group accounts on the basis that this reflects the substance of the activities.

	2025	2024
	£'000	£'000
Turnover	1,317	6,337
Administrative expenditure	(1,075)	(5,751)
Gift Aid payment	(833)	(258)
Loss on ordinary activities after taxation	<u>(591)</u>	<u>328</u>
 Total assets	 -	 1,516
Total liabilities	<u>-</u>	<u>(925)</u>
Reserves	<u>-</u>	<u>591</u>

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

16. Debtors

	Group 2025 £000	<i>Group 2024 £000</i>	Charity 2025 £000	<i>Charity 2024 £000</i>
Due within one year				
Trade debtors	890	763	874	724
Amounts owed by group undertakings	-	-	392	-
Other debtors	29	56	29	56
Prepayments and accrued income	699	295	688	144
	<u>1,618</u>	<u>1,114</u>	<u>1,983</u>	<u>924</u>

17. Creditors: Amounts falling due within one year

	Group 2025 £000	<i>Group 2024 £000</i>	Charity 2025 £000	<i>Charity 2024 £000</i>
Trade creditors	399	185	399	171
Amounts owed to group undertakings	-	-	-	1,016
Other taxation and social security	177	168	177	168
VAT recoverable	344	336	344	360
Other creditors	123	76	123	73
Accruals and deferred income	2,515	1,808	2,413	783
Provisions	135	135	135	135
	<u>3,693</u>	<u>2,708</u>	<u>3,591</u>	<u>2,706</u>

	Group 2025 £000	<i>Group 2024 £000</i>	Charity 2025 £000	<i>Charity 2024 £000</i>
Deferred income at 1 April 2024	1,236	2,842	350	155
Resources deferred during the year	1,297	1,236	1,206	350
Amounts released from previous periods	(1,236)	(2,842)	(350)	(155)
	<u>1,297</u>	<u>1,236</u>	<u>1,206</u>	<u>350</u>

Deferred income represents grant income received in advance of meeting the conditions of the grants.

CAREER CONNECT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 March 2025 £000
Unrestricted funds					
General funds	7,363	14,179	(14,839)	117	6,820

Statement of funds - prior year

	<i>Balance at 1 April 2023 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 March 2024 £000</i>
Unrestricted funds					
General funds	6,995	14,711	(14,761)	418	7,363

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £000	Total funds 2025 £000
Tangible fixed assets	175	175
Intangible fixed assets	293	293
Fixed asset investments	4,397	4,397
Current assets	5,644	5,644
Creditors due within one year	(3,693)	(3,693)
Total	6,816	6,816

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

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024 £000</i>	<i>Total funds 2024 £000</i>
Tangible fixed assets	218	218
Fixed asset investments	4,284	4,284
Current assets	5,569	5,569
Creditors due within one year	(2,708)	(2,708)
Total	<u>7,363</u>	<u>7,363</u>

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £000	<i>Group 2024 £000</i>
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<u>(543)</u>	<u>368</u>
Adjustments for:		
Depreciation charges	147	234
Gains on investments	117	418
Dividends, interests and rents from investments	(130)	(110)
Loss on the sale of fixed assets	5	-
Decrease/(increase) in debtors	(504)	3,981
Increase/(decrease) in creditors	985	(3,276)
Net investment disposals/(additions)	(284)	-
Net cash provided by/(used in) operating activities	<u>(207)</u>	<u>1,615</u>

21. Analysis of cash and cash equivalents

	Group 2025 £000	<i>Group 2024 £000</i>
Cash in hand	34	34
Notice deposits (less than 3 months)	3,996	4,421
Total cash and cash equivalents	<u>4,030</u>	<u>4,455</u>

CAREER CONNECT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

22. Analysis of changes in net debt

	At 1 April 2024	Cash flows £000	At 31 March 2025 £000
Cash at bank and in hand	£000 4,455	(425)	4,030
	<u>4,455</u>	<u>(425)</u>	<u>4,030</u>

23. Pension commitments

The Group operates a defined benefit pension scheme.

The Charity's employees belong to two Local Government Pension Schemes (LGPS) which are multi-employer defined benefit schemes. The LGPS schemes are managed by the Greater Manchester Pension Fund.

As noted in the accounting policies, FRS 102 requires that pension scheme surplus is recognised only to the extent that it is recoverable. The surplus position calculated by the scheme actuary in relation to both the Achieve Connect Limited and Career Connect Greater Manchester Pension Fund is not considered recoverable by the board of trustees.

Contributions amounting to £109k were payable to the schemes at 31 March 2025 (2024: £68k) and are included within creditors.

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution net of refunds made for the year ended 31 March 2025 was £100k (2024: £148k), of which employer's contributions totalled £74k (2024: £93k) and employees' contributions totalled £26k (2024: £55k).

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 March 2025 %	At 31 March 2024 %
Discount rate for scheme liabilities	5.85	4.85
Rate of increase in salaries	3.50	3.55
Inflation assumption (CPI)	2.70	2.75

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

CAREER CONNECT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

23. Pension commitments (continued)

	At 31 March 2025 Years	<i>At 31 March 2024 Years</i>
Mortality rates (in years)		
- for a male aged 65 now	20.0	20.6
- at 65 for a male aged 45 now	20.7	20.8
- for a female aged 65 now	21.7	24.3
- at 65 for a female aged 45 now	24.8	25.1

Sensitivity analysis

	At 31 March 2025 £000	<i>At 31 March 2024 £000</i>
Discount rate -0.1%	55	191
CPI rate +0.1%	53	181
Salary increase +0.1%	4	12

The Group's share of the assets in the scheme was:

	At 31 March 2025 £000	<i>At 31 March 2024 £000</i>
Equities	3,103	12,127
Bonds	887	2,637
Property	443	1,406
Cash and other liquid assets	493	1,406
Total market value of assets	4,926	17,576

The actual return on scheme assets was £224k (2024 - £1,146k).

The amounts recognised in the Group Statement of Financial Activities are as follows:

	2025 £000	<i>2024 £000</i>
Current service cost	(83)	(185)
Interest income	229	778
Interest cost	(141)	(391)
	5	202

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

23. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2025	<i>2024</i>
	£000	<i>£000</i>
Opening defined benefit obligation	8,194	<i>8,225</i>
Current services costs	83	<i>185</i>
Interest cost	141	<i>391</i>
Employee contributions	26	<i>55</i>
Benefit paid	(67)	<i>(225)</i>
Actuarial (gain)/loss	(655)	<i>(437)</i>
Closure of scheme	(5,304)	<i>-</i>
Closing defined benefit obligation	2,418	<i>8,194</i>

Movements in the fair value of the Group's share of scheme assets were as follows:

	2025	<i>2024</i>
	£000	<i>£000</i>
Opening fair value of scheme assets	17,576	<i>16,430</i>
Interest income	229	<i>778</i>
Employee contributions	26	<i>55</i>
Employer contributions	74	<i>93</i>
Benefits paid	(67)	<i>(225)</i>
Actuarial gain/(loss)	(38)	<i>445</i>
Closure of scheme	(12,875)	<i>-</i>
Closing fair value of scheme assets	4,925	<i>17,576</i>

At the year-end each scheme was in the following position:

	2025	<i>2024</i>
	£000	<i>£000</i>
Career Connect - Greater Manchester Pension Fund	2,507	<i>1,811</i>
Actuarial adjustment to derecognise surplus	<u>(2,507)</u>	<u>(1,811)</u>
	<u>-</u>	<u>-</u>
Achieve Connect - Greater Manchester Pension Fund	-	<i>7,571</i>
Actuarial adjustment to derecognise surplus	<u>-</u>	<u>(7,571)</u>
	<u>-</u>	<u>-</u>

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

24. Financial commitments

At 31 March 2025 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £000	<i>Group 2024 £000</i>	Charity 2025 £000	<i>Charity 2024 £000</i>
Not later than 1 year	75	75	75	75
Between one and five years	280	355	280	355
	355	430	355	430

25. Related party transactions

During the year the following transactions took place between the charity and its wholly owned subsidiaries:

- The recharge of cost to Career Connections Limited of £392k (2024: £335k)
- The recharge of cost to Achieve Connect of £256k (2024: £1,351k)
- The payment of profits under Gift Aid by Achieve Connect to Career Connect of £585k (2024: £258k)

There were no other related party transactions in the current or previous financial year.

CAREER CONNECT

England & Wales - Charity number 1141077

Accounts



Annual Report 2023/24

Company number: 4233289
Charity number: 1141077

careerconnect.org.uk

CAREER CONNECT
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CAREER CONNECT
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INTRODUCTION FROM THE CHAIR

Welcome to our annual report for 2023/24. The last year has been an important one for the Charity being ranked as no 10 in the top 100 Most Inclusive Employers by Investors in Diversity, rated as 'Very Good' by 'Best Companies' and winning awards for Social Value (Employment Related Services Association ERSA Awards) and our Early Intervention model (Children and Young People Now CYPN Awards). We have continued to grow and develop across the North West and beyond with our criminal justice Information Advice and Guidance services in prisons in the North Midlands and our delivery in schools, working with Multi Academy Trusts in Warwickshire and Oxfordshire.

We have continued to drive forward our vision and reach, supporting young people and adults to make progress in their lives, including 10,068 adults through our justice services contracts (in 2023/24 we worked across 14 prisons right across the UK), 45,795 young people across 214 schools, careers training and continuous professional development with 213 people from a diverse range of organisations and tracking and support services to a further 41,629 young people. **That means we have delivered our high-quality professional support services to 97,492 people, an increase of just under 20% year on year!**

We have achieved major success in delivering our ambitious growth strategy allowing us to extend our impact and support to more people than ever to realise their potential. We have continued our successful partnership with Macintyre Academies, delivering the Inspirational Futures programme. The programme is delivered in three specialist SEMH schools in Warwickshire, aiming to increase employer engagement and employability skills for the students across the academy trust. In 2023/24, Career Connect completed the ESF-funded Connect to Your Future (CTYF) programme, which supported 3,175 young people across Greater Manchester, exceeding targets in enrolments, completions, and positive outcomes. Building on this success, Career Connect was commissioned to deliver a continued support programme for at-risk NEET and NEET young people in Manchester and Salford, funded through the UK Shared Prosperity Fund (UKSPF) until March 2025.

We have commenced our innovative digital transformation programme, readying the Charity for the future, reviewing our data analysis and customer relationship management systems and beginning work on our new website. We continue to invest in research and evaluation to assess the effectiveness of our programs and initiatives. By understanding what works and what doesn't, we can improve our services and maximize their impact. Research and evaluation also generates valuable insights into emerging trends, needs, and challenges within our area of work. This helps us to adapt to changing circumstances and continue to meet the needs of those that we serve.

In 2023/24 we conducted research and analysis on:

- The impact of early interventions to reduce risk of NEET among young people in Sefton
- Effective employment support for people on probation in Greater Manchester
- What works in supporting adults who have been in prison into employment
- Place-based youth employment support
- Elective home education

We regularly contribute evidence to inquiries conducted by the All-Party Parliamentary Group (APPG) on Youth Employment, and Select Committees relating to employment support. In March, we ran our first consultation exercise to assess views the strength of evidence about the impact of independent careers support for young people, which enabled us to plan a roundtable event at the House of Lords to discuss key gaps and future priorities.

All these achievements have only been possible through the exceptional efforts of our expert teams. We have developed a key apprenticeship entry pathway alongside our existing Careers Adviser training academy creating a rich talent pipeline to support our growth plans.

In 2023/24, we further developed our Youth Voice strategy. We were joined by six new Youth Ambassadors. Our Youth Ambassadors do a fantastic job of keeping us focused on the issues and support which are important to young people and to helping us adjust our processes, programmes and campaigns to be more attuned to the young people that we serve.

CAREER CONNECT
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INTRODUCTION FROM THE CHAIR

In the last year, they helped us to:

- Create a fresh and engaging new youth brand.
- Were consultants for the initial development of our forthcoming website for the charity, ensuring that it is accessible and engaging for young people.
- Participated in discussions about the future of Career Connect and provided input into developing our next growth strategy.
- Recommended effective ways to communicate and engage with young people.

We are continuing to expand this from Youth to User Voice, ensuring participation across all of our adult programmes as well, bringing the voice, experience and perspectives of as many of our participants as possible into the heart of what we do.

I would like to take this opportunity to thank our teams and my fellow Trustees for their work and commitment to the Charity over the last year.

Lorraine Doda

Lorraine Dodd - Chair of Career Connect



Our Impact **2023/24 Key Statistics**

In 2023/24 we have:

- Worked with 97,492 people across the range of our services (2022/23 82,784).
- 10,068 adults across our justice services, supporting men and women to adapt to life and to gain employment after prison and community orders.
- Provided careers education, information, advice and guidance to 45,795 young people across 214 schools.
- Supported over 4,000 young people via employer events and careers fairs, and secured work experience placements for 855 young people.
- Provided careers training and CPD to 213 people across local authorities, schools and professional careers agencies.
- Been responsible for tracking and support services for 41,629 NEET and at risk of NEET young people across 8 local authority areas, including providing substantive support to 26,229 young people.
- Generated over £8 million in social value.

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TRUSTEES' REPORT
For the year ended 31 March 2024

Impactful Careers Education for School Aged Young People

Careers education, advice, and guidance play a pivotal role in the development and future prospects of school-aged children. First, by providing comprehensive and tailored careers education, students are exposed to a range of potential career paths, allowing them to make informed decisions about their future.

Tailored guidance supports students to explore potential career pathways, understand the qualifications and skills required, and make well-informed subject choices, leading to better academic outcomes and increased career prospects. Career Connect provides tailored Careers Education, Information, Advice and Guidance (CEIAG) services for schools and colleges, helping them to meet each of the eight Gatsby Benchmarks. These provide the framework for excellence in school-based Careers provision in England. We work with young people in mainstream schools, specialist schools, and alternative provision.

As one of the largest providers of Careers Guidance to Schools and Colleges across England we have supported over 45,795 young people across 214 schools this year in the North-West, Warwickshire, and Oxfordshire regions.

Work with employers

In 2023/24 we provided targeted employability sessions to 85 young people and created over 700 employer links to provide activities including work experience, employer sessions, work-related activities, and mock interviews. We arranged five careers and transition fairs and five events to share information with parents.

Raising Aspirations

We delivered our Aspirations programme in Knowsley, working with 9 secondary and 10 primary schools to provide an inspirational programme that supports young people from Knowsley to develop an understanding of university life and experience.

Our programme includes specialist careers development activities that support young people to consider university as a realistic and achievable pathway. It also involves campus site visits to three local university campuses. In 23/24, 740 young people took part in the programme, with over 80% of these reporting that participating had improved their knowledge of Higher Education.

Digital innovation

We continue to focus on innovation with a significant investment in our digital transformation programme readying the Charity for the future, reviewing our data analysis and customer relationship management systems and designing our new website. We are building on developing our digital applications in schools enabling us to extend our reach.

Our NEET Services

At age 16, effective careers support is crucial in preventing young people from becoming NEET (Not in Education, Employment, or Training). It serves as a bridge between education and the workforce, helping them navigate the critical transition from school to future careers. By providing guidance and resources, careers support empowers young people to explore options, understand industry requirements, and make informed decisions aligned with their interests and skills. This reduces the risk of disengagement and keeps them on track.

In 2023/24, our teams worked in partnership with eight local authorities in Liverpool, Manchester, Salford, Sefton, St. Helens, Wirral, Halton, and Knowsley.

In the last year, we worked with 41,629 young people who are either NEET or at risk of NEET, providing those in need with tailored support into education, employment, and training. This work was delivered in partnership with our eight local authorities.

- **Wirral: ADHD Pilot Project**

The Wirral team initiated a groundbreaking practitioner-led research pilot in January 2024 to explore the prevalence of ADHD within the NEET cohort. The pilot is screening NEET young people to gain deeper insights into their needs and the challenges hindering their progress.

CAREER CONNECT
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TRUSTEES' REPORT
For the year ended 31 March 2024

The project increased staff knowledge regarding ADHD and related conditions. We will be using the research to enhance the skills required across the charity to provide effective support to young people with barriers to employment.

- **Halton: Tiling Training Initiative**

The Halton team, in collaboration with Halton LA, implemented a tiling training program for identified NEET young people, aimed at equipping them with the skills needed to become self-employed tilers. The "Be the Change" initiative provided each participant with a £500 starter kit, enabling them to continue working independently. The outcomes were highly successful with all participants progressing.

- **Knowsley: Intervention Project (KIP)**

The Knowsley Intervention Project (KIP) is an employability initiative funded by the Local Authority, designed to support NEET young people by addressing the barriers preventing them from accessing education, employment, or training (EET). The project includes a beneficiary fund that enables Career Connect to create bespoke support packages for participants, including financial support for travel, lunch, short courses, work experience, and other vocational training. Additionally, financial assistance was provided for starting EET, such as covering travel costs, work clothing, and purchasing Chromebooks to enhance digital skills.

The program targeted young people aged 16 to 18 facing barriers to EET. Between April 2023 and March 2024, the program received 90 referrals. Among the participants, over one-third were enrolled in a course or had secured employment. This was a significant achievement given the cohort's complex vulnerabilities and the disruption to their education during the COVID-19 pandemic.

- **Liverpool: Career Fest**

On July 20, 2023, Career Connect, in collaboration with Liverpool City Council and The Learning Foundry, organized a city-wide job, training, and apprenticeship fair called 'Career Fest.' The event targeted a diverse group of young people from Liverpool, including some of the most vulnerable. Over 30 exhibitors participated, providing young people with various opportunities and resources. The event saw over 100 young attendees from Liverpool and surrounding areas and key local figures, including the Cabinet Member for Employment and Skills and Toxteth Ward Councillor, who both praised the event's positive impact on Liverpool's youth. Several young people secured placements or took steps toward further education and employment.

- **Manchester: NEET Prevention Panels**

In partnership with the local authority, we successfully triaged over 200 Year 11 students at risk of becoming NEET, providing advice to schools and facilitating referrals to Career Connect for more intensive support. The VEETO (Virtual Education, Employment, and Training Opportunities) Network was also re-established and expanded, engaging over 80 professionals in monthly meetings and distributing opportunities to a network of more than 400. In delivering an innovative programme in Wythenshawe, a number of young people were supported through an induction and employability skills programme and some are now employed on a six-month contract with Manchester City Council's Neighbourhoods team.

- **Salford Contract**

Career Connect were commissioned under a new contract in Salford in January 2024, becoming part of the Salford Employment Hub, an all-age service. In February 2024, Career Connect partnered with the Lowry Theatre and the Big Life Group to deliver the "Discover Your Future" program for 16-18-year-olds not in education, employment, or training. The program provided career-related skills, exposure to different career paths, and engagement activities. Outcomes included participants moving on to re-engagement activities, employment, college placements, and mentorships.

Our Work with Offenders

Being in employment soon after release from prison or completing community orders, is a critical factor in ensuring that people do not reoffend and that they make a successful reintegration back into communities. In 2023/24 we worked across fourteen prisons in the Northwest, through six national, regional, and institutional

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contracts. We have enjoyed considerable success and have brought impactful innovation to new and existing programme, delivering services to 10,068 adults.

Our key achievements:

- **The Achieve CFO3 (Co Financing Organisation) programme**, part-funded by the European Social Fund (ESF), is designed to assist offenders considered hard-to-reach and those experiencing multiple barriers that increase their likelihood of reoffending. Running since 2015 and concluding in July 2024, the program supported participants, referred by HMPPS staff or self-referred, to identify life goals, overcome barriers, and make positive choices leading to sustainable employment. Over 19,000 individuals enrolled onto the CFO3 project, providing interventions to address barriers such as debt, substance misuse, and family relationships. The program's success is also reflected in its ability to innovate, supported by stable funding from ESF and HMPPS CFO, allowing for a range of supportive measures, including mentoring, specialized referrals, and accredited courses, all aimed at reducing reoffending and promoting social inclusion. Our HMPPS CFO Discovery Wing project has been recognised with two accolades. The team won a Special Recognition Award at the CFO Veterans in Custody Support Officer (ViCSO) Awards and has been shortlisted for an Employment Related Services Association (ERSA) award for Partnership of the Year.
- **The evaluation of our Greater Manchester Integrated Rehabilitative Services – Employment, Training, and Education (GM IRS-ETE) programme**, highlights the high demand for specialised ETE services for people on probation. The service consistently exceeded its monthly referral targets, with over 7,200 referrals against a target of 6,188 by February 2024. Despite the complex barriers faced by participants, 97% of referrals had an initial assessment within the targeted 10 days. The program is valued by both probation professionals and participants for its tailored support, which is more effective than mainstream employment services in addressing the unique challenges faced by those on probation.
- **The Careers Information Advice and Guidance (CIAG) program**, in five male prisons across Lancashire and Cumbria, significantly outperformed national averages in securing post-release employment. The program, which focuses on preparing prisoners for work within 12 weeks of their release, has achieved employment rates almost 1.7 times higher than the national average within six weeks post-release, and throughout the year, consistently achieved the highest monthly employment on release percentage, both regionally and nationally.

Training Services

We have continued to deliver high quality, nationally accredited qualifications to improve skills in Careers, Advice & Guidance, Coaching and other professional development programmes. We are an assessment centre accredited to deliver courses through four awarding bodies: OCR, City & Guilds, ILM and Open Awards.

We are an assessment centre accredited to deliver courses through four awarding bodies: OCR, City & Guilds, ILM and Open Awards. Our qualifications include Advice and Guidance from level 2 to level 4; Coaching at level 3 and careers related qualifications at level 4 and 6.

For the fifth year we are also pleased to deliver the level 6 Career Leaders programme for those leading Careers programmes in schools, funded by the Careers and Enterprise Company. About 10% of Career Leaders return to complete the full level 6 careers qualification. We also offer entry level to level 2 vocational qualifications focussing on the Preparation for Life and Work sector, accredited through Open Awards. These are aimed at supporting individuals with personal development and employability through a range of short courses including Coping With Change, Managing Anger and Preparation for Work.

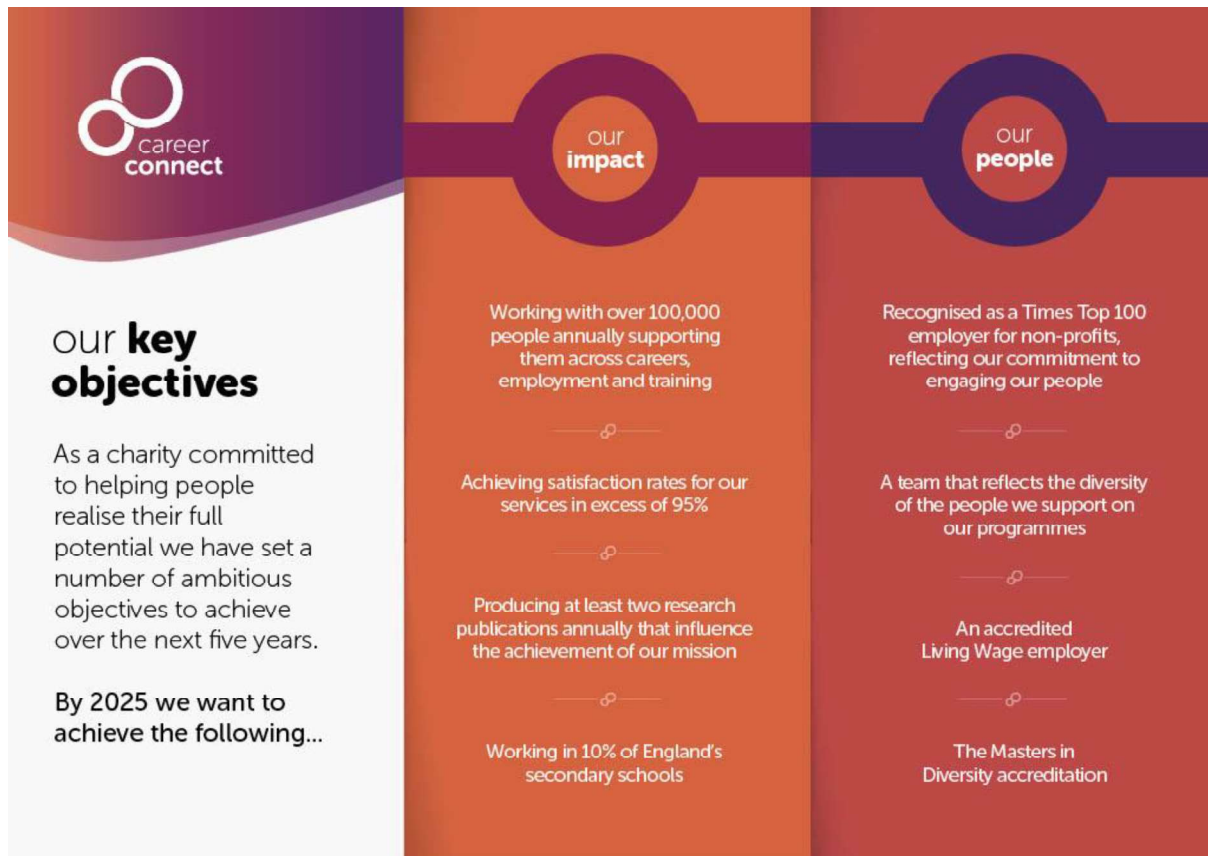
In 2023/24 we delivered:

- Open Awards Level 1 & 2 Employability qualifications to 486 people;
- City & Guilds Level 3 Certificate in Advice and Guidance, and Level 4 Diploma in Advice and Guidance to 11 people;
- Level 6 Diploma in Careers Guidance and Development to 44 people;

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- Careers Leaders training to 64 people; and
- Conducted CPD with 33 local authorities around careers guidance and practice and further sessions around safeguarding.



Future Plans

2023/24 was the fourth year of our Five Year Strategy which is designed to increase our impact, ensure our sustainability and broaden our reach.

Over the next year we plan to:

- Further expand our work with schools building on the growth already achieved in 2023/24.
- Build on the excellence of our Accredited Training Centre and expand our offer.
- Continue to grow our commercial service offer enabling further diversification as part of our sustainability strategy.
- Increase our income through Trusts and Foundations, supporting the piloting of innovative delivery models.
- Develop our research and impact capability and our voice within the sector.
- Implement an ambitious digital transformation programme.

Public Benefit

The Board confirms that it has complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit.

The charitable purpose for the Charity within the meaning of the Act is enshrined within its objects, as given in the memorandum and articles of association, and as described in this report.

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Activities undertaken for the public benefit include:

- The delivery of relevant up to date careers information, advice and guidance to adults and young people according to individual need.
- The support of vulnerable and disadvantaged young people and adults to achieve their potential.
- The support of adults and young people from a wide range of backgrounds and circumstances through their transition into further learning and work.

Diversity and Inclusion

We were delighted to be recognised by the National Centre for Diversity, in the Top 10 Most Inclusive Employers 2023. We continue to focus on equality, diversity and inclusion (EDI), maintaining our accreditation as an Investor in Diversity. Career Connect recognises the value of this key strategic priority, underpinning all that we do as an employer and service provider.

We are proud to be validated as a Disability Confident Leader, the highest level awarded by DWP which reflects an organisations approach to employing disabled people. We embrace the job interview guarantee for people with disabilities. Candidates are encouraged to highlight any reasonable adjustments needed in the recruitment process. This has enabled the Charity to provide materials in other formats such as large print and British Sign Language (BSL) Signers for those who require support to participate fully in the recruitment process.

Staff complete a health questionnaire once they commence employment, to identify any reasonable adjustments needed to succeed in the role: 30% of the workforce have a disability or long-term health condition. Occupational Health and Access to Work undertake workplace assessments to agree appropriate adjustments or support, e.g. assistive technologies for an employee with a visual impairment. Full training is provided to ensure people are able to make use of the software or equipment provided. This is regularly reviewed with the manager to ensure it remains supportive.

The Charity provides training and development to all staff and reasonable adjustments are in place for those with disabilities. This includes accessible training venues and information in other formats. In addition, specific disability awareness training is provided to staff, which improves delivery of services to disabled people but also helps promote good working relations between people in teams.

We continue to facilitate staff support groups which are well attended and very much valued, including a peer support group focussing on Neurodiversity and a staff group focusing on Menopause. Guest speakers are invited to come and meet with staff, providing expert input and training, supporting staff to share strategies that work for them.

Following consultation with our staff, we have introduced monitoring of our workforce sexual orientation. LGBTQ+ data will inform Career Connect about the number of LGBTQ+ employees employed by the Charity. As with other EDI data we collect, we will also be able to monitor job applications, career development, access to training, people who take up progression opportunities. Declaration of data on ethnicity and religion is voluntary, but we see increasing numbers of staff willing to share this information on their HR file. We strive to understand any specific barriers or challenges that our staff face so that we can ensure we are maximising the potential of all Career Connect staff and improving experiences at work for everyone.

An area for ongoing improvement is increasing the ethnic diversity of our teams, including in senior positions. We have seen a further increase over the last year with the proportion of staff with an ethnic minority background increasing from 12% to 16%, with a goal with a goal to increase this to 18% by the end of 2025.

We are taking a positive action approach to increasing the diversity of our workforce, including directly emailing partner agencies who work with minority groups with details of our vacancies and mandatory training for hiring managers to ensure unconscious bias does not influence decision making. We also analysed our ethnicity pay gap data for the third year, alongside our statutory gender pay gap reporting. Our Trainee Careers Adviser recruitment is having a positive impact on our workforce profile, and we recognise we need to encourage more individuals from ethnic minority backgrounds into more senior positions and have consulted staff from minority groups on how we can support their progression in the organisation.

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The gender imbalance in the Charity has increased marginally to 75% female, which is similar to other organisations in the sector. Our median gender pay gap reduced to 3% this year, down from 8% when monitoring commenced in 2017.

Environmental Impact

Career Connect has always been committed to playing its part in addressing the climate emergency and in the past few years we have made huge strides in reducing our own footprint:

- 2020/21 The pandemic had a massive effect: the Charity moved to hybrid working and started to deliver more virtual services - as a result, we saw a major reduction in our carbon emissions from business travel, commuting to and from work and a reduction of our Head Office site by 50%. We also took action to remove all fossil fuel companies from our investment portfolio.
- 2021/22 we undertook a major transformation of our IT infrastructure which has led to a decrease in energy usage of our IT systems of over 30% through a re-location of our data centre and consolidation of servers.
- 2022/23 we took our commitment further by working with Positive Planet to calculate our carbon footprint measurement and develop a Net Zero Carbon Reduction Plan which can be accessed on our website, under the Sustainability page. We also expanded our small 'Green Team' to a full representation covering all areas of the Charity. Each representative act as Environmental Champions in their teams as we believe communication is key in delivering the sustainability message.
- 2023/24 our Senior Team and the Green Team undertook Carbon Literacy Training and are looking to achieve Bronze Accreditation in 2024/25.
- 2024/25 We intend to continue working with Positive Planet for continuous improvement and focus on decreasing our environmental impact to achieve Net Zero emissions by 2040.

Social Value

In 2023/24, we used the created over £8million of Social Value through:

- Promoting local skills and employment through the creation of apprenticeships, training opportunities and providing a Real Living Wage to our staff.
- Supporting responsible regional business growth through our support for mental health and wellbeing initiatives, equality and diversity, both for Career Connect and our local supply chains.
- Cultivating healthier, safer, and more resilient communities; and through our Beneficiary Fund.
- Decarbonising and safeguarding our environment through a range of initiatives to reduce our environmental impact.

We use the Social Value TOMS (Themes, Outcomes, and Measures) tool framework designed to help organisations measure and maximize their social value—the positive impact they have on society beyond financial profits – to estimate our impact across the charity.

Financial Review 2023/24

In 2023/24 the Charity saw a decrease in income to £14,711k (£17,063k in 2022/23). We continued to invest in increasing our impact, in terms of digital transformation and research and evaluation.

We saw a positive increase in our income from our Criminal Justice work from £5,602k in 2022/23 to £6,256k in 2023/24.

Overall, the Charity achieved a surplus of £368k (2022/23: £2,116k) once movement on investments are taken into account.

The cash position of the Charity remains strong at £4,455k. The strength of our cash position helps to ensure the Charity is able to manage any short-term fluctuations in income while investing in growth.

The Charity saw a positive movement on our investments of £418k (£197k loss in 2022/23) as a result of the economic climate.

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Group Income for the year ended 31 March 2024 was £14,711k (£17,063k in 2021/22) of which £14,227k (2022/23 £13,959k) was on charitable activities and £370k (2022/23 £372k) from non-charitable activities via Career Connections our trading subsidiary.

The Group spent £14,761k (2022/23 £14,750k) before adjusting for the actuarial gains and losses of the Defined Pension costs under FRS 102.

Reserves

The Charity holds reserves to ensure its continued sustainability and allow investment in delivering the Mission of the Charity.

Free reserves are defined by the Charity Commission as unrestricted funds available to spend on the general purposes of the Charity and therefore excluding those designated for particular purposes and those already utilised in purchasing tangible fixed assets.

Free reserves may be utilised for the following purposes:

- To protect the Charity against a fall in income levels.
- To ensure that all liabilities can be discharged in the event of the closure of the Charity.
- To provide working capital in the event that expenditure is needed ahead of income being received, which is often the case in commissioned services.
- To provide funding for new initiatives or opportunities.
- To protect the Charity against unplanned adverse events such as losing key staff, theft, fire or adverse publicity.

Career Connect's reserves policy states that the Charity should hold a minimum of three months and a maximum of six months of operating expenditure. At the end of 2023/24 this was calculated as between £3.8m and £7.4m. Our current free reserves excluding the defined benefit pension scheme stand at £7.3m (2022/23: £6.9m) which is above the minimum and within the range agreed in our policy. On the basis of current investment plans and cashflow planning we expect our reserves to reduce over the next year, however, remaining above the minimum threshold.

Pensions

The group operates two funded defined-benefit pension schemes and a money purchase scheme as the auto-enrolment alternative. The effect of compliance with FRS102 is disclosed in Note 17 to the financial statements. A valuation carried out at 31 March 2024 shows the market value of the assets of the schemes to be £17,576k (2023: £16,430k) and the present value of the liabilities £8,194k (2023: £8,225k). The net asset on the Schemes of £Nil is a statement of the transient situation at 31 March 2024, and the Trustees recognise that this can fluctuate year on year notably in response to market factors and the actuarial assumptions made.

Reference and Administrative Details

Registered Charity Name	Career Connect
Charity Registration Number	1141077
Company Registration Number	4233289
Registered Office	Walker House Exchange Flags Liverpool Merseyside L2 3YL

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Structure, Governance and Management

Career Connect is a registered Charity (number 1141077) and a company limited by guarantee (number 4233289) and is governed by its Articles of Association dated 13 June 2001 and amended by Special Resolutions dated 22 September 2010, 11 March 2011, 24 April 2014, 9 June 2017 and 26 October 2020 Career Connect has two wholly owned subsidiary companies, Achieve Connect and Career Connections Limited.

The Trustees

The trustees, who are also directors for the purposes of company law, who served the company during the period were as follows:

Mrs Lorraine Dodd	Chair
Dr Lauren Bellaera	
Ms Eloise Boye	
Mrs Sheila Clark	Chief Executive
Mr Steven Leach	Staff Trustee
Ms Nina Ma	
Mr Tom McBride	
Ms Moriah Nell	
Ms Lennina Ofori	
Ms Katie Pettifer	
Mr Andrew Rannard	
Ms Susan Smith	
Ms Elaine Sweeney	

Co-opted and Independent Members

Mr Alexander Mansfield	Independent Chair Audit and Risk Committee
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Secretary

Ms Gillian Holywell

Auditor

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

There are currently a total of 12 Trustees and 1 Co-opted/Independent members who represent a spread of experience and interests in the field we operate.

The majority of Trustees are appointed through open recruitment in addition to potential Trustees being identified by partner organisations or serving Trustees who have the necessary skills, experience and enthusiasm to complement the current Board.

In 2021/22 our external Board effectiveness review undertaken by NCVO was completed. In line with best practice a review will be undertaken every 3 years. The review highlighted a number of areas of best practice and was very positive regarding the effectiveness of the Board and our governance structures. A small number of recommendations were made and will be implemented in full.

Each Trustee receives the Charity Commission Trustee guide which covers internal and external requirements; the Board also reviews its own training needs and performance annually.

The Board has agreed the terms of reference for each committee and has also agreed a policy of Delegated Authority to the Executive, retaining responsibility for key strategic decisions. Throughout the year the Board has scrutinised the operations of the Executive, within this authority.

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Executive Management

Responsibility for the planning, co-ordination and day-to-day management of staff and operations is delegated to an Executive Team led by the Chief Executive and supported by a Senior Leadership Team. Formal reporting by the Chief Executive to the Board takes place at regular Board meetings and informally as appropriate throughout the year. The systems of control that are designed to provide reasonable assurance regarding risk management and against material misstatement or loss include:

- An annual budget approved by the Board.
- A Five-Year strategic plan.
- Financial reports to every Board meeting including forecasts against budget.
- Regular review of financial results, variance from budget and non-financial performance indicators and reports.
- A clear delegation of authority and segregation of duties.
- Identification and management of risks, reported regularly to Board and Audit and Risk Committee.
- Regular meetings of the Audit and Risk and the Investment and Remuneration Committees.
- A comprehensive three-year Internal Audit plan agreed by the Board and delivered by Mazars.
- We are registered with the Fundraising Regulator, providing evidence of our commitment to high fundraising standards and building public trust in the Charity and wider sector.

Senior Leadership Team Remuneration

The remuneration of the Executive and Senior Leadership Team (SLT) is reviewed by the Investment and Remuneration Committee at least on an annual basis. Salaries and benefits for this group have been set taking into account appropriate benchmarks and balance the need to retain and attract talented individuals while ensuring the appropriate use of Charitable funds. Salaries are compared to pay rates in similar organisations in the Careers/Employment sector including both Charitable and private sector organisations. In order to ensure transparency, the salary of the CEO is set out below. The Executive team and SLT are offered the same benefits package as all staff. In addition, when all staff pay rises are undertaken a flat rate is utilised to ensure that lower paid staff receive a higher percentage uplift.

Role	Annual Gross Salary 2022/23	Annual Gross Salary 2023/24
CEO	£96,000	£97,200

The pay ratio of our CEO's pay in 2022/23 to our employees is as follows:

- Upper quartile (£31,452): 3.5.1
- Median pay (£26,980): 3.6.1

In 2023/24 the pay ratio was as follows:

- Upper quartile (£38,626): 2.5.1
- Median pay (£28,417): 3.4.1

Audit and Risk Committee

The committee comprises up to 10 members, of whom the majority are Trustees. The Chair and Chief Executive are attendees but not members of the Committee. The Charity's Internal Auditor (Forvis Mazars LLP) are in attendance at each meeting, while the External Auditor attends as appropriate throughout the year. Open dialogue is encouraged between non-executive members and both Internal and External Auditors.

The committee meets at least three times a year and provides a forum for reporting by the Charity's external and internal auditors, who have full independent access to members. The committee also receives reports from other independent bodies as appropriate.

The Internal Auditor monitors the systems of internal control, risk management and governance procedures in accordance with an Annual Audit Plan, reporting their findings to the committee and to management. The Audit Plan is drawn up in consultation with management using a risk based approach.

The committee regularly reviews the Risk register, in particular the potential for new risks and the effectiveness of monitoring and control actions agreed.

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Statement of Internal Control

The Board has responsibility for maintaining a good, sound system of internal control that supports the achievement of Charity policies, aims and objectives, whilst safeguarding the funds and assets of the Charity.

The system of internal control is designed to assess and manage rather than eliminate risk. It can therefore only provide reasonable and not absolute assurance of effectiveness.

Our system of control is based on an on-going process designed to identify the principal risks to the achievement of Charity aims and objectives to evaluate the nature and extent of those risks and to manage them effectively, efficiently and economically. Risk Management Policy and Strategy continues to reflect the changes and challenges facing the organisation.

The Board through the Audit and Risk Committee review the Risk Register during the year and monitor progress on the risks identified and the procedures in place for identification and management of risk.

The Agenda for the Board and its Audit and Risk Committee includes, as a standing item, the area of risk management which is considered on a regular basis throughout the year.

The Charity reviews its Risk Management Procedures and processes on an ongoing basis to ensure that it is fit for purpose in the changing operational environment and is fully embedded within the organisation.

Any review of the effectiveness of internal control is informed by regular reports from Charity's Internal Auditor and by the Chief Executive who is responsible for the integration and implementation of Risk Management.

The Board received an annual review from the Company's Internal Auditors, Forvis Mazars LLP, which gave an overview on all the Internal Audits completed during the year to March 2024. Mazars annual opinion on the framework of governance, risk management and control are reported under the following categories:

- Substantial
- Moderate
- Limited
- Unsatisfactory

The Internal Auditors overall opinion of the review was "On the basis of our audit work, our opinion on the framework of governance, risk management and control is **Moderate** in its overall adequacy and effectiveness."

In addition, the External Auditor again found no material weaknesses in the Charity's systems.

As an important part of the Risk management process the Charity regularly reviews its Safeguarding and Whistleblowing Policy and Procedures and continues to review its practice to ensure that staff are fully conversant with the changing requirements and challenges of the job.

Risk Management

Risk is an uncertain event, which may have a positive or negative effect on an organisation meeting its strategic objectives. Risk arises as much from the non-realisation of potential opportunities as from the occurrence of potential threats. It is not possible to entirely eliminate risk.

The Charity has adopted a common approach to the management of risk throughout the organisation. This will be achieved via adherence to the risk management procedures.

The Charity will identify and agree the level of risk exposure that it will tolerate. This is required to:

- make clear what activities the Charity (where it has a choice) will and will not engage in.
- help inform decision making.
- shape corporate and other individual strategies.
- help inform business and strategic planning.
- help prioritise the management and reporting of risks.

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- proactively review opportunity risk.
- assess the risk arising from the new activities and opportunities.

The above will be considered in the context of overall the Charity objectives.

The Charity seeks to be risk aware rather than risk averse. Every member of staff, from the directors through line managers to the individual employee must be aware of the nature of risk, and the agreed system of control.

The Charity will adopt a pro-active approach to risk management which:

- anticipates the possibility that unforeseen events may adversely affect the achievement of key objectives; and
- maximises the possibility that opportunities are taken to progress all objectives.

The risk management process is designed to ensure that potential opportunities and threats are proactively and systematically identified, assessed and addressed. It also provides for the monitoring and reporting of risk on an ongoing basis and is capable of independent verification.

The table below sets out a number of key risks for the Charity:

Key Risk	Mitigation
Securing funding following end of ESF funding	• Diversification of income streams • Engagement with Northern Powerhouse authorities, Combined Authorities and Government via Careers England/IEP about UK Shared Prosperity Fund as ESF replacement funding • Invest in research and analytical capacity to influence commissioning plans
Significant loss of beneficiary data	• Robust security plans to ensure retention of data • Cyber Essentials + accreditation • Regular patching and updates on all critical software and hardware • All staff undertake mandatory training on Information Security • IASME Gold accreditation re-awarded in 2023/24
Increased staff turnover and difficulty in recruiting new talent at all levels of the organisation	• Staff recruitment and retention strategy refresh • Increased pay and benefits • Investment in internal accredited training for staff targeting areas of growth • Further development of Glassdoor profile • Developing new models of recruitment through Trainee roles and Careers Academy

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Provision of Information to Auditors

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

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

Responsibilities of the Trustees

The Trustees (who are also Directors of Career Connect for the purposes of Company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- make 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 group will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Haysmacintyre LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

The Trustees' Annual Report, including the Strategic Report, has been signed by order of the Trustees on 22 October 2024.

GS Holywell

Ms Gillian Holywell
Company Secretary

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAREER CONNECT

Opinion

We have audited the financial statements of Career Connect for the year ended 31 March 2024 which comprise the Group Statement of Financial Activities, the Group and Charity Balance sheets, the Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2024 and of the group's and parent charitable company's net movement in funds, including the 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 group 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 ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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 Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAREER CONNECT

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, in particular in relation to recording income and charitable activities in the correct accounting period and management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity relevant to the preparation of the financial statements to ensure these were in place throughout the year;
- Reviewing debtor recoverability post year end;
- Reviewing management's decisions on bad debt;
- Reviewing post balance sheet events;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, and

CAREER CONNECT
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAREER CONNECT

- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)

for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place

London

EC4R 1AG

13 November 2024

Date:

CAREER CONNECT
(A company limited by guarantee)

GROUP STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Group Income and Expenditure Account)
for the year ended 31 March 2024

	Notes	Total unrestricted funds 2024 £ '000	Total unrestricted funds 2023 £ '000
Income from:			
Donations, grants and legacies	3	4	5
Charitable activities	4	14,227	13,959
Pension exit credit		-	2,691
Investments	5	110	36
Trading income		370	372
Total income		14,711	17,063
Expenditure on:			
Raising funds			
- Fundraising		210	218
- Trading		469	460
Charitable activities	6		
- Criminal Justice		6,256	5,549
- Local Authority		6,017	6,854
- Schools		1,809	1,636
- Kickstart		-	33
Total expenditure		14,761	14,750
Net (expenditure)/income before net gains/(losses) on investments		(50)	2,313
Net gains/(losses) on investments	11	418	(197)
Net income for the year		368	2,116
Actuarial gains/(losses) on pension scheme	17	-	(1,933)
Net movement in funds		368	183
TOTAL FUNDS AT 1 APRIL 2023	16	6,995	6,812
TOTAL FUNDS AT 31 MARCH 2024	16	7,363	6,995

The group statement of financial activities has been prepared on the basis that all operations are continuing operations.

Income, expenditure and funds in both the current and previous financial year relate entirely to unrestricted funds.

The notes on pages 24 to 38 form part of these financial statements.

CAREER CONNECT
(A company limited by guarantee)

Company Registered Number 4233289
Charity Registered Number 1141077

GROUP BALANCE SHEET
at 31 March 2024

	Note	2024 £ '000	2023 £ '000
FIXED ASSETS			
Tangible assets	10	218	416
Investments	11	4,284	3,872
		<u>4,502</u>	<u>4,288</u>
CURRENT ASSETS			
Debtors	13	1,114	5,095
Cash at bank and in hand		4,455	3,596
		<u>5,569</u>	<u>8,691</u>
CREDITORS: Amounts falling due within one year	14	(2,708)	(5,984)
		<u>2,861</u>	<u>2,707</u>
NET CURRENT ASSETS		<u>2,861</u>	<u>2,707</u>
NET ASSETS EXCLUDING PENSION SCHEME		7,363	6,995
Defined benefit pension scheme	17	-	-
		<u>7,363</u>	<u>6,995</u>
NET ASSETS		<u><u>7,363</u></u>	<u><u>6,995</u></u>
ACCUMULATED FUNDS			
Unrestricted income funds			
General reserve	16	7,363	6,995
TOTAL FUNDS	16	<u><u>7,363</u></u>	<u><u>6,995</u></u>

The surplus of the parent Company before consolidation was £182k (2023: £3,121k).

The financial statements were approved and authorised for issue by the board of Trustees on 22 October 2024 and signed on its behalf by:

Lorraine Dodd

Lorraine Dodd
Trustee

The notes on pages 24 to 38 form part of these financial statements.

CAREER CONNECT
(A company limited by guarantee)
Company Registered Number 4233289
Charity Registered Number 1141077

CHARITY BALANCE SHEET
at 31 March 2024

	Note	2024 £ '000	2023 £ '000
FIXED ASSETS			
Tangible assets	10	218	396
Investments	11	4,284	3,872
		<u>4,502</u>	<u>4,268</u>
CURRENT ASSETS			
Debtors	13	924	4,661
Cash at bank and in hand		4,435	3,575
		<u>5,359</u>	<u>8,236</u>
CREDITORS: Amounts falling due within one year	14	(2,706)	(5,531)
NET CURRENT ASSETS		2,653	2,705
Defined benefit pension scheme	17	-	-
NET ASSETS		<u>7,155</u>	<u>6,973</u>
ACCUMULATED FUNDS			
Unrestricted income funds			
General reserve	16	7,155	6,973
TOTAL FUNDS	16	<u>7,155</u>	<u>6,973</u>

The financial statements were approved and authorised for issue by the board of Trustees on 22 October 2024 and signed on its behalf by:

Lorraine Dodd

Lorraine Dodd
Trustee

The notes on pages 24 to 38 form part of these financial statements.

CAREER CONNECT
(A company limited by guarantee)

GROUP STATEMENT OF CASH FLOWS
for the year ended 31 March 2024

	Note	2024 £ '000	2023 £ '000
Net cash (used in) / provided by operating activities	A	785	(1,003)
Cash flows from investing activities:			
Interest from investments		110	36
Purchase of tangible fixed assets		(36)	(195)
Net cash used in investing activities		74	(159)
Change in cash and cash equivalents in the reporting period		859	(1,162)
Cash and cash equivalents at the beginning of the year		3,596	4,758
Cash and cash equivalents	B	4,455	3,596

A: Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £ '000	2023 £ '000
Net income	368	183
Depreciation charges	234	206
Net investment disposals	6	8
(Gains)/losses on investments	(418)	197
Pension movements	-	1,933
Interest from investments	(110)	(36)
Decrease/(increase) in debtors	3,981	(3,149)
Decrease in creditors	(3,276)	(345)
Net cash used in operating activities	785	(1,003)

B. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April 2023 £ '000	Cash flows £ '000	At 31 March 2024 £ '000
Cash and cash equivalents	3,596	859	4,455

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

1. General information

Career Connect is a charitable company limited by guarantee registered in England and Wales. The registered office is Walker House, Exchange Flags, Liverpool, Merseyside, L2 3YL.

2. Accounting policies

Basis of preparation of financial statements

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

Career Connect meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are prepared in sterling, which is the functional currency of the Charity.

Monetary amounts in these financial statements are stated in Pounds Sterling, rounded to the nearest £'000.

Basis of consolidation

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings, Career Connections Limited and Achieve Connect. The results are consolidated on a line-by-line basis. The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

Company status

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

Preparation of accounts on a going concern basis

The financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. There are no material uncertainties about the group's ability to continue as a going concern and we consider it appropriate to continue to prepare the financial statements on a going concern basis.

Income

Income comprises mainly grant and contract funding for projects from government and other bodies. Additional income arises from trading income of subsidiaries, premises income and interest received.

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

Income from government and other grants is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for provision of specified services is deferred until the criteria for income recognition are met.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

2. ACCOUNTING POLICIES (continued)

Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures & Fittings	-	5 years straight line
Computer equipment	-	3 years straight line

Debtors

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

Cash at bank and in hand

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

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

2. ACCOUNTING POLICIES (continued)

Financial instruments

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

Pensions

The Charity operates two defined benefit pension schemes for employees. The assets of the scheme are held separately from those of the Charity.

In relation to the Career Connect Manchester Pension Fund, the latest valuation provided for FRS 102 purposes indicates a surplus position of £1,811k (2023: £1,469k). At the date of approving these financial statements, it is not possible to determine with reasonable accuracy the final amounts which will be due to or from the scheme on exit of the scheme. On this basis, the trustees do not consider that the surplus is recoverable and therefore the pension scheme asset has been derecognised in line with accounting standards.

In relation to the Achieve Connect Greater Manchester Pension Fund, the latest valuation provided for FRS 102 purposes indicates an surplus position of £7,571k (2023: £6,736k). FRS 102 requires that a pension scheme asset is reflected only to the extent that it is recoverable by way of future contributions or refunds from the scheme. On this basis, the trustees do not consider that the surplus is recoverable and therefore the pension scheme asset has been derecognised in line with accounting standards.

Current service costs, past service costs and gains and losses on settlements and curtailments are charged to appropriate resources expended categories in the statement of financial activities. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of financial activities during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount as other finance costs or income. Net pension finance costs are allocated to appropriate resources expended categories in the statement of financial activities. Net pension finance income is recognised as an incoming resource in the statement of financial activities. Actuarial gains and losses are recognised immediately as other recognised gains and losses in the statement of financial activities.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme surplus (to the extent that it can be recovered) is recognised in full on the balance sheet, net of related deferred tax.

The Charity also participates in a defined contribution pension scheme, in respect of which the charge to the Statement of Comprehensive Income represents the total employer liability for service received from the relevant employees in the year.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

2. ACCOUNTING POLICIES (continued)

Fund accounting

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

Critical accounting judgements and estimation uncertainty

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

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

The trustees recognise that there exists a significant estimate in relation to the recognition of pension scheme assets.

In the view of the Trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

3. Income from donations, grants and legacies

	Unrestricted 2024 £ '000	Restricted 2024 £ '000	Total 2024 £ '000	Unrestricted 2023 £ '000	Restricted 2023 £ '000	Total 2023 £ '000
Donations	4	-	4	5	-	5
	<u>4</u>	<u>-</u>	<u>4</u>	<u>5</u>	<u>-</u>	<u>5</u>
	<u>4</u>	<u>-</u>	<u>4</u>	<u>5</u>	<u>-</u>	<u>5</u>

4. Income from charitable activities

	2024 £ '000	2023 £ '000
Criminal Justice	6,436	5,602
Local Authority	6,339	7,060
Schools	1,381	1,281
Kickstart	-	14
Other	71	2
	<u>14,227</u>	<u>13,959</u>

All income from charitable activities in 2024 and 2023 was unrestricted.

5. Investment income

	2024 £ '000	2023 £ '000
Interest receivable	110	36
	<u>110</u>	<u>36</u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

6. Analysis of expenditure on charitable activities

	Direct costs £ '000	Support costs £ '000	2024 £ '000
Criminal Justice	5,286	970	6,256
Local Authority	5,111	906	6,017
Schools	1,529	280	1,809
Kickstart	-	-	-
	<u>11,926</u>	<u>2,156</u>	<u>14,082</u>
	<u><u>11,926</u></u>	<u><u>2,156</u></u>	<u><u>14,082</u></u>
	Direct costs £ '000	Support costs £ '000	2023 £ '000
Criminal Justice	4,858	691	5,549
Local Authority	6,001	853	6,854
Schools	1,432	204	1,636
Kickstart	29	4	33
	<u>12,320</u>	<u>1,752</u>	<u>14,072</u>
	<u><u>12,320</u></u>	<u><u>1,752</u></u>	<u><u>14,072</u></u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

7. Analysis of support costs

	2024 £ '000	2023 £ '000
Support costs consist of the following:		
Travel	9	72
Telephone and IT	466	388
Other office costs	201	156
Recruitment	49	32
Training and development	63	46
Governance	105	40
Project costs	17	-
Other	106	95
Depreciation	127	206
Wages	1,013	663
	<u>2,156</u>	<u>1,752</u>
Included in governance costs are the following:		
Auditor's remuneration for audit	25	23
Other auditor costs	8	4
	<u>33</u>	<u>26</u>

8. Net movement in funds

	2024 £ '000	2023 £ '000
This is stated after charging:		
Auditors' remuneration: audit	25	23
Auditors' remuneration: non-audit fees	8	4
Depreciation of owned fixed assets	234	206
	<u>267</u>	<u>233</u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

9. Staff costs

	2024 £ '000	2023 £ '000
Wages and salaries	9,210	8,658
Social security costs	776	777
Other pension costs	445	803
Pension rebate	-	(288)
	<u>10,431</u>	<u>9,950</u>

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

	2024 Number	2023 Number
Staff	334	337
	<u>334</u>	<u>337</u>

Under the Charity's memorandum and articles, they are allowed to pay reasonable and proper remuneration to the officers. The remuneration paid during the period to Mrs Dodd, the Chair of the Board of Trustees was £5k (2023: £5k) for their role as chair. Expenses of £1k (2023: £1k) were reimbursed to 1 (2023: 1) trustee during the year in relation to travel and other expenses.

The number of employees whose remuneration for the year fell within the following bands was:

	2024 Number	2023 Number
£60,000 to £69,999	6	2
£90,000 to £99,999	1	1
£100,000 to £109,999	-	1
	<u>£ '000</u>	<u>£ '000</u>
Total remuneration of key management personnel	114	193

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

10. Tangible fixed assets
Group and Company

	Fixtures and fittings	IT	Total
	£ '000	£ '000	£ '000
Cost:			
At 1 April 2023	103	753	856
Additions	11	25	36
Disposals	-	(25)	(25)
	<u>114</u>	<u>753</u>	<u>867</u>
At 31 March 2024	<u>114</u>	<u>753</u>	<u>867</u>
Depreciation:			
At 1 April 2023	24	416	440
Provided during the year	23	211	234
Disposals	-	(25)	(25)
	<u>47</u>	<u>602</u>	<u>649</u>
At 31 March 2024	<u>47</u>	<u>602</u>	<u>649</u>
Net book value:			
At 31 March 2024	<u>67</u>	<u>151</u>	<u>218</u>
At 1 April 2023	<u>79</u>	<u>337</u>	<u>416</u>

11. INVESTMENTS

Group and Company

	2024	2023
	£ '000	£ '000
Market value at 1 April 2023	3,872	4,077
Disposals	(6)	(8)
Net gains/(losses) on investments	418	(197)
	<u>4,284</u>	<u>3,872</u>
Market Value at 31 March 2024	<u>4,284</u>	<u>3,872</u>

Investments Comprise:

	2024	2023
	£ '000	£ '000
Fixed Interest	792	479
UK Equities	737	814
Overseas Equities	2,168	1,702
Alternatives	555	653
Cash	32	224
	<u>4,284</u>	<u>3,872</u>
Total	<u>4,284</u>	<u>3,872</u>

The investments are held with Rathbone Investment Management Limited and are shown at market value at the balance sheet date.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

12. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity is the sole member of two companies limited by guarantee: Career Connections Limited (03141192) and Achieve Connect (03075969).

Career Connections Limited

The principal activities during the year were commercial services and sale of products which support the charity.

	2024	2023
	£ '000	£ '000
Turnover	370	372
Administrative expenditure	(501)	(534)
Gift Aid payment	-	-
	<u> </u>	<u> </u>
Loss on ordinary activities after taxation	(131)	(162)
	<u> </u>	<u> </u>
 Total assets	 93	 151
Total liabilities	(465)	(392)
	<u> </u>	<u> </u>
Reserves	(372)	(241)
	<u> </u>	<u> </u>

Achieve Connect

The principal activity during the year was providing the additional advice information and guidance services of Career Connect, relating to Her Majesty's Prison and Probation Services (HMPPS). The activity of Achieve Connect has been included in the Criminal Justice charitable activity in the group accounts on the basis that this reflects the substance of the activities.

	2024	2023
	£ '000	£ '000
Turnover	6,337	5,601
Administrative expenditure	(5,751)	(5,340)
Gift aid payment	(258)	(210)
	<u> </u>	<u> </u>
Profit on ordinary activities after taxation	328	51
	<u> </u>	<u> </u>
 Total assets	 1,516	 2,988
Total liabilities	(925)	(2,725)
	<u> </u>	<u> </u>
Reserves	591	263
	<u> </u>	<u> </u>

CAREER CONNECT
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

13. Debtors

	Group		Company	
	2024	2023	2024	2023
	£ '000	£ '000	£ '000	£ '000
Trade debtors	763	1,680	724	1,660
Other debtors	56	9	56	5
Prepayments and accrued income	295	3,406	144	2,996
	<u>1,114</u>	<u>5,095</u>	<u>924</u>	<u>4,661</u>

14. Creditors: amounts falling due within one year

	Group		Company	
	2024	2023	2024	2023
	£ '000	£ '000	£ '000	£ '000
Trade creditors	185	80	171	67
Amounts owed by group undertakings	-	-	1,016	2,364
Other taxes and social security	168	160	168	160
VAT recoverable	336	1,802	360	1,846
Other creditors	76	15	73	12
Provisions	135	166	135	166
Accruals and deferred income	1,808	3,761	783	916
	<u>2,708</u>	<u>5,984</u>	<u>2,706</u>	<u>5,531</u>

Movements in deferred income were as follows:

Deferred income at the start of the year	2,842	3,546	155	587
Income received in advance	1,236	2,842	350	155
Deferred income released	(2,842)	(3,546)	(155)	(587)
Deferred income at end of year	<u>1,236</u>	<u>2,842</u>	<u>350</u>	<u>155</u>

Deferred income represents grant income received in advance of meeting the conditions of the grants.

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

15. Analysis of net assets

	Unrestricted fund 2024 £ '000	Unrestricted fund 2023 £ '000
Group		
Fixed assets	4,502	4,288
Current assets	5,569	8,691
Current liabilities	(2,708)	(5,984)
	<u>7,363</u>	<u>6,995</u>
Company		
Fixed assets	4,502	4,288
Current assets	5,359	8,236
Current liabilities	(2,706)	(5,531)
	<u>7,155</u>	<u>6,993</u>

16. Reconciliation of funds and movement on reserves

	At 1 April 2024 £'000	Income 2024 £'000	Expenditure 2024 £'000	Gains and losses 2024 £ '000	At 31 March 2024 £'000
Group					
General funds	6,995	14,711	(14,761)	418	7,363
Total group funds	<u>6,995</u>	<u>14,711</u>	<u>(14,761)</u>	<u>418</u>	<u>7,363</u>
Charity					
General funds	6,973	8,958	(9,109)	418	7,155
Total charity funds	<u>6,973</u>	<u>8,958</u>	<u>(9,109)</u>	<u>418</u>	<u>7,155</u>

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

17. Pension commitments

The Charity's employees belong to two Local Government Pension Schemes (LGPS) which are multi-employer defined benefit schemes. The LGPS schemes are managed by the Greater Manchester Pension Fund.

As noted in the accounting policies, FRS 102 requires that pension scheme surplus is recognised only to the extent that it is recoverable. The surplus position calculated by the scheme actuary in relation to both the Achieve Connect Limited and Career Connect Greater Manchester Pension Fund is not concerned recoverable by the board of trustees.

Contributions amounting to £68k were payable to the schemes at 31 March 2024 (2023: £60k) and are included within creditors.

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution net of refunds made for the year ended 31 March 2024 was £148k (2023: £308k), of which employer's contributions totalled £93k (2023: £246k) and employees' contributions totalled £55k (2023: £62k).

Principal actuarial assumptions	2024	2023
Inflation assumption (CPI)	2.75%	2.95%
Rate of increase in salaries	3.55%	3.75%
Discount rate for scheme liabilities	4.85%	4.75%

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

	2024	2023
Retiring today		
Males	20.6	20.4
Females	24.3	24.5
Retiring in 20 years		
Males	20.8	20.5
Females	25.1	25.3

Sensitivity analysis

Discount rate -0.1%	191	193
Salary increase +0.1%	12	37
CPI rate +0.1%	181	158

The Charities' share of the assets in the schemes were:	2024	2023
	£ '000	£ '000
Equities	12,127	11,172
Bonds	2,637	2,465
Property	1,406	1,479
Cash	1,406	1,314
Total market value of assets	17,576	16,430

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

17. Pension commitments (continued)

Amount recognised in the Statement of Financial Activities	2024	2023
	£ '000	£ '000
Current service costs	(185)	(366)
Interest income	778	444
Interest costs	(391)	(365)
	<u>202</u>	<u>(287)</u>

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

	2024	2023
	£ '000	£ '000
At 1 April	8,225	13,154
Current services costs	185	366
Interest cost	391	365
Employee contributions	55	62
Benefit paid	(225)	(142)
Actuarial (gain)/loss	(437)	(5,580)
At 31 March	<u>8,194</u>	<u>8,225</u>

Changes in the fair value of the share of scheme assets:

	2024	2023
	£ '000	£ '000
At 1 April	16,430	16,083
Interest income	778	444
Employee contributions	55	62
Employer contributions	93	246
Benefits paid	(225)	(142)
Actuarial gain/(loss)	445	(263)
At 31 March	<u>17,576</u>	<u>16,430</u>

At the year-end each scheme was in the following position:

	2024	2023
	£ '000	£ '000
Career Connect - Greater Manchester Pension Fund	1,811	1,469
Actuarial adjustment to derecognise surplus	(1,811)	(1,469)

Charity Total

- -

Achieve Connect - Greater Manchester Pension Fund

	7,571	6,736
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Actuarial adjustment to derecognise surplus	(7,571)	(6,736)
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Group Total

- -

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

18. Financial commitments

At 31 March the group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Land & buildings	
	2024	2023
	£ '000	£ '000
Not later than one year	75	75
Between one and five years	355	430
	430	505

19. Related party transactions

During the year the following transactions took place between the charity and its wholly owned subsidiaries:

- The recharge of cost to Career Connections Limited of £335k (2023: £386k)
- The recharge of cost to Achieve Connect of £1,351k (2023: £4,053k)
- The payment of profits under Gift Aid by Achieve Connect to Career Connect of £258k (2023: £210k)

There were no other related party transactions in the current or previous financial year.

Accounts



AMENDED

Annual Report 2022/23

Company number: 4233289
Charity number: 1141077

careerconnect.org.uk

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INTRODUCTION FROM THE CHAIR

Welcome to our annual report for 2022/23. The last year has been a significant one for the Charity with the appointment of our first female Chief Executive, the development of major new programmes and growth in our work across the North West and beyond.

Delivering on our growth strategy we have continued our focus on supporting young people and adults to make progress in their lives, including 6640 adults through Achieve and our criminal justice contracts (in 2022/23 we worked across fourteen prisons in the North West, through six national, regional, and institutional contracts), 39,495 young people across 184 schools, careers training and CPD with 651 people from a diverse range of organisations and tracking and support services to a further 35,998 young people. **That means we have delivered our high quality professional support services to 82,784 people.**

We have achieved major success in extending our reach allowing us to grow our impact and support more people than ever to realise their potential. We have delivered on a large-scale programme, Connect to Your Future (CTYF), in Greater Manchester (GM), to support 3000 young people aged between 15-18 who are Not in Education Employment or Training (NEET) or at risk of NEET to transition into new opportunities. Our work has been acknowledged as best practice attracting additional funding due to the demonstrable impact. In addition, also in GM we have established a long-term programme supporting individuals who are engaged with probation to progress in education and employment. Both these programmes have increased the scale of the Charity and in the case of CTYF are a key part of our strategy to develop our work in early intervention. In evidencing success we have been preparing for the ending of European Social Fund (ESF) funding and the advent of UK Shared Prosperity Fund (UKSPF) later in 2023.

We are making major progress in delivering our new strategy that we launched in 20/21 with some critical achievements, including developing key areas of published research evidencing need, such as our report highlighting the lack of careers support for home educated young people.

All these achievements have only been possible through the exceptional efforts of our expert teams, which have grown significantly during the year, despite the recruitment challenges impacting all organisations. We have launched our own training academy recruiting 12 new trainee careers advisers creating a rich talent pipeline to support our growth plans.

In 2022/23, we implemented our Youth Voice strategy, bringing the experience and perspectives of young people into the heart of what we do. With the appointment of our first Youth Voice Co-ordinator, we are hearing the voices of young people and utilising them to shape and improve our services. Key to our approach is our Youth Agreement, created in partnership with young people, which outlines what our young people should expect from us when they engage with our service.

This year we have also been joined by our first Youth Ambassadors, 12 young people who are at the heart of our Youth Voice. Our group of Ambassadors meet monthly to discuss key issues that young people are facing, discuss things that can be changed, and receive training to develop their skills. Some areas of change that have been influenced by the Ambassadors include the focus of our research work, branding to reach young people not in education, employment or training and the support we are currently offering to young people.

I don't think we can highlight the importance better than how one of our Ambassadors put it:

"I chose to be a Youth Ambassador so adopted young people can have a voice so older people can understand them".

We will be expanding our programme to include the voice of all our participants, adults and young people alike.

I would like to take this opportunity to thank our teams and my fellow Trustees for their work and commitment to the Charity over the last year.

Lorraine Dodd

Lorraine Dodd - Chair of Career Connect



Our Impact

2022/23 Key Statistics

In 2022/23 we have:

- Worked with 82,784 people across the range of our services (2021/22 67,292).
- 6,640 adults through Achieve.
- Provided careers education, information, advice and guidance to 39,495 young people across 184 schools.
- Provided careers training and CPD with 651 people across local authorities, schools and professional careers agencies.
- Been responsible for tracking and support services for 35,998 young people across local authority NEET contracts, including providing substantive support to 18,934.

Careers Guidance

As one of the largest providers of Careers Guidance to Schools and Colleges across England we have supported over 39,495 young people across 184 schools this year in the North West, Midlands, and Oxfordshire regions.

Work with employers

We engaged with 422 employers to provide activities including work experience, careers fairs, employer sessions, work-related activities, and mock interviews. Wirral Local Authority commissioned us to deliver activities for secondary and SEND specialist schools, culminating in a successful Wirral Skills Show that involved 7,085 young people.

Raising Aspirations

Knowsley Local Authority commissioned us to work with Year 9 students at risk of NEET (Not in Education, Employment, or Training) in nine schools. We delivered a tailored programme comprising both individual and group activities, utilising various resources to ensure meaningful interventions.

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In January 2023, we extended our collaboration with Knowsley Local Authority to run a Higher Education (HE) awareness programme for Year 8, 9 and 10 students in secondary schools and Years 5 and 6 in 30 primary schools. The programme aims to raise awareness of HE pathways and help young people understand how to pursue higher education in alignment with their long-term career aspirations.

Digital innovation

Expanding our services, we offered virtual careers guidance in collaboration with institutions such as London Design and Engineering University Technical College (UTC), the Online School, and Longcroft School and 6th Form College.

We continue to focus on innovation with a significant investment in developing and launching a new digital application building on our Get Connected portal which we have been utilising in schools for a number of years. This new App has been developed working with teachers and young people to ensure they can benefit from exceptional quality digital guidance alongside our face-to-face support.

Our NEET Services

In 2022/23, our teams worked in partnership with eight local authorities in Liverpool, Manchester, Salford, Sefton, St. Helens, Wirral, Halton, and Knowsley, and were the lead organisation for the ESF GM NEET Connect To Your Future programme, working across ten local authorities within Greater Manchester.

Economic turbulence plus the disruption to education brought about by the Covid pandemic has led to a growth in the numbers and complexity of young people requiring support, particularly among those most at risk of becoming NEET. This has posed an additional challenge to our teams over the past year and will continue to do so for the near future.

Our key achievements

In the last year, we worked with **35,998** young people who are either NEET or at risk of NEET, providing those in need with tailored support into education, employment, and training. This work was delivered in partnership with eight local authorities and with Greater Manchester Combined Authority (GMCA) for the Connect to Your Future (CTYF) programme.

Manchester and Salford

Our Manchester team saw a 10% growth in the number of young people requiring support but ended the year as the best performing of the Core Cities group, of which we are a key partner.

In 2022/23, Manchester had the lowest percentage of NEET and Not Known young people within this group, and the lowest percentage in the city of young people whose status was Not Known (1%).

A number of initiatives have contributed to this success over the past year:

Our continued membership of the NEET Prevention Panels for schools across the city. This is a partnership approach with the Council and the Virtual School offering advice to schools on opportunities for their risk of NEET young people, referrals to opportunities and support with engagement and transition to post 16 opportunities.

Our participation in Locality Action Days. We were proud participants in the Wythenshawe Pathways Programme, in partnership with Manchester Council and The Growth Company. This programme supported young people aged 16-18 years who had little previous employment experience or qualifications.

Creation of a new role in the team with a link to the Attendance and Exclusions team to support transition to post-16 opportunities.

Delivery of a second cohort of the Find Your Path programme sponsored by NatWest Bank, supporting six young people to complete the programme and progress into education, employment, or training.

In Salford, with a growing caseload, we successfully reduced our NEET and not known figures compared with the previous year. There were a number of new initiatives that contributed to this.

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Summer programmes for year 11 leavers and NEET young people across the city, during July and August 2022. These programmes covered construction, bike maintenance, fitness training, and health and beauty courses.

Youth consultation on support for the growing number of young people with mental ill-health, leading to bespoke sessions to re-engage this group of young people through 'softer' engagement, such as nail care and tattoo art.

Targeted support through the Community Committees fund to the wards with the highest number of NEET young people. We provided intensive support and a bespoke job search service to connect these young people with employment opportunities of interest to them.

Merseyside

Nationally, **Sefton** ranked third out of 151 local authorities for the NEET/Not Known combined measure. This is the second year running that Sefton has performed so impressively, and a large part of this success results from close working with Sefton local authority, schools, and other support agencies to ensure that those most at risk of becoming NEET at age 16 are receiving targeted support from Year 9 onwards.

The number of young people at risk of NEET is growing year on year, but targeted early intervention is working to reduce both incidences of NEET and the amount of time spent NEET by young people.

In **St Helens**, our Careers Adviser work and the partnership developed with Youth Justice Services was highlighted as best practice in the 2022 HMP inspection.

Together we reduced the number of young people engaged with Youth Justice Services that are NEET down from 50% in October 2019 to 28% in September 2022. We also reduced the average number of days that each young person spent NEET, from 114 days to 95 days.

In **Halton**, our early intervention programme was delivered for young people in contact with the criminal justice system but who may not be on a court-imposed order. The aim of the scheme is to try and tackle issues before they become embedded. It is a multi-agency and collaborative project and can include Youth Justice Services, Housing and Social Care, led by the Police, with the aim of diversion from criminality. We have established close working relationships with the attached Police Officer to support young people into education, employment, or training.

Our initiative in **Wirral** to engage young people through regular updates of employment, education, and training opportunities, via social media, managed to engage 1,700 followers. This promoted greater interaction with clients, enabling them to access our services and support to access opportunities.

Our Work with Offenders

We support individuals both within custody and in the community to realise their potential and avoid re-offending. We deliver our support through a range of programmes predominately funded by Her Majesty's Prison and Probation Services (HMPPS). The largest is our delivery of the CFO3 (Co-Financing Organisation) Project which is part of a national programme co-funded by the European Social Fund (ESF).

As part of CFO3, in the last year, we developed the Discovery Wing Project at HMP Risley. The 6-month programme focuses on resettlement, teamwork and fostering a sense of community within a prison-based setting. Participants on the programme include veterans, care leavers and those with limited family ties. The programme model is likely to be an important part of future CFO provision nationally. The Discovery Wing is building a positive reputation, with men requesting moves from other prison establishments to be able to take part in the project.

Being in employment soon after being released from prison or completing community orders, is a critical factor in ensuring that people do not reoffend and that they make a successful reintegration back into communities. 50% of those completing the Discovery Wing programme and who are eligible for work have secured employment in the North West after release.

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In 2022/23 we worked across fourteen prisons in the North West, through six national, regional, and institutional contracts.

Since 2019, the Achieve team has been delivering Information Advice and Guidance (IAG) services to those at the end of their sentence in five prisons in Lancashire and Cumbria region, and to HMP Manchester.

In the last year, our teams of advisors have been a key partner in the development of employment hubs across the prison estate, as part of a national effort to increase the number of people finding employment at the end of their sentence.

Key to our approach is an understanding of the local labour market, provision of practical, employment-focused support to people approaching the end of their sentence and building strong relationships with employers.

Our teams play a critical role in sourcing vacancies and brokering relationships between employers and clients. Our teams work in close coordination with the other prison Employment Hub agencies, to ensure that opportunities for employment are maximised.

In 2022/23, the five prisons we work with in Lancashire and Cumbria had the highest proportion nationally of men moving into employment within 6 weeks of the end of their sentence and has seen numbers grown year on year since 2019.

Feedback from participants:

'It is really good that Achieve keep in touch and are asking about vacancies that we need to fill and putting forward good people for them. You never get the sense that they have just sent us somebody for the sake of it, or to tick a box.' Employer, working with Achieve since 2022.

'What I really appreciated is that Achieve gave me hope but not false promises. If they told me they would do something then they would do it. They were very honest about my options but also very positive....always looking forward to what I could do, and how to improve my chances.' Achieve client, 2023.

Greater Manchester Integrated Rehabilitative Services in Education, Training and Employment

This was our first full year of delivery of the programme in partnership with the Greater Manchester Combined Authority and the Greater Manchester Probation Service.

The programme has Key Workers in all probation offices across the ten boroughs of Greater Manchester. Working closely with probation staff, the project aims to support people on probation into employment or training. By the end of March 2023, the programme had enrolled 2115 participants and had moved 495 of these into employment or training provision.

Over the past year, we have developed closer links with the Probation Well-being Hubs, integrating our job clubs into this wider provision. Working in partnership in this way means that people on probation can access additional support as well as the learning and work opportunities that we offer.

During this year, we were able to offer an additional service, supporting prisoners from HMPs Styal, Forest Bank and Hindley to access our service at an earlier point in their sentence and for them to have Education, Training Employment (ETE) already planned for their release subject to their licence with Greater Manchester Probation Service.

Training Services

We have continued to deliver high quality, nationally accredited qualifications to improve skills in Careers, Advice & Guidance, Coaching and other professional development programmes.

We are an assessment centre accredited to deliver courses through four awarding bodies: OCR, City & Guilds, ILM and Open Awards. Our qualifications include Advice and Guidance from level 2 to level 4; Coaching at level 3 and careers related qualifications at level 4 and 6.

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For the fifth year we are also pleased to deliver the level 6 Career Leaders programme for those leading Careers programmes in schools, funded by the Careers and Enterprise Company.

We also offer from entry level to level 2 vocational qualifications focussing on the Preparation for Life and Work sector, accredited through Open Awards. These are aimed at supporting individuals with personal development and employability through a range of short courses including Coping With Change, Managing Anger and Preparation for Work.

In 2022/23 we worked with a national provider linked to an international bank, providing quality assurance and certification of their programme to improve employability prospects for the future workforce, especially NEET young people.

We also delivered CPD sessions to local authorities around careers guidance and practice and further sessions around safeguarding. We have also supported two physiotherapists in attaining an Assessor qualification.

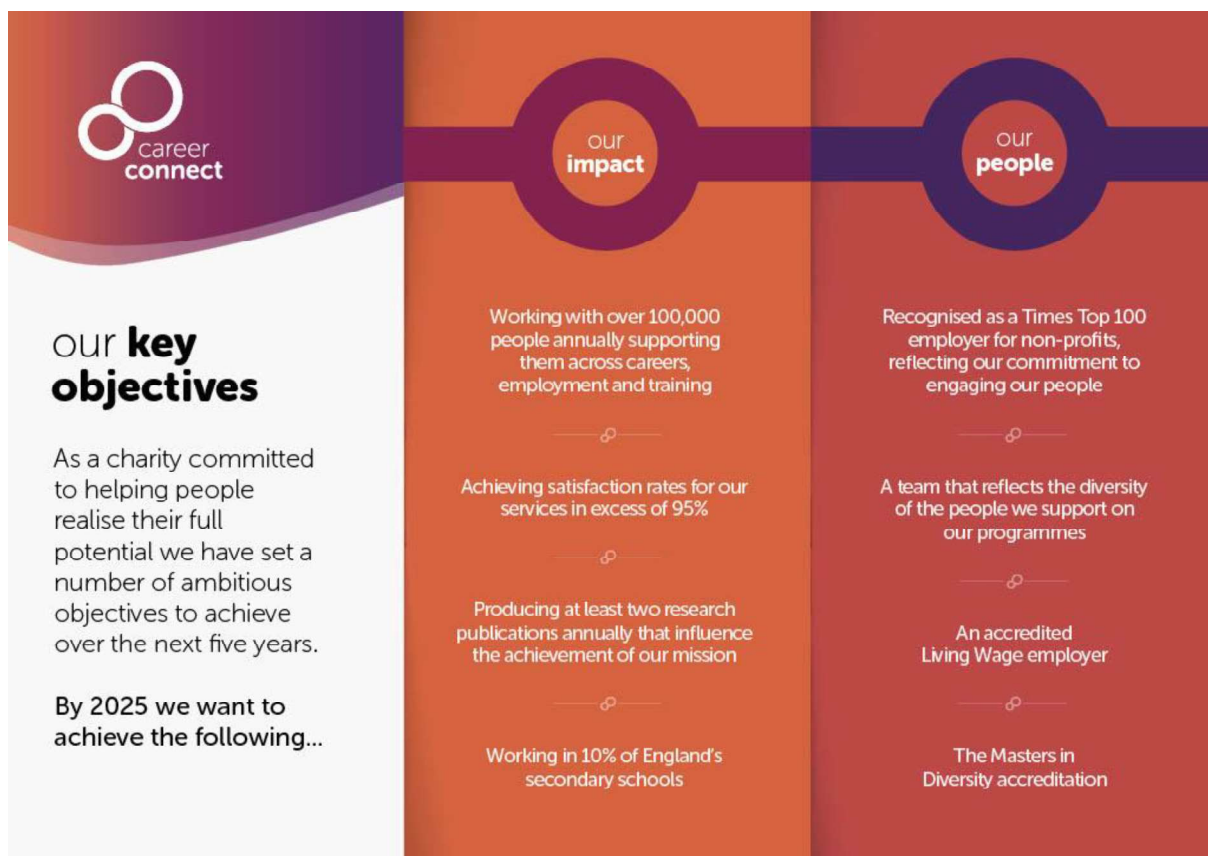
As part of internal training, we have engaged external providers to deliver Mental Health First Aid training to all front-line staff, and specialist Mental Health First Aid training to managers. Managers have also undergone Health and Safety training, and two staff are now qualified to deliver Trauma Informed Practice training to staff.

Campaigning

Career Connect have continued to play an active role in campaigning this year to ensure that young people receive the support they need in response to the impact of the pandemic. In addition to direct influencing activity, we have played an active role in the Youth Employment Group which has brought together over 100 Charities and other organisations focused on youth employment.

Future Plans

2022/23 was the third year of our Five Year Strategy which is designed to increase our impact, ensure our sustainability and broaden our reach.



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For the year ended 31 March 2023

Over the next year we plan to:

- Further expand our work with schools building on the growth already achieved in 2022/23.
- Build on the excellence of our Accredited Training Centre and expand our offer.
- Continue to grow our commercial service offer enabling further diversification as part of our sustainability strategy.
- Increase our income through Trusts and Foundations, supporting the piloting of innovative delivery models.

Public Benefit

The Board confirms that it has complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit.

The charitable purpose for the Charity within the meaning of the Act is enshrined within its objects, as given in the memorandum and articles of association, and as described in this report.

Activities undertaken for the public benefit include:

- The delivery of relevant up to date careers information, advice and guidance to adults and young people according to individual need.
- The support of vulnerable and disadvantaged young people and adults to achieve their potential.
- The support of adults and young people from a wide range of backgrounds and circumstances through their transition into further learning and work.

Diversity and Inclusion

Career Connect is committed to continually strengthening our approach to diversity and inclusion. As part of our Five-Year Strategy, we set and achieved our goal of becoming an Investors in Diversity Accredited organisation seeking to ensure that our teams reflect the communities we support. We have identified areas where we are making positive progress and other areas where further development is required.

In our first year as an Investor in Diversity we were delighted to be included in the Top 50 most inclusive workplaces. More importantly we will continue to work with our consultant from the National Centre for Diversity to improve our approach to diversity. We are proud to be a Disability Confident Leader, the highest level awarded by DWP which reflects an organisations approach to employing disabled people. We embrace the job interview guarantee for people with disabilities. Candidates are encouraged to highlight any reasonable adjustments needed in the recruitment process. This has enabled the Charity to provide materials in other formats such as large print and British Sign Language (BSL) Signers for those who require support to participate fully in the recruitment process. Staff complete a health questionnaire once they commence employment, to identify any reasonable adjustments needed to succeed in the role: 28% of the workforce have a disability. Occupational Health and Access to Work undertake workplace assessments to agree appropriate adjustments or support, e.g. assistive technologies for an employee with a visual impairment. Full training is provided to ensure people are able to make use of the software or equipment provided. This is regularly reviewed with the manager to ensure it remains supportive.

The Charity provides training and development to all staff and reasonable adjustments are in place for those with disabilities. This includes accessible training venues and information in other formats. In addition, specific disability awareness training is provided to staff, which improves delivery of services to disabled people but also helps promote good working relations between people in teams.

This year, we have set up staff support groups which are well attended and very much valued, including a peer support group exploring neurodiversity and a staff group focusing on menopause. Guest speakers are invited to come and meet with staff, providing expert input and training, supporting staff to share strategies that work for them.

Following consultation with our people, we have recently introduced monitoring of our workforce sexual orientation. LGBTQ+ data will tell Career Connect about the number of LGBTQ+ employees employed by the Charity. As with other EDI data we collect, we will also be able to monitor job applications, career development, access to training, people who take up progression opportunities. We strive to understand any specific barriers

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or challenges that our staff face so that we can ensure we are maximising the potential of all Career Connect people and improve experiences at work for everyone.

An area for ongoing improvement is increasing the ethnic diversity of our teams, including in senior positions. We have seen an increase over the last year with the proportion of staff with an ethnic minority background increasing from 9% to 14%, with a goal with a goal to increase this to 18% by the end of 2025. We also saw an increase in the diversity of our Trustee Board with 25% of the board from an ethnic minority background. We are undertaking a number of initiatives to increase the diversity of our workforce, including regular improvements to our recruitment processes and mandatory training for hiring managers to ensure unconscious bias does not influence decision making. We also published our ethnicity pay gap analysis for the second year, alongside our statutory gender pay gap reporting. This highlighted that we have some room for improvement; whilst our Trainee Careers Adviser recruitment is having a positive impact on our workforce profile, we need to encourage more individuals from ethnic minority backgrounds into more senior positions.

The gender balance in the Charity is currently 76% female, which is similar to other organisations in the sector. Our median gender pay gap remains 6% and has reduced over the last few years, however, further improvement is still required to eliminate the gap.

Environmental Impact

Career Connect has always been committed to playing its part in addressing the climate emergency and in the past couple of years we have made huge strides in reducing our own footprint:

- 2020/21 The pandemic had a massive effect: the Charity moved to hybrid working and started to deliver more virtual services - as a result, we saw a major reduction in our carbon emissions from business travel, commuting to and from work and a reduction of our Head Office site by 50%. We also took action to remove all fossil fuel companies from our investment portfolio.
- 2021/22 we undertook a major transformation of our IT infrastructure which has led to a decrease in energy usage of our IT systems of over 30% through a re-location of our data centre and consolidation of servers.
- 2022/23 we took our commitment further by working with Positive Planet to calculate our carbon footprint measurement and develop a Net Zero Carbon Reduction Plan which can be accessed on our website, under the Sustainability page. We also expanded our small 'Green Team' to a full representation covering all areas of the Charity. Each representative act as Environmental Champions in their teams as we believe communication is key in delivering the sustainability message.
- 2023/24 we have Carbon Literacy Training planned for our Trustees, Senior Team and the Green Team. We intend to continue working with Positive Planet for continuous improvement and focus on decreasing our environmental impact to achieve Net Zero emissions by 2035.

Financial Review 2022/23

In 2022/23 the Charity saw an increase in income to £17,063k (£10,596k in 2021/22). We continued to invest in increasing our impact, in terms of digital transformation and research and evaluation. Our success in securing new programmes in 2021/22, helped drive increased income, which continued to do so 2022/23.

We saw a positive increase in our income from our Criminal Justice work from £4,146k in 2021/22 to £5,602k in 2022/23.

Overall the Charity achieved a surplus of £2,116k (2021/22: £34k) once movement on investments are taken into account and the LGPS pension movements have been added back.

The cash position of the Charity remains strong at £3,596k. The strength of our cash position helps to ensure the Charity is able to manage any short-term fluctuations in income while investing in growth.

The Charity saw a negative movement on our investments of £197k (£237k gain in 2021/22) as a result of the economic climate.

Group Income for the year ended 31 March 2023 was £17,063k (£10,956k in 2021/22) of which £13,959k (2021/22 £10,276k) was on charitable activities and £372k (2021/22 £310k) from non-charitable activities via Career Connections our trading subsidiary.

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The Group spent £14,750k (2021/22 £11,044k) before adjusting for the actuarial gains and losses of the Defined Pension costs under FRS102.

Reserves

The Charity holds reserves to ensure its continued sustainability and allow investment in delivering the Mission of the Charity.

Free reserves are defined by the Charity Commission as unrestricted funds available to spend on the general purposes of the Charity and therefore excluding those designated for particular purposes and those already utilised in purchasing tangible fixed assets.

Free reserves may be utilised for the following purposes:

- To protect the Charity against a fall in income levels.
- To ensure that all liabilities can be discharged in the event of the closure of the Charity.
- To provide working capital in the event that expenditure is needed ahead of income being received, which is often the case in commissioned services.
- To provide funding for new initiatives or opportunities.
- To protect the Charity against unplanned adverse events such as losing key staff, theft, fire or adverse publicity.

Career Connect's reserves policy states that the Charity should hold a minimum of three months and a maximum of six months of operating expenditure. At the end of 2022/23 this was calculated as between £3.5m and £7m. Our current free reserves excluding the defined benefit pension scheme stand at £7m (2021/22: £4.9m) which is in the range agreed in our policy. On the basis of current investment plans and cashflow planning we expect our reserves to reduce over the next year, however, remaining above the minimum threshold.

Pensions

The group operates a number of funded defined-benefit pension schemes and a money purchase scheme as the auto-enrolment alternative. The effect of compliance with FRS102 is disclosed in Note 17 to the financial statements. A valuation carried out at 31 March 2023 shows the market value of the assets of the schemes to be £16,430k (2022: £16,083k) and the present value of the liabilities £8,225k (2022: £13,154k). The net asset on the Schemes of £Nil (2021: £1,933k) is a statement of the transient situation at 31 March 2023, and the Trustees recognise that this can fluctuate year on year notably in response to market factors and the actuarial assumptions made.

In year Career Connect was a member of two LGPS schemes, the Greater Manchester Pension Fund (GMPF) and the Merseyside Pension Fund (MPF). Staff working on three contracts are members of GMPF, all of which are closed to new members and funding is provided within these contracts to cover the contributions required. The Charity exited from MPF 30 August 2022, removing a key risk for the Charity an exit payment of £2,691m has been agreed and paid post year end.

Reference and Administrative Details

Registered Charity Name	Career Connect
Charity Registration Number	1141077
Company Registration Number	4233289
Registered Office	Walker House Exchange Flags Liverpool Merseyside L2 3YL

CAREER CONNECT
(A company limited by guarantee)

TRUSTEES' REPORT
For the year ended 31 March 2023

Structure, Governance and Management

Career Connect is a registered Charity (number 1141077) and a company limited by guarantee (number 4233289) and is governed by its Articles of Association dated 13 June 2001 and amended by Special Resolutions dated 22 September 2010, 11 March 2011, 24 April 2014, 9 June 2017 and 26 October 2020 Career Connect has two wholly owned subsidiary companies, Achieve Connect and Career Connections Limited.

The Trustees

The trustees, who are also directors for the purposes of company law, who served the company during the period were as follows:

Mrs Lorraine Dodd	Chair
Dr Lauren Bellaera	
Ms Eloise Boye	
Mrs Sheila Clark	Chief Executive – Appointed 22/12/22
Mr Barry Fletcher	Chief Executive – Resigned 30/12/22
Mr Steven Leach	Staff Trustee
Ms Nina Ma	
Mr Tom McBride	
Ms Moriah Nell	
Ms Lennina Ofori	
Ms Katie Pettifer	
Mr Andrew Rannard	
Ms Susan Smith	
Ms Elaine Sweeney	

Co-opted and Independent Members

Mr Alexander Mansfield	Independent Chair Audit and Risk Committee
Ms Su Bramley	Co-opted Member Audit and Risk Committee – Resigned 23/04/23

Secretary Ms Gillian Holywell

Auditor Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Governing Body, recruitment, training and performance

The Charity has adopted the Charity Governance Code, which is reviewed annually and strives to achieve best practice. The Board of Trustees is responsible for the overall governance of the Charity and to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The Board conducts its business at a minimum of four meetings throughout the year, receiving regular and timely information on financial and operational performance. The Board is also supplemented by Audit and Risk and Investment and Remuneration Committees.

There are currently a total of 12 Trustees and 1 Co-opted/Independent members who represent a spread of experience and interests in the field we operate.

The majority of Trustees are appointed through open recruitment in addition to potential Trustees being identified by partner organisations or serving Trustees who have the necessary skills, experience and enthusiasm to complement the current Board.

In 2021/22 our external Board effectiveness review undertaken by NCVO was completed. In line with best practice a review will be undertaken every 3 years. The review highlighted a number of areas of best practice and was very positive regarding the effectiveness of the Board and our governance structures. A small number of recommendations were made and will be implemented in full.

CAREER CONNECT
(A company limited by guarantee)

TRUSTEES' REPORT
For the year ended 31 March 2023

Each Trustee receives the Charity Commission Trustee guide which covers internal and external requirements; the Board also reviews its own training needs and performance annually.

The Board has agreed the terms of reference for each committee and has also agreed a policy of Delegated Authority to the Executive, retaining responsibility for key strategic decisions. Throughout the year the Board has scrutinised the operations of the Executive, within this authority.

Executive Management

Responsibility for the planning, co-ordination and day-to-day management of staff and operations is delegated to an Executive Team led by the Chief Executive and supported by a Senior Leadership Team. Formal reporting by the Chief Executive to the Board takes place at regular Board meetings and informally as appropriate throughout the year. The systems of control that are designed to provide reasonable assurance regarding risk management and against material misstatement or loss include:

- An annual budget approved by the Board.
- A Five-Year strategic plan.
- Financial reports to every Board meeting including forecasts against budget.
- Regular review of financial results, variance from budget and non-financial performance indicators and reports.
- A clear delegation of authority and segregation of duties.
- Identification and management of risks, reported regularly to Board and Audit and Risk Committee.
- Regular meetings of the Audit and Risk and the Investment and Remuneration Committees.
- A comprehensive three-year Internal Audit plan agreed by the Board and delivered by Mazars.
- We are registered with the Fundraising Regulator, providing evidence of our commitment to high fundraising standards and building public trust in the Charity and wider sector.

Senior Leadership Team Remuneration

The remuneration of the Executive and Senior Leadership Team (SLT) is reviewed by the Investment and Remuneration Committee at least on an annual basis. Salaries and benefits for this group have been set taking into account appropriate benchmarks and balance the need to retain and attract talented individuals while ensuring the appropriate use of Charitable funds. Salaries are compared to pay rates in similar organisations in the Careers/Employment sector including both Charitable and private sector organisations. In order to ensure transparency, the salary of the CEO is set out below. The Executive team and SLT are offered the same benefits package as all staff. In addition, when all staff pay rises are undertaken a flat rate is utilised to ensure that lower paid staff receive a higher percentage uplift.

Role	Annual Gross Salary 2021/22	Annual Gross Salary 2022/23
CEO	£95,000	£96,000

The pay ratio of our CEO's pay in 2022/23 to our employees is as follows:

- Upper quartile (£31,452): 3.5:1
- Median pay (£26,980): 3.6:1

In 2021/22 the pay ratio was as follows:

- Upper quartile (£34,517): 2.8:1
- Median pay (£24,740): 3.8:1

Audit and Risk Committee

The committee comprises up to 10 members, of whom the majority are Trustees. The Chair and Chief Executive are attendees but not members of the Committee. The Charity's Internal Auditor (Mazars) are in attendance at each meeting, while the External Auditor attends as appropriate throughout the year. Open dialogue is encouraged between non-executive members and both Internal and External Auditors.

CAREER CONNECT
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TRUSTEES' REPORT
For the year ended 31 March 2023

The committee meets at least three times a year and provides a forum for reporting by the Charity's external and internal auditors, who have full independent access to members. The committee also receives reports from other independent bodies as appropriate.

The Internal Auditor monitors the systems of internal control, risk management and governance procedures in accordance with an Annual Audit Plan, reporting their findings to the committee and to management. The Audit Plan is drawn up in consultation with management using a risk based approach.

The committee regularly reviews the Risk register, in particular the potential for new risks and the effectiveness of monitoring and control actions agreed.

Statement of Internal Control

The Board has responsibility for maintaining a good, sound system of internal control that supports the achievement of Charity policies, aims and objectives, whilst safeguarding the funds and assets of the Charity.

The system of internal control is designed to assess and manage rather than eliminate risk. It can therefore only provide reasonable and not absolute assurance of effectiveness.

Our system of control is based on an on-going process designed to identify the principal risks to the achievement of Charity aims and objectives to evaluate the nature and extent of those risks and to manage them effectively, efficiently and economically. Risk Management Policy and Strategy continues to reflect the changes and challenges facing the organisation.

The Board through the Audit and Risk Committee review the Risk Register during the year and monitor progress on the risks identified and the procedures in place for identification and management of risk.

The Agenda for the Board and its Audit and Risk Committee includes, as a standing item, the area of risk management which is considered on a regular basis throughout the year.

The Charity reviews its Risk management Procedures and processes on an ongoing basis to ensure that it is fit for purpose in the changing operational environment and is fully embedded within the organisation.

Any review of the effectiveness of internal control is informed by regular reports from Charity's internal auditors and by the Chief Executive who is responsible for the integration and implementation of Risk Management.

The Board received an annual review from the Company's Internal Auditors, Mazars, which gave an overview on all the Internal Audits completed during the year to March 2023. Mazars annual opinion on the framework of governance, risk management and control are reported under the following categories:

- Substantial
- Moderate
- Limited
- Unsatisfactory

The Internal Auditors overall opinion of the review was "On the basis of our audit work, our opinion on the framework of governance, risk management and control is **Moderate** in its overall adequacy and effectiveness."

In addition, the External Auditor again found no material weaknesses in the Charity's systems.

As an important part of the Risk management process the Charity regularly reviews its Safeguarding and Whistleblowing Policy and Procedures and continues to review its practice to ensure that staff are fully conversant with the changing requirements and challenges of the job.

Risk Management

Risk is an uncertain event, which may have a positive or negative effect on an organisation meeting its strategic objectives. Risk arises as much from the non-realisation of potential opportunities as from the occurrence of potential threats. It is not possible to entirely eliminate risk.

CAREER CONNECT
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TRUSTEES' REPORT
For the year ended 31 March 2023

The Charity has adopted a common approach to the management of risk throughout the organisation. This will be achieved via adherence to the risk management procedures.

The Charity will identify and agree the level of risk exposure that it will tolerate. This is required to:

- make clear what activities the Charity (where it has a choice) will and will not engage in.
- help inform decision making.
- shape corporate and other individual strategies.
- help inform business and strategic planning.
- help prioritise the management and reporting of risks.
- proactively review opportunity risk.
- assess the risk arising from the new activities and opportunities.

The above will be considered in the context of overall the Charity objectives.

The Charity seeks to be risk aware rather than risk averse. Every member of staff, from the directors through line managers to the individual employee must be aware of the nature of risk, and the agreed system of control.

The Charity will adopt a pro-active approach to risk management which:

- anticipates the possibility that unforeseen events may adversely affect the achievement of key objectives; and
- maximises the possibility that opportunities are taken to progress all objectives.

The risk management process is designed to ensure that potential opportunities and threats are proactively and systematically identified, assessed and addressed. It also provides for the monitoring and reporting of risk on an ongoing basis and is capable of independent verification.

The table below sets out a number of key risks for the Charity:

Key Risk	Mitigation
End of European Social Funding	• Diversification of income streams • Engagement with Northern Powerhouse authorities, Combined Authorities and Government via Careers England/IEP about UK Shared Prosperity Fund as ESF replacement funding • Invest in research and analytical capacity to influence commissioning plans • Successful bid for Community Renewal Fund in St Helens
Significant loss of beneficiary data	• Robust security plans to ensure retention of data • Cyber Essentials + accreditation • Regular patching and updates on all critical software and hardware • All staff undertake mandatory training on Information Security • IASME Gold accreditation awarded in 2022/23

CAREER CONNECT
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TRUSTEES' REPORT
For the year ended 31 March 2023

Local Government Pension Schemes	• Closely monitoring costs of schemes and potential impact on financial sustainability of the Charity • Membership of Greater Manchester schemes lower risk as contributions funded by commissioner • Exited Merseyside Pension Fund in 2022/23
Increased staff turnover and difficulty in recruiting new talent at all levels of the organisation	• Staff recruitment and retention strategy refresh • Increased pay and benefits • Investment in internal accredited training for staff targeting areas of growth • Further development of Glassdoor profile • Developing new models of recruitment through Trainee roles and Careers Academy

Provision of Information to Auditors

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

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

Responsibilities of the Trustees

The Trustees (who are also Directors of Career Connect for the purposes of Company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- make 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 group will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Haysmacintyre LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

CAREER CONNECT
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TRUSTEES' REPORT
For the year ended 31 March 2023

The Trustees' Annual Report, including the Strategic Report, has been signed by order of the Trustees on 24/10/23.

A handwritten signature in black ink, appearing to read 'G Holywell', written in a cursive style.

Ms Gillian Holywell
Company Secretary

CAREER CONNECT
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAREER CONNECT

Opinion

We have audited the financial statements of Career Connect for the year ended 31 March 2023 which comprise the Consolidated Statements of Financial Activities, the Consolidated Balance sheet, the Consolidated 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's and parent charitable company's net movement in funds, including the 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 group 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 ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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 Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

CAREER CONNECT
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAREER CONNECT

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, in particular in relation to recording income and charitable activities in the correct accounting period and management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity relevant to the preparation of the financial statements to ensure these were in place throughout the year;
- Reviewing debtor recoverability post year end.
- Reviewing management's decisions on bad debt.
- Reviewing post balance sheet events.
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, and

CAREER CONNECT
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAREER CONNECT

- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

9 November 2023

Date:

CAREER CONNECT
(A company limited by guarantee)

GROUP STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Group Income and Expenditure Account)
for the year ended 31 March 2023

	Note	Total 2023 £ '000	Total 2022 £ '000
Income from:			
Donations, grants and legacies	3	5	3
Charitable activities	4	13,959	10,276
Pension exit credit		2,691	-
Investments	5	36	7
Trading income		372	310
Total income		<u>17,063</u>	<u>10,596</u>
Expenditure on:			
Raising funds			
- Fundraising		218	162
- Trading		460	369
Charitable activities	6		
- Criminal Justice		5,549	4,206
- Local Authority		6,854	3,799
- Schools		1,636	1,286
- National Careers Service		-	1,039
- Kickstart		33	183
Total expenditure		<u>14,750</u>	<u>11,044</u>
Net (expenditure) before gains and losses		2,313	(448)
Gains / (losses) on investments	11	(197)	237
Net (expenditure) / income		2,116	(211)
Actuarial gains / (losses) on pension	17	(1,933)	2,540
Net movement in funds		183	2,329
TOTAL FUNDS AT 1 APRIL 2022	16	<u>6,812</u>	<u>4,483</u>
TOTAL FUNDS AT 31 MARCH 2023	16	<u><u>6,995</u></u>	<u><u>6,812</u></u>

The group statement of financial activities has been prepared on the basis that all operations are continuing operations.

Income, expenditure and funds in both the current and previous financial year relate entirely to unrestricted funds.

The notes on pages 25 to 39 form part of these financial statements.

CAREER CONNECT
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Company Registered Number 4233289
Charity Registered Number 1141077

GROUP BALANCE SHEET
at 31 March 2023

	Note	2023 £ '000	2022 £ '000
FIXED ASSETS			
Tangible assets	10	416	427
Investments	11	3,872	4,077
		<u>4,288</u>	<u>4,504</u>
CURRENT ASSETS			
Debtors	13	5,095	1,946
Cash at bank and in hand		3,596	4,758
		<u>8,691</u>	<u>6,704</u>
CREDITORS: Amounts falling due within one year	14	(5,984)	(6,329)
		<u>2,707</u>	<u>375</u>
NET CURRENT ASSETS			
NET ASSETS EXCLUDING PENSION		6,995	4,879
Defined benefit pension scheme	17	-	1,933
		<u>6,995</u>	<u>6,812</u>
NET ASSETS		<u>6,995</u>	<u>6,812</u>
ACCUMULATED FUNDS			
Unrestricted income funds			
General reserve	16	6,995	6,812
TOTAL FUNDS	16	<u>6,995</u>	<u>6,812</u>

The surplus/(deficit) of the parent Company before consolidation was £294k (2022: £721k).

The financial statements were approved and authorised for issue by the board of Trustees on 24 October 2023 and signed on its behalf by:

Lorraine Dodd

Lorraine Dodd
Trustee

The notes on pages 25 to 39 form part of these financial statements.

CAREER CONNECT
(A company limited by guarantee)
Company Registered Number 4233289
Charity Registered Number 1141077

CHARITY BALANCE SHEET
at 31 March 2023

	Note	2023 £ '000	2022 £ '000
FIXED ASSETS			
Tangible assets	10	396	427
Investments	11	3,872	4,077
		<u>4,268</u>	<u>4,504</u>
CURRENT ASSETS			
Debtors	13	4,661	1,578
Cash at bank and in hand		3,575	4,733
		<u>8,236</u>	<u>6,311</u>
CREDITORS: Amounts falling due within one year	14	(5,531)	(6,068)
NET CURRENT ASSETS		<u>2,705</u>	<u>243</u>
NET ASSETS EXCLUDING PENSION		6,973	4,474
Defined benefit pension scheme	17	-	(895)
NET ASSETS		<u><u>6,973</u></u>	<u><u>3,852</u></u>
ACCUMULATED FUNDS			
Unrestricted income funds			
General reserve	16	6,973	3,852
TOTAL FUNDS	16	<u><u>6,973</u></u>	<u><u>3,852</u></u>

The financial statements were approved and authorised for issue by the board of Trustees on 24 October 2023 and signed on its behalf by:

Lorraine Dodd

Lorraine Dodd
Trustee

The notes on pages 25 to 39 form part of these financial statements

CAREER CONNECT
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GROUP STATEMENT OF CASH FLOWS
for the year ended 31 March 2023

	Note	2023 £ '000	2022 £ '000
Net cash (used in) / provided by operating activities	A	(1,003)	2,304
Cash flows from investing activities:			
Interest from investments		36	7
Purchase of tangible fixed assets		(195)	(368)
Net cash used in investing activities		(159)	(361)
Change in cash and cash equivalents in the reporting period		(1,162)	(836)
Cash and cash equivalents at the beginning of the year		4,758	3,651
Cash and cash equivalents	B	3,596	4,758

A: Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £ '000	2022 £ '000
Net income / (expenditure)	183	2,329
Depreciation charges	206	174
Loss on disposals	-	1
Net investment Additions	8	-
(Gains) on investments	197	(237)
Pension movements	1,933	(2,295)
Interest from investments	(36)	(7)
(Increase) in debtors	(3,149)	(231)
(Decrease) / increase in creditors	(345)	2,570
Net cash used in operating activities	(1,003)	2,304

B. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April 2022 £ '000	Cash flows £ '000	At 31 March 2023 £ '000
Cash and cash equivalents	4,758	(1,162)	3,596

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

1. General information

Career Connect is a charitable company limited by guarantee registered in England and Wales. The registered office is Walker House, Exchange Flags, Liverpool, Merseyside, L2 3YL.

2. Accounting policies

Basis of preparation of financial statements

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

Career Connect meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are prepared in sterling, which is the functional currency of the Charity.

Monetary amounts in these financial statements are stated in Pounds Sterling, rounded to the nearest £'000.

Basis of consolidation

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking, Career Connections Limited and Achieve Connect. The results are consolidated on a line by line basis. The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

Company status

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

Preparation of accounts on a going concern basis

The financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. There are no material uncertainties about the group's ability to continue as a going concern and we consider it appropriate to continue to prepare the financial statements on a going concern basis.

Income

Income comprises mainly grant and contract funding for projects from government and other bodies. Additional income arises from trading income of subsidiaries, premises income and interest received.

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

Income from government and other grants is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for provision of specified services is deferred until the criteria for income recognition are met.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures & Fittings	-	5 years straight line
Computer equipment	-	3 years straight line

Debtors

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

Cash at bank and in hand

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

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

Financial instruments

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

Pensions

The Charity operates three defined benefit pension schemes for employees. The assets of the scheme are held separately from those of the Charity.

In relation to the Career Connect Manchester Pension Fund, the latest valuation provided for FRS 102 purposes indicates a surplus position of £1,469k (2022: £895k deficit). FRS 102 requires that a pension scheme asset is reflected only to the extent that it is recoverable by way of future contributions or refunds from the scheme. The charity has gained agreement with staff and union to exit the scheme in August 2022 subject to agreed financial parameters. At the date of approving these financial statements, it is not possible to determine with reasonable accuracy the final amounts which will be due to or from the scheme on exit of the scheme. On this basis, the trustees do not consider that the surplus is recoverable and therefore the pension scheme asset has been derecognised in line with accounting standards.

In relation to the Achieve Connect Greater Manchester Pension Fund, the latest valuation provided for FRS 102 purposes indicates an surplus position of £6,736k (2022: £3,824k). FRS 102 requires that a pension scheme asset is reflected only to the extent that it is recoverable by way of future contributions or refunds from the scheme. The charity has gained agreement with staff and union to exit the scheme in August 2022 subject to agreed financial parameters. At the date of approving these financial statements, it is not possible to determine with reasonable accuracy the final amounts which will be due to or from the scheme on exit of the scheme. On this basis, the trustees do not consider that the surplus is recoverable and therefore the pension scheme asset has been derecognised in line with accounting standards.

Current service costs, past service costs and gains and losses on settlements and curtailments are charged to appropriate resources expended categories in the statement of financial activities. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of financial activities during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount as other finance costs or income. Net pension finance costs are allocated to appropriate resources expended categories in the statement of financial activities. Net pension finance income is recognised as an incoming resource in the statement of financial activities. Actuarial gains and losses are recognised immediately as other recognised gains and losses in the statement of financial activities.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme surplus (to the extent that it can be recovered) is recognised in full on the balance sheet, net of related deferred tax.

The Charity also participates in a defined contribution pension scheme, in respect of which the charge to the Statement of Comprehensive Income represents the total employer liability for service received from the relevant employees in the year.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

Fund accounting

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

Critical accounting judgements and estimation uncertainty

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

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

The trustees recognise that there exists a significant estimate in relation to the recognition of pension scheme assets.

In the view of the Trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

3. Income from donations and legacies

	Unrestricted 2023 £ '000	Restricted 2023 £ '000	Total 2023 £ '000	Unrestricted 2022 £ '000	Restricted 2022 £ '000	Total 2022 £ '000
Donations	5	-	5	3	-	3
	<u>5</u>	<u>-</u>	<u>5</u>	<u>3</u>	<u>-</u>	<u>3</u>
	<u>5</u>	<u>-</u>	<u>5</u>	<u>3</u>	<u>-</u>	<u>3</u>

4. Income from charitable activities

	2023 £ '000	2022 £ '000
Criminal Justice	5,602	4,146
Local Authority	7,060	4,120
Schools	1,281	1,069
National Careers Services	-	811
Kickstart	14	123
Other	2	7
	<u>13,959</u>	<u>10,276</u>

All income from charitable activities in 2023 and 2022 was unrestricted.

5. INVESTMENT INCOME

	2023 £ '000	2022 £ '000
Interest receivable	36	7
	<u>36</u>	<u>7</u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

6. Analysis of expenditure on charitable activities

	Direct costs £ '000	Support costs £ '000	2023 £ '000
Criminal Justice	4,858	691	5,562
Local Authority	6,001	853	6,871
Schools	1,432	204	1,640
National Careers Services	-	-	-
Kickstart	29	4	33
	<u>12,320</u>	<u>1,786</u>	<u>14,106</u>
	<u><u>12,320</u></u>	<u><u>1,786</u></u>	<u><u>14,106</u></u>
	Direct costs £ '000	Support costs £ '000	2022 £ '000
Criminal Justice	3,465	741	4,206
Local Authority	3,129	670	3,799
Schools	1,059	227	1,286
National Careers Services	856	183	1,039
Kickstart	151	32	183
	<u>8,660</u>	<u>1,853</u>	<u>10,513</u>
	<u><u>8,660</u></u>	<u><u>1,853</u></u>	<u><u>10,513</u></u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

7. Analysis of support costs

	2023 £ '000	2022 £ '000
Support costs consist of the following:		
Travel	72	28
Telephone and IT	388	368
Other office costs	156	212
Recruitment	32	37
Training and development	46	17
Governance	40	85
LGPS Costs	-	245
Other	95	97
Depreciation	206	121
Wages	663	643
	<u>1,752</u>	<u>1,853</u>
Included in governance costs are the following:		
Auditor's remuneration for audit	23	20
Other auditor costs	4	3
	<u>27</u>	<u>23</u>

8. Net movement in funds

	2023 £ '000	2022 £ '000
This is stated after charging:		
Auditors' remuneration: audit	23	20
Auditors' remuneration: non-audit fees	4	3
Depreciation of owned fixed assets	206	174
	<u>233</u>	<u>197</u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

9. Staff costs

	2023 £ '000	2022 £ '000
Wages and salaries	8,658	7,385
Social security costs	777	632
Other pension costs	803	1,017
Pension rebate	(288)	(653)
	<u>9,950</u>	<u>8,381</u>

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

	2023 Number	2022 Number
Staff	337	304
	<u>337</u>	<u>304</u>

Under the Charity's memorandum and articles they are allowed to pay reasonable and proper remuneration to the officers. The remuneration paid during the period to Mrs Dodd the Chair of the Board of Trustees was £5k (2022: £5k) for their role as chair. Expenses of £1k (2022: £1k) were reimbursed to 1 (2022: £1k) trustee during the year in relation to travel and other expenses.

The number of employees whose remuneration for the year fell within the following bands was:

	2023 Number	2022 Number
£60,000 to £69,999	2	3
£70,000 to £79,999	1	1
£80,000 to £89,999	1	-
£90,000 to £99,999	-	1
	<u>£ '000</u>	<u>£ '000</u>
Total remuneration of key management personnel	193	221

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

10. Tangible fixed assets
Group and Company

	Fixtures and fittings	IT	Total
	£ '000	£ '000	£ '000
Cost:			
At 1 April 2022	50	611	661
Additions	53	142	195
	<u>103</u>	<u>753</u>	<u>856</u>
At 31 March 2023	<u>103</u>	<u>753</u>	<u>856</u>
Depreciation:			
At 1 April 2022	2	232	234
Provided during the year	22	184	206
	<u>24</u>	<u>416</u>	<u>440</u>
At 31 March 2023	<u>24</u>	<u>416</u>	<u>440</u>
Net book value:			
At 31 March 2023	<u>79</u>	<u>337</u>	<u>416</u>
At 1 April 2022	<u>48</u>	<u>379</u>	<u>427</u>

11. INVESTMENTS

Group and Company

	2023	2022
	£ '000	£ '000
Market value at 1 April 2022	4,077	3,840
Additions	-	548
Disposals	(8)	(548)
Gains and losses in the year	(197)	237
	<u>3,872</u>	<u>4,077</u>
Market Value at 31 March 2023	<u>3,872</u>	<u>4,077</u>

Investments Comprise:

	2023	2022
	£ '000	£ '000
Fixed Interest	479	458
UK Equities	814	943
Overseas Equities	1,702	1,827
Alternatives	653	665
Cash	224	184
	<u>3,872</u>	<u>4,077</u>
Total	<u>3,872</u>	<u>4,077</u>

The investments are held with Rathbone Investment Management Limited and are shown at market value at the balance sheet date.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

12. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity is the sole member of two companies limited by guarantee: Career Connections Limited (03141192) and Achieve Connect (formerly Achieve North West Connect) (03075969).

Career Connections Limited

The principal activities during the year were commercial services and sale of productions which support the charity.

	2023	2022
	£ '000	£ '000
Turnover	372	330
Administrative expenditure	(534)	(450)
Gift Aid payment	-	-
	<u> </u>	<u> </u>
Profit / (Loss) on ordinary activities after taxation	(162)	(120)
	<u> </u>	<u> </u>
 Total Assets	 151	 119
Total Liabilities	(392)	(199)
	<u> </u>	<u> </u>
Reserves	(241)	(80)
	<u> </u>	<u> </u>

Achieve Connect (formerly Achieve North West Connect)

The principal activity during the year was providing the additional advice information and guidance services of Career Connect, relating to Her Majesty's Prison and Probation Services (HMPPS). The activity of Achieve Connect has been included in the Criminal Justice charitable activity in the group accounts on the basis that this reflects the substance of the activities.

	2023	2022
	£ '000	£ '000
Turnover	5,601	4,139
Administrative expenditure	(5,339)	(3,887)
Gift aid payment	(210)	(156)
	<u> </u>	<u> </u>
Profit/(Loss) on ordinary activities after taxation	51	96
	<u> </u>	<u> </u>
 Total Assets	 2,988	 3,125
Total Liabilities	(2,725)	(2,913)
	<u> </u>	<u> </u>
Reserves	263	212
	<u> </u>	<u> </u>

CAREER CONNECT
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

13. Debtors

	Group		Company	
	2023	2022	2023	2022
	£ '000	£ '000	£ '000	£ '000
Trade debtors	1,680	1,346	1,660	1,285
Other debtors	9	21	5	3
Prepayments and accrued income	3,406	579	2,996	290
	<u>5,095</u>	<u>1,946</u>	<u>4,661</u>	<u>1,578</u>

14. Creditors: amounts falling due within one year

	Group		Company	
	2023	2022	2023	2022
	£ '000	£ '000	£ '000	£ '000
Trade creditors	80	113	67	98
Amounts owed by group undertakings	-	-	2,364	2,713
Other taxes and social security	160	162	160	162
VAT recoverable	1,802	1,770	1,846	1,785
Other creditors	15	44	12	42
Provisions	166	117	166	117
Accruals and deferred income	3,761	4,123	916	1,151
	<u>5,984</u>	<u>6,329</u>	<u>5,531</u>	<u>6,068</u>

Movements in deferred income were as follows:

Deferred income at the start of the year	3,546	2,582	587	298
Income received in advance	2,842	3,546	155	587
Deferred income released	(3,546)	(2,582)	(587)	(298)
Deferred income at end of year	<u>2,842</u>	<u>3,546</u>	<u>155</u>	<u>587</u>

Deferred income represents grant income received in advance of meeting the conditions of the grants.

CAREER CONNECT
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TRUSTEES' REPORT
For the year ended 31 March 2023

15. Analysis of net assets

	Unrestricted fund 2023 £ '000	Unrestricted fund 2022 £ '000
Group		
Fixed assets	4,288	4,504
Current assets	8,691	6,704
Current liabilities	(5,984)	(6,329)
Defined benefit pension scheme	-	1,933
	<u>6,995</u>	<u>6,812</u>
Company		
Fixed assets	4,288	4,504
Current assets	8,236	6,311
Current liabilities	(5,531)	(6,068)
Defined benefit pension scheme	-	(895)
	<u>6,993</u>	<u>3,852</u>

16. Reconciliation of funds and movement on reserves

	At 1 April 2022 £'000	Income 2023 £'000	Expenditure 2023 £'000	Gains and losses 2023 £ '000	At 31 March 2023 £'000
Group					
General funds	6,812	17,063	(14,750)	(2,130)	6,995
Total group funds	<u>6,812</u>	<u>17,063</u>	<u>(14,750)</u>	<u>(2,130)</u>	<u>6,995</u>

	At 1 April 2022 £ '000	Income 2023 £'000	Expenditure 2023 £'000	Gains and losses 2023 £ '000	At 31 March 2023 £'000
Charity					
General funds	3,852	11,823	(9,400)	698	6,973
Total charity funds	<u>3,852</u>	<u>11,823</u>	<u>(9,400)</u>	<u>698</u>	<u>6,973</u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

17. Pension commitments

The Charity's employees belong to two Local Government Pension Schemes (LGPS) which are multi-employer defined benefit schemes and a defined benefit scheme. The LGPS schemes are managed by the Greater Manchester Pension Fund.

The Charity agreed with staff and unions to exit the Merseyside Pension Fund subject to certain financial parameters being met. As a result on 31 August 2022 the Charity exited the scheme. At the date the financial statements were approved and authorised for issue by the board, the Scheme Actuary had agreed a distribution of £2,691k.

As noted in the accounting policies, FRS 102 requires that pension scheme surplus is recognised only to the extent that it is recoverable. The surplus position calculated by the scheme actuary in relation to both the Achieve Connect Limited and Career Connect Greater Manchester Pension Fund is not considered recoverable by the board of trustees.

Contributions amounting to £60k were payable to the schemes at 31 March 2023 (2022: £35k) and are included within creditors.

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution net of refunds made for the year ended 31 March 2023 was £308k (2022: £255k), of which employer's contributions totalled £246k (2022: £209k) and employees' contributions totalled £62k (2022: £46k).

Principal actuarial assumptions	2023	2022
Inflation assumption (CPI)	2.95%	3.15%
Rate of increase in salaries	3.75%	3.90%
Discount rate for scheme liabilities	4.75%	2.75%

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

	2023	2022
Retiring today		
Males	20.4	20.3
Females	24.5	21.6
Retiring in 20 years		
Males	20.5	23.2
Females	25.3	25.1

Sensitivity analysis

Discount rate -0.1%	193	190
Salary increase +0.1%	37	25
CPI rate +0.1%	158	164

The Charities' share of the assets in the schemes were:	2023	2022
	£ '000	£ '000
Equities	11,172	10,776
Bonds	2,465	2,412
Property	1,479	1,287
Cash	1,314	1,608
Total market value of assets	16,430	16,083

CAREER CONNECT
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

17. Pension commitments (continued)

Amount recognised in the Statement of Financial Activities	2023	2022
	£ '000	£ '000
Current service costs	(366)	(539)
Interest income	444	295
Interest costs	(365)	(284)
	<u>(287)</u>	<u>(528)</u>

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

	2023	2022
	£ '000	£ '000
At 1 April	13,154	14,685
Current services costs	366	539
Interest cost	365	284
Employee contributions	62	70
Benefit paid	(142)	(204)
Actuarial (gain)/loss	(5,580)	(228)
At 31 March	<u>8,225</u>	<u>13,154</u>

Changes in the fair value of the share of scheme assets:

	2023	2022
	£ '000	£ '000
At 1 April	16,083	14,323
Interest income	444	295
Employee contributions	62	70
Employer contributions	246	283
Benefits paid	(142)	(204)
Actuarial gain/(loss)	(263)	1,316
At 31 March	<u>16,430</u>	<u>16,083</u>

At the year-end each scheme was in the following position:

	2023	2022
	£ '000	£ '000
Career Connect - Greater Manchester Pension Fund	1,469	(895)
Actuarial adjustment to derecognise surplus	(1,469)	-
Charity Total	<u>-</u>	<u>(895)</u>
Achieve Connect - Greater Manchester Pension Fund	6,736	3,824
Actuarial adjustment to derecognise surplus	(6,736)	(996)
Group Total	<u>-</u>	<u>1,933</u>

CAREER CONNECT
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

18. Financial commitments

At 31 March the group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Land & buildings	
	2023	2022
	£ '000	£ '000
Not later than one year	75	75
Between one and five years	430	505
	505	580

19. Related party transactions

During the year the following transactions took place between the charity and its wholly owned subsidiaries:

- The recharge of cost to Career Connections Limited of 386k (2022: £335k)
- The recharge of cost to Achieve Connect Limited of £4,053k (2022: £3,082k)
- The payment of profits under Gift Aid by Achieve Connect Limited to Career Connect of £210k (2022: £156k)

There were no other related party transactions in the current or previous financial year.

Accounts



Annual Report 2021/22

Company Number : 4233289
Charity Number: 1141077

careerconnect.org.uk

CAREER CONNECT
(A company limited by guarantee)

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CAREER CONNECT
(A company limited by guarantee)

INTRODUCTION FROM THE CHAIR

Welcome to our annual report for 21/22. The last year has been a significant one for the Charity with the launch of major new programmes and growth in our work across the North West and beyond.

Over 21/22 we have slowly emerged from the restrictions caused by the pandemic and our teams have been focused on supporting young people and adults to make progress in their lives. We have achieved major success in securing funding for large scale programmes that will allow us to grow our impact and support more people to realise their potential. These successes have included the commencement of a large-scale programme in Greater Manchester to support 3000 young people aged between 15-18 who are NEET or at risk of NEET to transition into new opportunities. In addition, also in GM we have begun to deliver a long-term programme supporting individuals who are engaged with probation to progress in education and employment. Both these programmes have increased the scale of the Charity and in the case of GM NEET are a key part of our strategy to develop our work in early intervention.

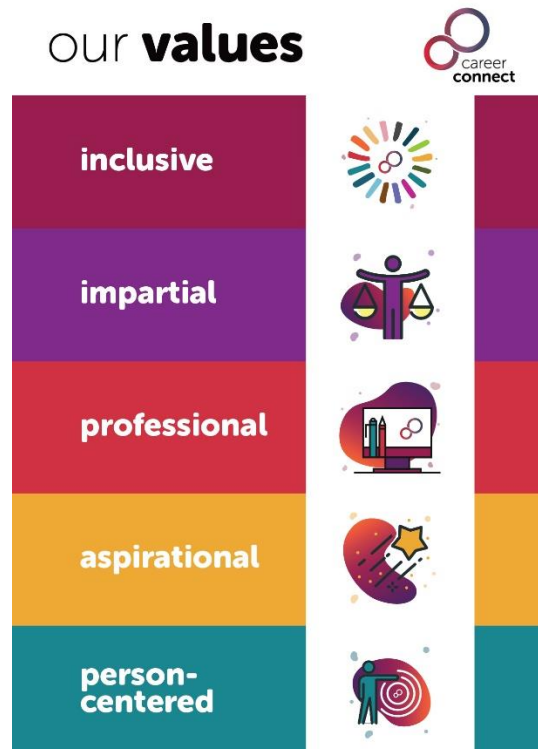
We are making major progress in delivering our new strategy that we launched in 20/21 with some critical achievements, including a 40% growth in the number of schools we are supporting, attaining the Investors in Diversity accreditation, and 30% growth in planned income for next year.

All these achievements have only been possible through the exceptional efforts of our expert teams, which have grown significantly during the year, despite the recruitment challenges impacting all organisations. In addition to strengthening our teams we have been delighted to welcome six new Trustees to the Charity including our first two young Trustees, reflecting our commitment to Youth Voice. The involvement of Young People in our work has been further strengthened this year with our first Youth Voice coordinator and the development of our Ambassador's group.

In 21/22 we commenced one of our first major research projects as part of our commitment to becoming an evidence led organisation that is contributing to the development of new insights and piloting of innovative approaches. Our research project has focused on how better to support young people who are electively home educated (EHE), especially in terms of transition to employment and further/higher education. We will be publishing our initial research findings in 22/23 which are based on engagement with EHE families and supporting professionals with a pilot programme planned for mid-22/23.

I would like to take this opportunity to thank our teams and my fellow Trustees for their work and commitment to the Charity over the last year.

Lorraine Dodd
Chair of Career Connect



Our Impact **21/22 Key Statistics**

- We have worked with 67,247 people across our services
- 3,647 adults through Achieve North West Connect, of which 3,571 are through programmes dedicated to those in prison and/or in the process of leaving prison, of whom 462 were supported into employment.
- Delivered services in 154 schools and to 34,576 students both face to face and online
- Our work with local authorities saw us support 20,462 young people, of whom 14,616 received substantial interventions. In Career Connect areas NEET and Not Known figures remained better than both North West and National averages
- Our National Careers Service worked with 8,221 individuals, 49% of whom moved into an employment or accredited learning option
- We trained 341 individuals across a variety of organisations including 24 internal staff, local authorities and schools

Careers Guidance

As one of the largest providers of Careers Guidance to Schools and Colleges across England we have supported over 34,576 young people across 154 schools this year. During 21/22 we saw a significant growth in the number of schools we are contracted to provide support as part of our new Five-Year Strategy. We saw a 40% increase in the number of schools in which we are providing Careers Guidance including an Academy Group in Oxfordshire in line with our goal to grow our services outside the North West.

We continue to focus on innovation with a significant investment in developing a new digital Application building on our Get Connected portal which we have been utilising in schools for a number of years. This new App has been developed working with teachers and Young People to ensure they can benefit from exceptional quality digital guidance alongside our face-to-face support. We look forward to launching the App in 2022 to current and new schools.

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A key aspect of our services is our work connecting young people with employers. As restrictions caused by Covid 19 have eased this year we have been able deliver a range of work experience, careers fairs, meet the employer sessions and mock interviews. This work has supported 1014 young people supported by 102 employers. Expanding access to young people who may have not considered higher education has been a successful aspect of our services this year. As part of the National Collaborative Outreach Programme (NCOP), we have delivered targeted confidence and career coaching sessions with pupils in Years 9 to 13, despite lockdowns these sessions were interactive and took place both on-line and in schools, during the year the team delivered to over 1,186 young people across 9 schools.

During 21/22 we have been increasing our support to Careers Leaders both in schools we already support and beyond. We have offered a range of free CPD sessions to Careers Leads, these sessions have been focused on 'what good looks like' in Careers Guidance and meeting the Gatsby Benchmarks. The sessions have grown in popularity have been attended by over 135 careers leaders.

We continue to develop our digital and virtual delivery and were delighted to work with the London Design and Engineering UTC to offer virtual Careers Guidance sessions for a group of 100 Year 11 pupils who were undecided as to their next steps and needed specialist support that the school couldn't access elsewhere.

(Molly – University applicant)

"I have been thinking and stuck in between going to university and looking for apprenticeships, I had a few interviews with my Career Connect Careers Advisor, after those I feel my passion leads me to going to University and studying for a degree in Accountancy. The interviews have given me more information and confidence to make the right choice for me"

Our NEET services

In 21/22 we increased our support for Young People who needed support to return to education or progress into employment. We were delighted to be awarded a contract to deliver a major new programme in Greater Manchester focused on Young People either at risk of NEET or currently NEET. The programme will support 3000 Young People over the next two years to realise their potential. We are delighted to be delivering this new programme alongside partners from GM Local Authorities and other Charities, especially as a large part of the programme is focused on early intervention, a key strategic priority for Career Connect. Over 21/22 we supported 17,718 Young People to find new opportunities, working with young people in challenging circumstances from those leaving care to individuals engaged with the criminal justice system.

In 21/22 we saw the continued impact of the pandemic with youth unemployment rising and increases in NEET rates in some areas. Encouragingly an improving labour market throughout the year driven by our emergence from Covid restrictions and the positive impact of furlough and Kickstart in shielding Young People from the mass youth unemployment forecast at the start of the pandemic. Despite unemployment levels not reaching the levels feared Young People from marginalised groups and with lower educational outcomes have been most negatively impacted and we are proud of the tireless work of our teams to support individuals in difficult circumstances.

We have provided support both through our programmes but also as an employer, especially through our engagement with the Kickstart scheme. When Kickstart launched we committed to recruiting a significant number of Young People, paying them the Real Living Wage, giving them a structured role, delivering additional training and support to remain with the Charity or move onto a new opportunity. We were delighted to welcome 21 Young People with all having either remained with the Charity in permanent roles or moved into a positive destination. In addition, we delivered careers and employability support to young people undertaking the Kickstart scheme through VOLA Merseyside, supporting 72 Young People. Although Kickstart UK wide didn't deliver the number of opportunities originally envisaged it certainly played an important role in supporting people through a unique and challenging time.

We continue to innovate in the services we deliver to support Young People who are NEET or at risk of becoming NEET. A key example of this work is our involvement in the Build Salford Project, which supports

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young people to progress into work in the construction sector through a partnership approach. The programme continues to make a significant difference and supports young people who are often a significant distance from the labour market realise their potential.

The excellent work of our teams continues to be recognised with Lisa Millward-Galliano shortlisted for the Public Sector Careers Adviser/Coach of the Year category in the 2022 Careers Development Institute 2022 Awards.

(Young Person applying for University)

"Career Connect was very helpful, I could not have applied for university if it wasn't for you and the company, my application would have most likely have been done incorrectly so I am very happy with your help as not only did you help me set everything up but you also helped me understand what everything means. Overall Career Connect is an amazing company with professional employees that are always there to help."

(Parent of Young Person supported to engage with school)

"Josh is doing fantastic. I've never seen him so motivated and keen. He said after his first day that he'd enjoyed that day better than all of his time in school. So a great success. Thank you for your support with Josh and helping get him onto his course."

Our Work with adults

As the largest provider of the National Careers Service in the Liverpool City Region, Lancashire, Cheshire and Warrington we work with unemployed and employed adults providing high quality careers advice and support. We worked with over 8221 individuals, with 49% of those we worked with having moved into a sustainable job or accredited learning outcome.

Towards the end of 21/22 our teams supporting adults received the following excellent feedback in a large-scale survey:

- 96% of respondents were extremely, very or fairly satisfied (this was yearly average)
- 98% would recommend the service to others (Yearly average)
- 97% had an excellent or good first impression of the service.
- 93% of respondents felt a lot or a little *'Empowered to take the next steps independently as a result of the session'* (Yearly average)

At the end of 21/22 we made the strategic decision to end our delivery of the National Careers Service. This was based on our strategic focus on young people and offenders and due to the structure and design of the NCS programme.

We commenced a new programme called Springboard in October 21 working across East Cheshire to support young people and adults into work. We have had a specific focus on supporting Afghan refugees, not only exploring employment options with them, but also helping them become familiar with the local area.

(NCS Participant - Support at a career crossroads)

"I owe my new career change to Michael, he was so focused on meeting my needs I've actually met them all."

(NCS Participant – 18-24 year old job seeker)

"Just wanna say a huge THANK YOU!!! Your work definitely pays off , I was feeling so low in myself these last few weeks & genuinely thought it was the end for me... by your simple phone call & little catch up , you've given me such hope & positive energy! Your work is truly amazing & I hope other young people like myself feel the exact same when they speak to you! You're an absolute star & you should be ever so proud of yourself! Thank you dearly! I'll be sure to keep you updated."

(NCS Participant – Recently unemployed professional)

"Cannot be faulted, expert advice, tailored to my specific needs, every word was highly relevant."

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(NCS Participant – Interview advice and support)

"I have been successful in gaining a new position, in fact, since the training session I attended with Michelle I was offered three positions so had a choice! Thank you for the support I received."

Our Work with Offenders

Across our work with offenders we support individuals both within custody and in the community to realise their potential and avoid re-offending. We deliver our support through a range of programmes predominately funded by Her Majesty's Prison and Probation Services (HMPPS). The largest is our delivery of the CFO3 programme across the North West. As part of this contract we have been working on a project with offenders with a personality disorder based at Withington Road Approved Premises in Manchester. As well as receiving support from a specialist case manager, participants are also encouraged to take part in a bike project where they learn to repair bicycles. The first one they complete is sent to a charity, the second they are allowed to keep for themselves. This project provides the individuals involved both with new skills and a greater sense of independence through the opportunity to gain a means of transport.

The restrictions of the pandemic continued to be challenging during this year, particularly working within environments such as prisons but our teams responded flexibly and innovatively. In cell telephony proved to be a lifeline to continue to successfully mentor our participants and maintain contact with some of our most vulnerable participants.

In 20/21 we commenced a major new programme across Greater Manchester helping individuals who are being supported by probation into work. We have worked with nearly 500 people so far and have received very positive feedback from both Probation services and those we support.

During the year we continued to deliver Information Advice and Guidance across Lancashire and Cumbria. Our team was instrumental in rolling out the employment hub initiative, in partnership with New Futures Network, in the 5 prisons we support. This delivery model has proved to be very successful and is now being rolled out across the prison estate nationally.

"I have been in prison a lot and no one has taken me seriously when I have said I want to change. My Achieve Case Manager listened to me and helped me understand that I can if I believe in myself."

"My case manager showed me how to search for jobs and remind myself I can do this. She helped build my confidence."

"The case managers are always helpful. They are good at getting things across if you don't understand and are very knowledgeable."

Research and Evaluation

Since launching our new Research and Evaluation function in 20/21 we have been building our capability to undertake interesting and relevant research, supporting our goal to be a leading evidence based delivery organisation. We published an evaluation of our co-location approach to NEET services in Manchester which was undertaken by the International Centre for Guidance Studies (iCeGS) at Derby University. We also commenced a research project to better understand the most effective ways to support young people who are electively home educated. This project is being delivered in conjunction with an organisation called Capacity, who are supporting us to develop an innovative pilot project based on the research findings.

Campaigning

Career Connect have continued to play an active role in campaigning this year to ensure that young people receive the support they need in response to the impact of the pandemic. In addition to direct influencing activity, we have played an active role in the Youth Employment Group which has brought together over 100 Charities and other organisations focused on youth employment. The YEG played a key role in the development of the Kickstart scheme and the wider government response to the pandemic including the expansion of Traineeships, funding for Apprenticeships and wider support measures.

Youth Voice

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In 21/22 we further developed our Youth Voice work, ensuring that young people are involved in all aspects of Career Connect's work. We adopted the Lundy model of youth participation to support and measure our approach to Youth Voice. Young People had significant involvement in developing our new ESF programme in GM, from deciding on the name of the service, designing the logo and supporting recruitment. We also welcomed our first Young Trustees onto the Board ensuring the Young People are part of key strategic decisions.

Future Plans

21/22 was the second year of our Five Year Strategy which is designed to increase our impact, ensure our sustainability and broaden our reach.



Over the next year we plan to;

- Deliver a pilot programme for Electively Home Educated young people, supporting improved progression into education and employment.
- Launch a commercial service offer of Careers Guidance to individuals, complementing our offer to employers.
- Increase our income through Trusts and Foundations, supporting the piloting of innovative delivery models.
- Further expand our work with schools building on the growth already achieved in 21/22.

Public Benefit

The Board confirms that it has complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit.

The charitable purpose for the Charity within the meaning of the Act is enshrined within its objects, as given in the memorandum and articles of association, and as described in this report.

Activities undertaken for the public benefit include:

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- The delivery of relevant up to date careers information, advice and guidance to adults and young people according to individual need
- The support of vulnerable and disadvantaged young people and adults to achieve their potential
- The support of adults and young people from a wide range of backgrounds and circumstances through their transition into further learning and work

Diversity and Inclusion

Career Connect is committed to continually strengthening our approach to diversity and inclusion. As part of our Five-Year Strategy, we have set ourselves the goal of becoming Masters in Diversity Accredited by the end of 2025 and ensuring that our teams reflect the communities we support. We have identified areas where we are making positive progress and other areas where further development is required.

In this year we achieved the Investors in Diversity Award the first step towards becoming a Masters in Diversity. We were also nominated for the National Centres for Diversity Small/Medium size organisation of the year. In our first year as an Investor in Diversity we were delighted to be included in the Top 50 most inclusive workplaces. More importantly we will be working with our consultant from the National Centre for Diversity to continually improve our approach to diversity. We continue to be a Disability Confident Leader, the highest level awarded by DWP which reflects an organisations approach to employing disabled people. We embrace the job interview guarantee for people with disabilities. Candidates are encouraged to highlight any reasonable adjustments needed in the recruitment process. This has enabled the charity to provide materials in other formats such as large print and BSL Signers for those who require support to participate fully in the recruitment process. Staff complete a health questionnaire, to identify any reasonable adjustments needed to succeed in the role: 23% of the workforce have a disability. Occupational Health and Access to Work undertake workplace assessments to agree appropriate adjustments or support, e.g. assistive technologies for an employee with a visual impairment. Full training is provided to ensure people are able to make full use of the software or equipment provided. This is regularly reviewed with the manager to ensure it remains supportive.

The charity provides training and development to all staff and reasonable adjustments are in place for those with disabilities. This includes accessible training venues and information in other formats. Monitoring of participation in training and those who progress into promotion opportunities is undertaken, ensuring that there is no discrimination in workforce development procedures. In addition, specific disability awareness training is provided to staff, which improves delivery of services to disabled people but also helps promote good working relations between people in teams.

An area for improvement is increasing the ethnic diversity of our teams, including in senior positions. We have seen an increase over the last year with the proportion of staff with an ethnic minority background increasing from 6% to 9%, with a goal with a goal to increase this to 18% by the end of 2025. We also saw an increase in the diversity of our Trustee Board with 25% of the board from an ethnic minority background. We are undertaking a number of initiatives to increase the diversity of our workforce, including reviewing our recruitment processes and training for hiring managers to ensure unconscious bias does not influence decision making. We also undertook our first ethnicity pay gap analysis, which we published this year. This highlighted that we have room for improvement with a median pay gap of 6% which we are looking to reduce, especially through supporting more individuals from ethnic minority backgrounds into more senior positions.

The gender balance in the Charity is currently 75% female, which is similar to other organisations in the sector. Our median gender pay gap is currently 6% and has reduced over the last few years, however, further improvement is still required to eliminate the gap.

Environmental Impact

Career Connect is committed to playing its part in addressing the climate emergency and continues to focus on decreasing our environmental impact. We made the decision in 20/21 to remove all fossil fuel companies from our investment portfolio. This was completed as planned by the end of 21/22. The pandemic had a massive impact on our environmental impact in 20/21 with the majority of our services moving from face to face to virtual. As a result we saw a major reduction in our environmental footprint. As we began to return to face to face services as lockdowns eased we have seen an increase in our environmental impact compared to the low levels in 20/21. However, we have not seen a return to pre-pandemic levels as initiatives such as increasing virtual meetings has

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positively impacted on our environmental impact. In 21/22 we saw an increase in mileage of 65% compared to 20/21 as services moved back to face to face however, this still means we have seen a reduction of 77% in miles travelled compared to pre-pandemic levels. We saw electricity and gas usage increase, however, this reflected the re-opening of offices. In 21/22 we undertook a major transformation of our IT infrastructure which has led to a decrease in energy usage of our IT systems of over 30% through a re-location of our data centre and consolidation of servers.

Financial Review 21/22

In 21/22 the Charity saw an increase in income to £10,596k (£9,921k in 20/21) despite the continued impact of Covid 19. We continued to invest in increasing our impact, especially in terms of digital transformation and research and evaluation. Our success in securing new programmes in 21/22, helped drive increased income, which we expect to grow further in 22/23.

We saw a positive increase in our income from our Criminal Justice work from £3,715k in 20/21 to £4,146k in 21/22.

Overall the Charity achieved a surplus of £34k (20/21: £239k) once movement on investments are taken into account and the LGPS pension movements have been added back.

The cash position of the charity remains strong at £4,758k. The strength of our cash position helps to ensure the Charity is able to manage any short-term fluctuations in income while investing in growth.

The Charity saw a gain on our investments of £237k (£631k in 20/21). Our investment performance was in line with expectations and the reduction from the prior year reflected the overall market recovery in 20/21 following the market losses in 19/20 caused by the pandemic.

Group Income for the year ended 31 March 2022 was £10,596k (£9,921k in 20/21) of which £10,276k (20/21 £9,683k) was on charitable activities and £310k (20/21 £291k) from non-charitable activities via Career Connections our trading subsidiary.

The Group spent £11,044k (20/21 £10,321k) before adjusting for the actuarial gains and losses of the Defined Pension costs under FRS 102.

Reserves

The Charity hold reserves to ensure its continued sustainability and allow investment in delivering the Mission of the Charity.

Free reserves are defined by the Charity Commission as unrestricted funds available to spend on the general purposes of the charity and therefore excluding those designated for particular purposes and those already utilised in purchasing tangible fixed assets.

Free reserves may be utilised for the following purposes:

- To protect the charity against a fall in income levels
- To ensure that all liabilities can be discharged in the event of the closure of the Charity
- To provide working capital in the event that expenditure is needed ahead of income being received, which is often the case in commissioned services
- To provide funding for new initiatives or opportunities
- To protect the charity against unplanned adverse events such as losing key staff, theft, fire or adverse publicity

Career Connect's reserves policy states that the Charity should hold a minimum of three months and a maximum of six months of operating expenditure. At the end of 21/22 this was calculated as between £3.1M and £6.2M. Our current free reserves excluding the defined benefit pension scheme stand at £4.9m (2021: £4.1m) which is above the minimum and within the range agreed in our policy. On the basis of current investment plans and cashflow planning we expect our reserves to reduce over the next year, however, remaining above the minimum threshold.

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Pensions

The group operates a number of funded defined-benefit pension schemes and a money purchase scheme as the auto-enrolment alternative. The effect of compliance with FRS102 is disclosed in Note 17 to the financial statements. A valuation carried out at 31 March 2022 shows the market value of the assets of the schemes to be £16,083k (2021: £14,323k) and the present value of the liabilities £14,150k (2021: £14,685k). The net asset on the Schemes of £1,933k (2021: £362k deficit) is a statement of the transient situation at 31 March 2022, and the Trustees recognise that this can fluctuate year on year notably in response to market factors and the actuarial assumptions made.

Career Connect is a member of two LGPS schemes, the Greater Manchester Pension Fund and the Merseyside Pension Fund. Staff working on three contracts are members of GMPF, all of which are closed to new members and funding is provided within these contracts to cover the contributions required. In the case of Merseyside Pension Fund a significant number of staff are part of this fund, 96 at the end of 2012/22. These staff members work on a range of programmes and Head Office functions and current contracts do not cover the full cost of contributions, which have been increasing on this scheme. Currently there is a surplus in MPF, which has not been recognised in the accounts, which has been utilised to pay contributions over a number of years, however, this surplus is reducing and if contributions needed to be funded through day to day income, this would pose a major risk to the Charity. As a result, Trustees proposed to exit the fund and we entered negotiations with Unison and staff in early 20/21. Following these negotiations we reached an agreement to exit MPF on 31/08/22, which has now taken place, removing a key risk for the Charity.

Reference and Administrative Details

Registered Charity Name	Career Connect
Charity Registration Number	1141077
Company Registration Number	4233289
Registered Office	Walker House Exchange Flags Liverpool Merseyside L2 3YL

Structure, Governance and Management

Career Connect is a registered Charity (number 1141077) and a company limited by guarantee (number 4233289) and is governed by its Articles of Association dated 13 June 2001 and amended by Special Resolutions dated 22 September 2010, 11 March 2011, 24 April 2014, 9 June 2017 and 26 October 2020 Career Connect has two wholly owned subsidiary companies, Achieve North West Connect and Career Connections Limited.

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The Trustees

The trustees, who are also directors for the purposes of company law, who served the company during the period were as follows:

Mrs Lorraine Dodd	Chair
Ms Ameena Ahmed	Resigned – 19/7/21
Mr Martin McEwan	Resigned – 28/10/21
Ms Kath Wyke	Staff Trustee – Resigned 28/10/21
Mr Steven Leach	Staff Trustee – Appointed 16/7/21
Ms Kate Shone	Resigned 09/03/22
Ms Lauren Bellaera	Appointed 01/12/21
Ms Eloise Boye	Appointed 01/12/21
Ms Nina Ma	Appointed 01/12/21
Mr Tom McBride	Appointed 01/12/21
Ms Lennina Ofori	Appointed 10/12/21
Ms Katie Pettifer	Appointed 01/12/21
Ms Moriah Nell	
Mr Andrew Rannard	
Ms Susan Smith	
Ms Elaine Sweeney	

Co-opted and Independent Members

Mr Alexander Mansfield	Independent Chair Audit and Risk Committee
Ms Su Bramley	Co-opted Member Audit and Risk Committee

Director

Mr Barry Fletcher	Chief Executive
Mrs Sheila Clark	Deputy Chief Executive

Secretary

Ms Gillian Holywell

Auditor

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Governing Body, recruitment, training and performance

The Charity has adopted the Charity Governance Code and strives to achieve best practice. The Board of Trustees is responsible for the overall governance of the Charity and to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The Board conducts its business at a minimum of four meetings throughout the year, receiving regular and timely information on financial and operational performance. The Board is also supplemented by Audit and Risk and Investment and Remuneration Committees.

There are currently a total of 12 Trustees and 2 Co-opted/Independent members who represent a spread of experience and interests in the field we operate. We undertook a significant recruitment exercise in 21/22 to further strengthen the Board. We were delighted to welcome 7 new Trustees including our first Young Trustees further strengthening the voice of Young People in our work. Our new Trustees also included individuals with significant research and criminal justice experience, supporting our growth in these areas. All Trustees received a full induction including internal and external training.

The majority of Trustees are appointed through open recruitment in addition to potential Trustees being identified by partner organisations or serving Trustees who have the necessary skills, experience and enthusiasm to complement the current Board.

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In 21/22 our external Board effectiveness review undertaken by NCVO was completed. In line with best practice a review will be undertaken every 3 years. The review highlighted a number of areas of best practice and was very positive regarding the effectiveness of the Board and our governance structures. A small number of recommendations were made and will be implemented in full.

Each Trustee receives the Charity Commission Trustee guide which covers internal and external requirements; the Board also reviews its own training needs and performance annually.

The Board has agreed the terms of reference for each committee and has also agreed a policy of Delegated Authority to the Executive, retaining responsibility for key strategic decisions. Throughout the year the Board has scrutinised the operations of the Executive, within this authority.

Executive Management

Responsibility for the planning, co-ordination and day-to-day management of staff and operations is delegated to an Executive Team led by the Chief Executive and supported by a Senior Leadership Team. Formal reporting by the Chief Executive to the Board takes place at regular Board meetings and informally as appropriate throughout the year. The systems of control that are designed to provide reasonable assurance regarding risk management and against material misstatement or loss include:

- An annual budget approved by the Board
- A Five-Year strategic plan
- Financial reports to every Board meeting including forecasts against budget
- Regular review of financial results, variance from budget and non-financial performance indicators and reports
- A clear delegation of authority and segregation of duties
- Identification and management of risks, reported regularly to Board and Audit and Risk Committee
- Regular meetings of the Audit and Risk and the Investment and Remuneration Committees
- A comprehensive three-year Internal Audit plan agreed by the Board and delivered by Mazars
- We are registered with the Fundraising Regulator, providing evidence of our commitment to high fundraising standards and building public trust in the Charity and wider sector

Senior Leadership Team Remuneration

The remuneration of the Executive and Senior Leadership Team is reviewed by the Investment and Remuneration Committee at least on an annual basis. Salaries and benefits for this group have been set taking into account appropriate benchmarks and balance the need to retain and attract talented individuals while ensuring the appropriate use of Charitable funds. Salaries are compared to pay rates in similar organisations in the Careers/Employment sector including both Charitable and private sector organisations. In order to ensure transparency, the salaries of the CEO and Deputy CEO are set out below. The Executive team and SLT are offered the same benefits package as all staff. In addition, when all staff pay rises are undertaken a flat rate is utilised to ensure that lower paid staff receive a higher percentage uplift.

Role	Annual Gross Salary 20/21	Annual Gross Salary 21/22
CEO	£95,000	£95,000
Deputy CEO	£77,760	£79,568

The pay ratio of our CEO's pay in 21/22 to our employees is as follows:

- Upper quartile (£34,517): 2.8:1
- Median pay (£24,740): 3.8:1

In 20/21 the pay ratio was as follows:

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- Upper quartile (£35,276): 2.7:1
- Median pay (£26,217): 3.6:1

Audit and Risk Committee

The committee comprises up to 10 members, of whom the majority are Trustees and also includes the Charity's Internal Auditor (Mazars). The Chair and Chief Executive are attendees but not members of the Committee. The External Auditor attends as appropriate throughout the year and open dialogue is encouraged between non-executive members and the Auditors.

The committee meets at least three times a year and provides a forum for reporting by the Charity's external and internal auditors, who have full independent access to members. The committee also receives reports from other independent bodies as appropriate.

The Internal Auditor monitors the systems of internal control, risk management and governance procedures in accordance with an Annual Audit Plan, reporting their findings to the committee and to management. The Audit Plan is drawn up in consultation with management using a risk based approach.

The committee regularly reviews the Risk register, in particular the potential for new risks and the effectiveness of monitoring and control actions agreed.

Statement of Internal Control

The Board has responsibility for maintaining a good, sound system of internal control that supports the achievement of Charity policies, aims and objectives, whilst safeguarding the funds and assets of the Charity.

The system of internal control is designed to assess and manage rather than eliminate risk. It can therefore only provide reasonable and not absolute assurance of effectiveness.

Our system of control is based on an on-going process designed to identify the principal risks to the achievement of Charity aims and objectives to evaluate the nature and extent of those risks and to manage them effectively, efficiently and economically. Risk Management Policy and Strategy continues to reflect the changes and challenges facing the organisation.

The Board through the Audit and Risk Committee review the Risk Register during the year and monitor progress on the risks identified and the procedures in place for identification and management of risk.

The Agenda for the Board and its Audit and Risk Committee includes, as a standing item, the area of risk management which is considered on a regular basis throughout the year.

The Charity reviews its Risk management Procedures and processes on an ongoing basis to ensure that it is fit for purpose in the changing operational environment and is fully embedded within the organisation.

Any review of the effectiveness of internal control is informed by regular reports from Charity's internal auditors and by the Chief Executive who is responsible for the integration and implementation of Risk Management.

The Board received an annual review from the Company's Internal Auditors, Mazars, which gave an overview on all the Internal Audits completed during the year to March 2022. Mazars annual opinion on the framework of governance, risk management and control are reported under the following categories:

- Substantial
- Moderate
- Limited
- Unsatisfactory

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The Internal Auditors overall opinion of the review was "On the basis of our audit work, our opinion on the framework of governance, risk management and control is **Moderate** in its overall adequacy and effectiveness."

In addition, the External Auditor again found no material weaknesses in the Charity's systems.

As an important part of the Risk management process the Charity regularly reviews its Safeguarding and Whistleblowing Policy and Procedures and continues to review its practice to ensure that staff are fully conversant with the changing requirements and challenges of the job.

Risk Management

Risk is an uncertain event, which may have a positive or negative effect on an organisation meeting its strategic objectives. Risk arises as much from the non-realisation of potential opportunities as from the occurrence of potential threats. It is not possible to entirely eliminate risk.

The Charity has adopted a common approach to the management of risk throughout the organisation. This will be achieved via adherence to the risk management procedures.

The Charity will identify and agree the level of risk exposure that it will tolerate. This is required to:

- make clear what activities the Charity (where it has a choice) will and will not engage in;
- help inform decision making;
- shape corporate and other individual strategies;
- help inform business and strategic planning;
- help prioritise the management and reporting of risks;
- proactively review opportunity risk; and
- assess the risk arising from the new activities and opportunities.

The above will be considered in the context of overall the Charity objectives.

The Charity seeks to be risk aware rather than risk averse. Every member of staff, from the directors through line managers to the individual employee must be aware of the nature of risk, and the agreed system of control.

The Charity will adopt a pro-active approach to risk management which:

- anticipates the possibility that unforeseen events may adversely affect the achievement of key objectives; and
- maximises the possibility that opportunities are taken to progress all objectives.

The risk management process is designed to ensure that potential opportunities and threats are proactively and systematically identified, assessed and addressed. It also provides for the monitoring and reporting of risk on an ongoing basis and is capable of independent verification.

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TRUSTEES' REPORT
For the year ended 31 March 2022

The table below sets out a number of key risks for the Charity:

Key Risk	Mitigation
End of European Social Funding	• Diversification of income streams • Engagement with Northern Powerhouse authorities, Combined Authorities and Government via Careers England/IEP about UK Shared Prosperity Fund as ESF replacement funding • Invest in research and analytical capacity to influence commissioning plans • Successful bid for Community Renewal Fund in St Helens
Significant loss of beneficiary data	• Robust security plans to ensure retention of data • Cyber Essentials accreditation • Regular patching and updates on all critical software and hardware • All staff undertake mandatory training on Information Security • IASME Gold accreditation awarded in 22/23
Local Government Pension Schemes	• Closely monitoring costs of schemes and potential impact on financial sustainability of the Charity • Membership of Greater Manchester schemes lower risk as contributions funded by commissioner • Exited Merseyside Pension Fund in 22/23
Increased staff turnover and difficulty in recruiting new talent at all levels of the organisation	• Staff recruitment and retention strategy refresh • Increased pay and benefits • Investment in internal accredited training for staff targeting areas of growth • Further development of Glassdoor profile • Developing new models of recruitment through Trainee roles and Careers Academy

Provision of Information to Auditors

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

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

CAREER CONNECT
(A company limited by guarantee)

TRUSTEES' REPORT
For the year ended 31 March 2022

Responsibilities of the Trustees

The Trustees (who are also Directors of Career Connect for the purposes of Company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make 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 group will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Haysmacintyre LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

The Trustees' Annual Report, including the Strategic Report, has been signed by order of the Trustees on 27th October 2022.



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Ms Gillian Holywell
Company Secretary

CAREER CONNECT
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAREER CONNECT

Opinion

We have audited the financial statements of Career Connect for the year ended 31 March 2022 which comprise the Consolidated Statements of Financial Activities, the Consolidated Balance sheet, the Consolidated 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's and parent charitable company's net movement in funds, including the 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 group 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 ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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 Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

CAREER CONNECT
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAREER CONNECT

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, in particular in relation to recording income and charitable activities in the correct accounting period and management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity relevant to the preparation of the financial statements to ensure these were in place throughout the year;
- Reviewing debtor recoverability post year end.
- Reviewing management's decisions on bad debt.
- Reviewing post balance sheet events.
- Evaluating management's controls designed to prevent and detect irregularities;

CAREER CONNECT
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAREER CONNECT

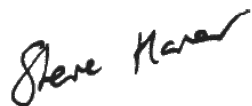
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Harper (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 03 November 2022
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CAREER CONNECT
(A company limited by guarantee)

GROUP STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Group Income and Expenditure Account)
for the year ended 31 March 2022

	Notes	Total 2022 £ '000	Total 2021 £ '000
Income from:			
Donations, grants and legacies	3	3	4
Charitable activities	4	10,276	9,630
Investments	5	7	2
Trading income		310	285
Total income		<u>10,596</u>	<u>9,921</u>
Expenditure on:			
Raising funds			
- Fundraising		162	149
- Trading		369	271
Charitable activities	6		
- Criminal Justice		4,206	3,950
- Local Authority		3,799	3,591
- Schools		1,286	1,146
- National Careers Service		1,039	1,164
- Kickstart		183	-
Total expenditure		<u>11,044</u>	<u>10,271</u>
Net (expenditure) before gains and losses		(448)	(350)
Gains / (losses) on investments	11	237	631
Net (expenditure) / income		(211)	281
Actuarial gains / (losses) on pension	17	2,540	(1,475)
Net movement in funds		2,329	(1,194)
TOTAL FUNDS AT 1 APRIL 2021	16	<u>4,483</u>	<u>5,677</u>
TOTAL FUNDS AT 31 MARCH 2022	16	<u><u>6,812</u></u>	<u><u>4,483</u></u>

The group statement of financial activities has been prepared on the basis that all operations are continuing operations.

Income, expenditure and funds in both the current and previous financial year relate entirely to unrestricted funds.

The notes on pages 24 to 39 form part of these financial statements.

CAREER CONNECT
(A company limited by guarantee)
Company Registered Number 4233289
Charity Registered Number 1141077

GROUP BALANCE SHEET
at 31 March 2022

	Note	2022 £ '000	2021 £ '000
FIXED ASSETS			
Tangible assets	10	427	234
Investments	11	4,077	3,840
		<u>4,504</u>	<u>4,074</u>
CURRENT ASSETS	13		
Debtors		1,946	1,715
Cash at bank and in hand		4,758	2,815
		<u>6,704</u>	<u>4,530</u>
CREDITORS: Amounts falling due within one year	14	(6,329)	(3,760)
		<u>375</u>	<u>771</u>
NET CURRENT ASSETS			
NET ASSETS EXCLUDING PENSION		4,879	4,845
Defined benefit pension scheme	17	1,933	(362)
		<u>6,812</u>	<u>4,483</u>
NET ASSETS		<u><u>6,812</u></u>	<u><u>4,483</u></u>
ACCUMULATED FUNDS			
Unrestricted income funds			
General reserve	16	6,812	4,483
TOTAL FUNDS	16	<u><u>6,812</u></u>	<u><u>4,483</u></u>

The surplus/(deficit) of the parent Company before consolidation was £721k (2021: £(431k)).

The financial statements were approved and authorised for issue by the board of Trustees on 27th October 2022 and signed on its behalf by:



Lorraine Dodd
Trustee

The notes on pages 24 to 39 form part of these financial statements.

CAREER CONNECT
(A company limited by guarantee)
Company Registered Number 4233289
Charity Registered Number 1141077

CHARITY BALANCE SHEET
at 31 March 2022

	Note	2022 £ '000	2021 £ '000
FIXED ASSETS			
Tangible assets	10	427	234
Investments	11	4,077	3,840
		<u>4,504</u>	<u>4,074</u>
CURRENT ASSETS	13		
Debtors		1,578	1,585
Cash at bank and in hand		4,733	2,793
		<u>6,311</u>	<u>4,378</u>
CREDITORS: Amounts falling due within one year	14	(6,068)	(3,685)
NET CURRENT ASSETS		<u>243</u>	<u>614</u>
Defined benefit pension scheme	17	(895)	(1,558)
NET ASSETS		<u><u>3,852</u></u>	<u><u>3,130</u></u>
ACCUMULATED FUNDS			
Unrestricted income funds			
General reserve	16	3,852	3,130
TOTAL FUNDS	16	<u><u>3,852</u></u>	<u><u>3,130</u></u>

The financial statements were approved and authorised for issue by the board of Trustees on 27th October 2022 and signed on its behalf by:



Lorraine Dodd
Trustee

The notes on pages 24 to 39 form part of these financial statements

CAREER CONNECT
(A company limited by guarantee)

GROUP STATEMENT OF CASH FLOWS
for the year ended 31 March 2022

	Note	2022 £ '000	2021 £ '000
Net cash (used in) / provided by operating activities	A	2,304	(738)
Cash flows from investing activities:			
Interest from investments		7	2
Purchase of tangible fixed assets		(368)	(100)
Net cash used in investing activities		(361)	(98)
Change in cash and cash equivalents in the reporting period		1,943	(836)
Cash and cash equivalents at the beginning of the year		2,815	3,651
Cash and cash equivalents	B	4,758	2,815

A: Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £ '000	2021 £ '000
Net income / (expenditure)	2,329	(1,194)
Depreciation charges	174	138
Loss on disposals	1	-
Net investment Additions	-	(500)
(Gains) on investments	(237)	(631)
Pension movements	(2,295)	1,527
Interest from investments	(7)	(2)
(Increase) in debtors	(231)	(75)
(Decrease) / increase in creditors	2,570	(1)
Net cash used in operating activities	2,304	(738)

B. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April 2021 £ '000	Cash flows £ '000	At 31 March 2022 £ '000
Cash and cash equivalents	2,815	1,943	4,758

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

1. General information

Career Connect is a charitable company limited by guarantee registered in England and Wales. The registered office is Walker House, Exchange Flags, Liverpool, Merseyside, L2 3YL.

2. Accounting policies

Basis of preparation of financial statements

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

Career Connect meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are prepared in sterling, which is the functional currency of the Charity.

Monetary amounts in these financial statements are stated in Pounds Sterling, rounded to the nearest £'000.

Basis of consolidation

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking, Career Connections Limited and Achieve North West Connect. The results are consolidated on a line by line basis. The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

Company status

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

Preparation of accounts on a going concern basis

The financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. There are no material uncertainties about the group's ability to continue as a going concern and we consider it appropriate to continue to prepare the financial statements on a going concern basis.

Income

Income comprises mainly grant and contract funding for projects from government and other bodies. Additional income arises from trading income of subsidiaries, premises income and interest received.

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

Income from government and other grants is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for provision of specified services is deferred until the criteria for income recognition are met.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

2. ACCOUNTING POLICIES (continued)

Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures & Fittings	-	5 years straight line
Computer equipment	-	3 years straight line

Debtors

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

Cash at bank and in hand

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

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

2. ACCOUNTING POLICIES (continued)

Financial instruments

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

Pensions

The Charity operates three defined benefit pension schemes for employees. The assets of the scheme are held separately from those of the Charity.

In relation to The Merseyside Pension Fund, the latest valuation provided for FRS 102 purposes indicates an surplus position of £5,676k (2021: £6,097k). FRS 102 requires that a pension scheme asset is reflected only to the extent that it is recoverable by way of future contributions or refunds from the scheme. The charity has gained agreement with staff and union to exit the scheme in August 2022 subject to agreed financial parameters. At the date of approving these financial statements, it is not possible to determine with reasonable accuracy the final amounts which will be due to or from the scheme on exit of the scheme. On this basis, the trustees do not consider that the surplus is recoverable and therefore the pension scheme asset has been derecognised in line with accounting standards.

In relation to the Achieve North West Connect Greater Manchester Pension Fund, the latest valuation provided for FRS 102 purposes indicates an surplus position of £3,824k (2021: £2,222k). FRS 102 requires that a pension scheme asset is reflected only to the extent that it is recoverable by way of future contributions or refunds from the scheme. Currently, the charity does not benefit from reduced contributions as a result of the surplus. Having taken appropriate professional advice, the trustees' best assessment of the amounts which would be due as a result of a refund from the scheme on termination are £2,828k (2021: £1,196k). On this basis the surplus position has been adjusted to reflect the best estimate of the amounts which would be recoverable.

Current service costs, past service costs and gains and losses on settlements and curtailments are charged to appropriate resources expended categories in the statement of financial activities. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of financial activities during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount as other finance costs or income. Net pension finance costs are allocated to appropriate resources expended categories in the statement of financial activities. Net pension finance income is recognised as an incoming resource in the statement of financial activities. Actuarial gains and losses are recognised immediately as other recognised gains and losses in the statement of financial activities.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme surplus (to the extent that it can be recovered) is recognised in full on the balance sheet, net of related deferred tax.

The Charity also participates in a defined contribution pension scheme, in respect of which the charge to the Statement of Comprehensive Income represents the total employer liability for service received from the relevant employees in the year.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

2. ACCOUNTING POLICIES (continued)

Fund accounting

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

Critical accounting judgements and estimation uncertainty

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

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

The trustees recognise that there exists a significant estimate in relation to the recognition of pension scheme assets. In particular, as noted above, it is not possible to determine with reasonable accuracy the final amounts which will be due to or from The Merseyside Pension Fund on exit of the scheme. On this basis, the trustees do not consider that the surplus in The Merseyside Pension Fund is recoverable and therefore the pension scheme asset has not been brought onto the balance sheet in line with the requirements of FRS 102. There is also judgement in determining whether an asset exists in relation to the surplus in the Career Connect section of the Greater Manchester Pension Fund and the quantum of the asset.

In the view of the Trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

3. Income from donations and legacies

	Unrestricted 2022 £ '000	Restricted 2022 £ '000	Total 2022 £ '000	Unrestricted 2021 £ '000	Restricted 2021 £ '000	Total 2021 £ '000
Donations	3		3	4		4
	<u>3</u>	<u>-</u>	<u>3</u>	<u>4</u>	<u>-</u>	<u>4</u>

4. Income from charitable activities

	2022 £ '000	2021 £ '000
Criminal Justice	4,146	3,715
Local Authority	4,120	3,776
Schools	1,069	1,098
National Careers Services	811	1,028
Kickstart	123	-
Other	7	13
	<u>10,276</u>	<u>9,630</u>

All income from charitable activities in 2022 and 2021 was unrestricted.

5. INVESTMENT INCOME

	2022 £ '000	2021 £ '000
Interest receivable	7	2
	<u>7</u>	<u>2</u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

6. Analysis of expenditure on charitable activities

	Direct costs £ '000	Support costs £ '000	2022 £ '000
Criminal Justice	3,465	741	4,206
Local Authority	3,129	670	3,799
Schools	1,059	227	1,286
National Careers Services	856	183	1,039
Kickstart	151	32	183
	<u>8,660</u>	<u>1,853</u>	<u>10,513</u>
	<u><u>8,660</u></u>	<u><u>1,853</u></u>	<u><u>10,513</u></u>
	Direct costs £ '000	Support costs £ '000	2021 £ '000
Criminal Justice	3,218	732	3,950
Local Authority	2,926	665	3,591
Schools	934	212	1,146
National Careers Services	948	216	1,164
	<u>8,026</u>	<u>1,825</u>	<u>9,851</u>
	<u><u>8,026</u></u>	<u><u>1,825</u></u>	<u><u>9,851</u></u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

7. Analysis of support costs

	2022 £ '000	2021 £ '000
Support costs consist of the following:		
Travel	28	10
Telephone and IT	368	622
Other office costs	212	162
Recruitment	37	47
Training and development	17	7
Governance	85	50
LGPS Costs	245	(42)
Other	97	124
Depreciation	121	138
Wages	643	707
	<u>1,853</u>	<u>1,825</u>
Included in governance costs are the following:		
Auditor's remuneration for audit	20	19
Other auditor costs	3	3
	<u>23</u>	<u>22</u>

8. Net movement in funds

	2022 £ '000	2021 £ '000
This is stated after charging:		
Auditors' remuneration: audit	20	19
Auditors' remuneration: non-audit fees	3	2
Depreciation of owned fixed assets	174	138
	<u>197</u>	<u>159</u>

CAREER CONNECT
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

9. Staff costs

	2022 £ '000	2021 £ '000
Wages and salaries	7,385	6,779
Social security costs	632	589
Other pension costs	1,017	1,160
Pension rebate	(653)	(671)
	<u>8,381</u>	<u>7,857</u>

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

	2022 Number	2021 Number
Staff	304	290
	<u>304</u>	<u>290</u>

Under the Charity's memorandum and articles they are allowed to pay reasonable and proper remuneration to the officers. The remuneration paid during the period to Mrs Dodd the Chair of the Board of Trustees was £5k (2021: £5k) for their role as chair. Expenses of £1k (2021: £1k) were reimbursed to 1 (2021: £1k) trustee during the year in relation to travel and other expenses.

The number of employees whose remuneration for the year fell within the following bands was:

	2022 Number	2021 Number
£60,000 to £69,999	3	2
£70,000 to £79,999	1	1
£90,000 to £99,999	1	1
	<u>£ '000</u>	<u>£ '000</u>
Total remuneration of key management personnel	<u>221</u>	<u>211</u>

CAREER CONNECT
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

10. Tangible fixed assets
Group and Company

	Fixtures and fittings	IT	Total
	£ '000	£ '000	£ '000
Cost:			
At 1 April 2021	430	320	750
Additions	50	318	368
Disposals	(430)	(27)	(457)
	<u>50</u>	<u>611</u>	<u>661</u>
At 31 March 2022			
Depreciation:			
At 1 April 2021	371	145	516
Provided during the year	61	113	174
Disposals	(430)	(26)	(456)
	<u>2</u>	<u>232</u>	<u>234</u>
At 31 March 2022			
Net book value:			
At 31 March 2022	<u>48</u>	<u>379</u>	<u>427</u>
At 1 April 2021	<u>59</u>	<u>175</u>	<u>234</u>

11. INVESTMENTS

Group and Company

	2022	2021
	£ '000	£ '000
Market value at 1 April 2020	3,840	2,709
Additions	548	1,021
Disposals	(548)	(521)
Gains and losses in the year	237	631
	<u>4,077</u>	<u>3,840</u>
Market Value at 31 March 2021		

Investments Comprise:

	2022	2021
	£ '000	£ '000
Fixed Interest	458	400
UK Equities	943	1,022
Overseas Equities	1,827	1,594
Alternatives	665	517
Cash	184	307
	<u>4,077</u>	<u>3,840</u>
Total		

CAREER CONNECT
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

The investments are held with Rathbone Investment Management Limited and are shown at market value at the balance sheet date.

12. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity is the sole member of two companies limited by guarantee: Career Connections Limited (03141192) and Achieve North West Connect (03075969).

Career Connections Limited

The principal activities during the year were commercial services and sale of productions which support the charity.

	2022	2021
	£ '000	£ '000
Turnover	330	285
Administrative expenditure	(450)	(324)
Gift Aid payment	-	(9)
	<u> </u>	<u> </u>
(Loss)/Profit on ordinary activities after taxation	(120)	(48)
	<u> </u>	<u> </u>
 Total Assets	 119	 90
Total Liabilities	(199)	(48)
	<u> </u>	<u> </u>
Reserves	(80)	40
	<u> </u>	<u> </u>

Achieve North West Connect

The principal activity during the year was providing the additional advice information and guidance services of Career Connect, relating to Her Majesty's Prison and Probation Services (HMPPS). The activity of Achieve North West Connect has been included in the Criminal Justice charitable activity in the group accounts on the basis that this reflects the substance of the activities.

	2022	2021
	£ '000	£ '000
Turnover	4,139	3,424
Administrative expenditure	(3,887)	(3,299)
Gift aid payment	(156)	(126)
	<u> </u>	<u> </u>
Profit/(Loss) on ordinary activities after taxation	96	(1)
	<u> </u>	<u> </u>
 Total Assets	 3,125	 2,634
Total Liabilities	(2,913)	(2,518)
	<u> </u>	<u> </u>
Reserves	212	116
	<u> </u>	<u> </u>

CAREER CONNECT
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

13. Debtors

	Group		Company	
	2022	2021	2022	2021
	£ '000	£ '000	£ '000	£ '000
Trade debtors	1,346	1,051	1,285	1,040
Other debtors	21	38	3	1
Prepayments and accrued income	579	626	290	544
	<u>1,946</u>	<u>1,715</u>	<u>1,578</u>	<u>1,585</u>

14. Creditors: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£ '000	£ '000	£ '000	£ '000
Trade creditors	113	49	98	48
Amounts owed by group undertakings	-	-	2,713	2,571
Other taxes and social security	162	187	162	187
VAT recoverable	1,770	379	1,785	379
Other creditors	44	1	42	1
Provisions	117	136	117	136
Accruals and deferred income	4,123	3,007	1,151	442
	<u>6,329</u>	<u>3,759</u>	<u>6,068</u>	<u>3,764</u>

Movements in deferred income were as follows:

Deferred income at the start of the year	2,582	2,488	298	184
Income received in advance	3,546	266	587	114
Deferred income released	(2,582)	(172)	(298)	(184)
Deferred income at end of year	<u>3,546</u>	<u>2,582</u>	<u>587</u>	<u>114</u>

Deferred income represents grant income received in advance of meeting the conditions of the grants.

CAREER CONNECT
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

15. Analysis of net assets

	Unrestricted fund 2022 £ '000	Unrestricted fund 2021 £ '000
Group		
Fixed assets	4,504	4,074
Current assets	6,704	4,530
Current liabilities	(6,329)	(3,759)
Defined benefit pension scheme	1,933	(362)
	<u>6,812</u>	<u>4,483</u>
Company		
Fixed assets	4,504	4,074
Current assets	6,311	4,378
Current liabilities	(6,068)	(3,764)
Defined benefit pension scheme	(895)	(1,558)
	<u>3,852</u>	<u>3,130</u>

16. Reconciliation of funds and movement on reserves

	At 1 April 2022 £'000	Income 2022 £'000	Expenditure 2022 £'000	Gains and losses 2022 £ '000	At 31 March 2022 £'000
Group					
General funds	4,483	10,596	(11,042)	2,777	6,812
Total group funds	<u>4,483</u>	<u>10,596</u>	<u>(11,042)</u>	<u>2,777</u>	<u>6,812</u>
Charity					
General funds	3,130	6,304	(6,634)	1,051	3,852
Total charity funds	<u>3,130</u>	<u>6,304</u>	<u>(6,634)</u>	<u>1,051</u>	<u>3,852</u>

CAREER CONNECT
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

17. Pension commitments

The Charity's employees belong to three Local Government Pension Schemes (LGPS) which are multi-employer defined benefit schemes and a defined benefit scheme. The LGPS schemes are managed by the Greater Manchester Pension Fund (two schemes) and Merseyside Pension Fund.

The surplus position in relation to the Merseyside Pension Fund has not been recognised in the balance sheet as the trustees do not consider the £5,676k (2021: £6,097k) surplus recoverable and have gained agreement with staff and union to exit scheme in August 2022 subject to agreed financial parameters. The assets and liabilities in the scheme are as follows:

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

	2022	2021
	£ '000	£ '000
At 1 April	31,180	25,074
Current services costs	998	874
Interest cost	658	600
Employee contributions	166	182
Benefit paid	(356)	(392)
Actuarial loss / (gain)	(831)	4,842
At 31 March	31,180	31,180

Changes in the fair value of the share of scheme assets:

	2022	2021
	£ '000	£ '000
At 1 April	37,277	30,619
Interest income	781	732
Employee contributions	166	182
Employer contributions	4	4
Admin expense	(13)	(14)
Benefits paid	(356)	(392)
Actuarial gain/(loss)	(373)	6,146
At 31 March	37,486	37,277

Career Connect - Merseyside Pension Fund Surplus	5,676	5,545

The latest actuarial valuation of the LGPS related to the period ended 31 March 2019.

As noted in the accounting policies, FRS 102 requires that pension scheme surplus is recognised only to the extent that it is recoverable. The surplus position calculated by the scheme actuary in relation to the Achieve North West Connect Greater Manchester Pension Fund has been reduced to £2,828k (2021: £1,196k) from the actuarial value of £3,824k (2021: ££2,222k) and recognised in the balance sheet as the trustees consider this to be their best estimate of the refund which would be due on exit of the scheme.

Contributions amounting to £35k were payable to the schemes at 31 March 2022 (2021: £37k) and are included within creditors.

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution net of refunds made for the year ended 31 March 2022 was £255k (2021: £341), of which employer's contributions totalled £209k (2021: £269k) and employees' contributions totalled £46k (2021: £72k).

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

17. Pension commitments (continued)

Principal actuarial assumptions	2022	2021
Inflation assumption (CPI)	3.15%	2.8%
Rate of increase in salaries	3.90%	3.6%
Discount rate for scheme liabilities	2.75%	2.1%

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

	2022	2021
Retiring today		
Males	20.3	20.5
Females	21.6	23.3
Retiring in 20 years		
Males	23.2	21.9
Females	25.1	25.3
Sensitivity analysis		
Discount rate -0.1%	190	337
Salary increase +0.1%	25	4
CPI rate +0.1%	164	282

The Charities' share of the assets in the schemes were:	2022	2021
	£ '000	£ '000
Equities	10,776	10,312
Bonds	2,412	1,719
Property	1,287	1,002
Cash	1,608	1,289
Total market value of assets	16,083	14,322

Amount recognised in the Statement of Financial Activities	2022	2021
	£ '000	£ '000
Current service costs	(539)	(389)
Interest income	295	269
Interest costs	(284)	(227)
	(528)	(347)

CAREER CONNECT
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

17. Pension commitments (continued)

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

	2022	2021
	£ '000	£ '000
At 1 April	14,685	10,487
Current services costs	539	389
Interest cost	284	227
Employee contributions	70	72
Benefit paid	(204)	(203)
Actuarial (gain)/loss	(1,224)	3,713
At 31 March	14,150	14,685

Changes in the fair value of the share of scheme assets:

	2022	2021
	£ '000	£ '000
At 1 April	14,323	11,652
Interest income	295	269
Employee contributions	70	72
Employer contributions	283	295
Benefits paid	(204)	(203)
Actuarial gain/(loss)	1,316	2,238
At 31 March	16,083	14,323

At the year-end each scheme was in the following position:

	2022	2021
	£ '000	£ '000
Career Connect - Greater Manchester Pension Fund	(895)	(1,558)
Charity Total	(895)	(1,558)
Achieve North West Connect - Greater Manchester Pension Fund	2,828	1,920
Group Total	1,933	(362)

CAREER CONNECT
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

18. Financial commitments

At 31 March the group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Land & buildings	
	2022	2021
	£ '000	£ '000
Not later than one year	75	27
Between one and five years	505	28
	<u>580</u>	<u>55</u>

19. Related party transactions

During the year the following transactions took place between the charity and its wholly owned subsidiaries:

- The recharge of cost to Career Connections Limited of £335k (2021: £226k)
- The recharge of cost to Achieve North West Connect of £2,803k (2021: £2,192k)
- The payment of profits under Gift Aid by Career Connections Limited to Career Connect of £Nil (2021: £9k)
- The payment of profits under Gift Aid by Achieve North West Connect to Career Connect of £156k (2021: £126k)

There were no other related party transactions in the current or previous financial year.

20. Post-balance sheet event

As explained in further detail in the Trustees' Report on page 10, the Charity had agreed with staff and unions to exit the Merseyside Pension Fund subject to certain financial parameters being met. As a result on 31 August 2022 the Charity exited the scheme. As explained in the accounting policies the surplus calculated at 31 March 2022 has not been recognised on the grounds that cannot be quantified with reasonable accuracy. At the date the financial statements were approved and authorised for issue by the board, the Scheme Actuary had not quantified the final position on exit of the scheme.

Accounts



Annual Report 2020/21

Company Number : 4233289
Charity Number: 1141077

careerconnect.org.uk

CAREER CONNECT
(A company limited by guarantee)

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CAREER CONNECT
(A company limited by guarantee)

INTRODUCTION FROM THE CHAIR

Welcome to our Annual Report for 2020/21. This year has been one of the most challenging for the country and especially for those we work with. I am extremely proud of the work the Charity has undertaken over the last year to maintain our services, supporting individuals who have been severely impacted by the consequences of the pandemic.

Throughout the year our teams have been working tirelessly in new and innovative ways to ensure that young people and adults receive the help they need. This year has been unprecedented, not only in the tragic health impacts of the pandemic but also the wider societal consequences caused by repeated lockdowns, which have especially affected young people. There has been a marked rise in the level of youth unemployment, almost doubling during the pandemic, although now beginning to stabilise. However, we know it will require significant resources and commitment to ensure that these impacts are not long-term and that young people are provided with the practical help they need to return to employment and education as soon as possible. In response to the pandemic we have launched a number of new initiatives focused on working with individuals facing redundancy, addressing the digital divide and increasing access to high quality careers advice and guidance.

Alongside our work to support beneficiaries during the year we have also been focused on developing the Charity to ensure we can increase awareness of the scope and range of our services and positive outcomes now and in the future. Under the leadership of our new CEO, Barry Fletcher who joined at the start of the year we have developed a new Vision, Mission and Five Year Strategy. Our new Vision sets out a bold ambition to support people to realise their potential, and we are excited to be embarking on our ambitious plan when our services are needed now more than ever.

Over the year we have supported over 64,000 people in a range of services, from providing careers advice and guidance to supporting transitions into work. Our teams have worked tirelessly to provide high quality support, the majority delivered remotely in contrast to our predominately face to face services delivered before the pandemic. Going forward we are looking to retain the benefits of virtual and remote support, while offering crucial face to face services which are highly valued by participants on our programmes.

This year has been an extremely challenging one for most Charities, especially with the effect of the lockdowns on fundraising. Career Connect has been affected financially by the pandemic with a drop in income caused by funding for some programmes being delayed or reduced but the impact on outcomes has been limited and we are confident we can continue to grow and develop going forward.

I would like to thank all of the staff of the Charity for the excellent work they do and my fellow Trustees for their commitment and support over a challenging year.



Lorraine Dodd
Chair of Career Connect



Our Values:

- **Inclusive:** We believe diversity is a strength and each person should be supported to achieve the best possible outcomes, irrespective of their background
- **Person-centred:** We care about people as individuals, we advise and advocate on their behalf so that they can achieve their goals.
- **Aspirational:** We are committed to raising aspirations and achieving a greater level of social mobility
- **Impartial:** We work independently as a charity, to broaden horizons and help people to find an opportunity that's right for them
- **Professional:** We are passionate about our work; we are highly skilled and knowledgeable, working with integrity to achieve results

New Vision, Mission and Values

In 2020/21 we have developed a new Vision, Mission and Values for the Charity building on our rich history but looking to the future and growing our impact. Our new Vision captures our commitment to those we support and focuses on the potential in all those we help. We have focused our mission on helping people to access and succeed in education, employment and training as the path to delivering our Vision.

We also undertook an extensive exercise to develop a new set of Values (highlighted above) for the organisation, which reflect our approach to all aspects of delivering our services.

CAREER CONNECT
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TRUSTEES' REPORT
For the year ended 31 March 2021

Our Impact

2020-2021 Key Statistics

- We have worked with 64,716 people across the North West
- This includes 1,468 offenders of whom 176 were supported into employment outcomes
- Delivered services in 160 schools and to 27,686 students both face to face and online
- Our work with local authorities saw us support 26,881 young people. In Career Connect areas NEET and Not Known figures remained better than both North West and National averages
- Our National Careers Service worked with 8,388 individuals, 37% of whom moved into an employment or accredited learning option
- We trained 293 staff across a variety of organisations including internal staff, local authorities and schools

Careers Guidance

As one of the largest providers of Careers Guidance to Schools and Colleges across England we have supported over 27,000 young people across 160 schools this year. 2020/21 saw significant disruption to young people's schooling and required significant changes to our services to ensure that young people received the support they needed. Our teams adapted rapidly to the need to deliver remotely for Young People and ensured that support was provided, especially in light of the major issues with exams and uncertainty regarding higher education and employment prospects.

During the last year we have focused on innovation in our Careers support, for example working with a tech start up called Game Academy, who have developed an innovative programme to support the large number of gamers in the UK to use the skills they have developed through gaming to support their career aspirations. We have provided careers guidance to their participants through the Twitch platform, which saw more than a hundred Young People supported in this new and innovative way. We are looking to develop this partnership further over the next year.

Despite the challenges of Covid and disruption to services our teams have continued to achieve a 100% satisfaction rate and the areas where we operate have achieved in the top five nationally for achievement of Gatsby Benchmark 8 which covers Personal Guidance. In our Five Year strategy we have set an ambitious goal to expand our services to 10% of England's Secondary schools as we know that high quality Careers Guidance is crucial to driving social mobility and especially supporting vulnerable and disadvantaged pupils to achieve their potential.

(Young Person – University applicant)

"I could not have applied for university if it wasn't for you. My application would have most likely have been done wrong. Not only did you help me set it up, but you also helped me understand what everything means."

Our NEET services

In 2020/21 we continued to support large number of young people across the Liverpool City Region and Manchester and Salford who were not in education, employment or training. Our teams helped over 25,000 people to find new opportunities, working with young people in challenging circumstances from those leaving care to individuals engaged with the criminal justice system.

Our support this year has been more important than ever with significant increases in long term youth unemployment and lack of opportunities for Young People. Our teams have continued to deliver support throughout the pandemic both virtually and face to face ensuring Young People had access to the services they needed. Our NEET services have achieved a higher conversion of Young People into work than the NW and national average, highlighting the impact of our work.

The success of our services for Young People were recognised this year with Sarah Vaughan the joint winner of the Service Manager of the year at the Career Development Institute Awards, with Rob Jones also shortlisted for Careers Advisor of the year. Megan Jezzard from our St Helens team was also shortlisted for the prestigious Third Sector Awards in the Best Newcomer category.

CAREER CONNECT
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TRUSTEES' REPORT
For the year ended 31 March 2021

(Young Person struggling to find employment in a labour market affected by COVID)

"Thank you so much for helping me through these tough months. Part of me wishes I was still looking for a job because you are so kind. You were a real help for the interview, and it looks like your advice worked as I got the job! Thank you again."

(Parent of Young Person with Post Traumatic Stress Disorder and Electively Home Educated)

"I can't begin to tell you the impact our Career Connect Advisor has had on my son, it's phenomenal."

(Parent of Young Person experiencing depression, anxiety, and social isolation)

"He's a new child! . He's been in touch with his Careers Advisor from Liverpool and he's really looking forward to it. You are wonderful and the first person he's engaged with. Thank you so very much."

Our Work with adults

As the largest provider of the National Careers Service in the Liverpool City Region, Lancashire, Cheshire and Warrington we work with unemployed and employed adults providing high quality careers advice and support. We worked with over 8000 individuals, with 37% of those we worked with having moved into a sustainable job or accredited learning outcome.

Towards the end of 20/21 our teams supporting adults received the following excellent feedback in a large scale survey:

- 98% of respondents were extremely, very or fairly satisfied
- 96% would recommend the service to others
- 97% had an excellent or good first impression of the service.
- 98% of respondents felt a lot or a little *'Empowered to take the next steps independently as a result of the session'*

(NCS Participant - Support for completing applications)

"I just wanted to tell you I received the full funding we applied for and it will be a huge benefit for me to regain employment to continue my flying career. The time you spent with me gave me hope and reassurance. I can't thank you enough."

(NCS Participant – Prior professional looking for employment)

"Those links were really helpful. I've interviewed people myself but it's scary how much information you forget, especially when you are on the other side of the desk. Really can't tell you how much you've helped me. The service you provide is invaluable."

(NCS Participant – New career path following redundancy)

"My confidence was rock bottom, just talking to you made me feel like I could have another go – even at my age! To know you would be there if I hadn't been successful this time round was a huge relief."

(NCS Participant – Practical CV writing support)

"I honestly can't thank you enough for your help in writing my CV. I'm so happy with my job and your support was a huge part of actually getting it."

Our Work with Offenders

Career Connect operated 2 significant contracts in the delivery of careers and resettlement services to prisoners in 11 North West prisons and via through the gate services as offenders return to the community. Achieve North West Connect, a subsidiary of the main Charity, provides a range of advice and support services to offenders across the entire North West region on the CFO3 ETE service commissioned by Her Majesty's Prison and Probation Service Co-Financed Organisation (HMPPS CFO), funded by the European Social Fund. In addition, New Leaf, is a smaller European Structural and Investment Fund (ESIF) funded contract delivered on behalf of Torus Foundation working across the Cheshire/Warrington area. During this period we supported 1468 offenders with 176 progressing into employment or education.

CAREER CONNECT
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TRUSTEES' REPORT
For the year ended 31 March 2021

The restrictions of the pandemic were challenging, particularly working within environments such as prisons but our teams responded flexibly and innovatively. In cell telephony proved to be a lifeline to continue to successfully mentor our participants and maintain contact with some of our most vulnerable service users.

Digital Transformation

This year we embarked on a significant digital transformation at Career Connect, designed to ensure that both internally and in the delivery of our services we are fully utilising the opportunities digital offers to enhance the delivery of our Mission. As part of this development we have welcomed our first Director of Digital and IT. This transformation has included a new outsourced provider of our IT services, significantly reducing our costs while supporting our new Strategic objectives. In addition we have launched a new innovation platform, Ideanote, which allows any member of our team to put forward a new idea, whether related to our services or other issues. Since launching in May 2020 we have had over 120 ideas put forward by our teams, with over half now implemented and having a positive impact.

During the pandemic and in a post-covid world, collaboration and information sharing digitally will be even more important. This year we launched a new Intranet, MyConnect which allows all our teams to connect on-line and ensures everyone has access to the information and support they need to support our participants better.

To support our participants with job searching, CV creation, skills development and with a built in interview simulator, we have implemented a new digital tool 'connectmycareer'. This tool is now being used across our key services and we have had over 12,000 activities undertaken on the software since its launch earlier this year. Finally, we have embarked on a major re-development of our Get Connected Careers platform. The App is being entirely re-developed to ensure it gives cutting edge support to young people, teachers and their parents using the latest technology and Careers guidance innovations.

New Programmes

This year the Charity has launched a new service to support employers and their staff who have been negatively affected by the pandemic through redundancy and restructuring. The Outplacement service is designed to support those impacted through both digital means using our connectmycareer platform and in-person Careers coaching and guidance to support their transition to new opportunities.

Research and Evaluation

As part of our new Five Year Strategy we have developed a new Research and Evaluation department in the Charity to ensure we are forefront of evidence based practice. As part of our focus on this area we are looking to undertake our own primary research, undertake robust evaluation of our current programmes, and contribute to the wider development of the evidence base for our work. We have already published some interesting data and analysis on the Kickstart scheme and are developing evaluation frameworks for all our current programmes, alongside externally commissioning research on key projects.

Campaigning

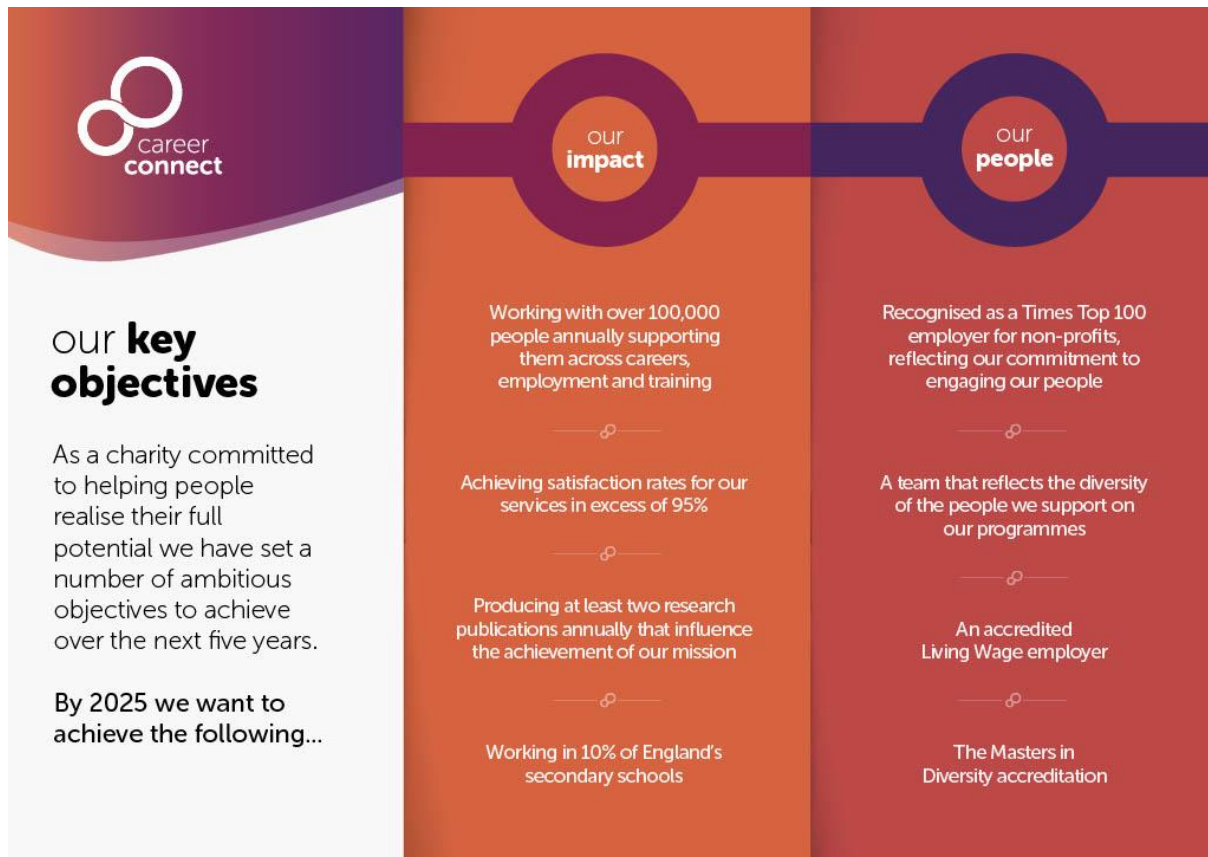
Career Connect have played an active role in campaigning this year to ensure that young people receive the support they need in response to the impact of the pandemic. In addition to direct influencing activity we have played an active role in the Youth Employment Group which has brought together over 100 Charities and other organisations focused on youth employment. The YEG played a key role in the development of the Kickstart scheme and the wider government response to the pandemic including the expansion of Traineeships, funding for Apprenticeships and wider support measures.

Future Plans

In 2020/21 we developed a new Five Year Strategy designed to increase our impact, ensure our sustainability and broaden our reach. The strategy sets out a number of key ambitions over the next Five Years, a summary of these are set out below;

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We are already making significant progress on our key objectives, becoming Living Wage accredited this year and embarking on the Investors in Diversity accreditation. We are planning to work with a number of new schools this year, including outside our historical delivery areas in the North West. Over the next year we are looking to continue growing our impact through the following activities:

- Driving programme innovation through securing Trusts and Foundations funding addressing key issues for young people. This will include those impacted by Covid-19, supporting Young People with SEND, helping electively home educated Young People and growing our work with Primary schools.
- We are planning to launch a volunteering programme this year to support our professional teams, especially focused on our work in schools.
- We will be launching our new Get Connected App for Careers Guidance following a full re-development.
- We expect to publish our first primary research this year and ensure robust evaluation of all our programmes.

Public Benefit

The Board confirms that it has complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit.

The charitable purpose for the Charity within the meaning of the Act is enshrined within its objects, as given in the memorandum and articles of association, and as described in this report.

Activities undertaken for the public benefit include:

- The delivery of relevant up to date careers information, advice and guidance to adults and young people according to individual need
- The support of vulnerable and disadvantaged young people and adults to achieve their potential
- The support of adults and young people from a wide range of backgrounds and circumstances through their transition into further learning and work

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Diversity and Inclusion

Career Connect is committed to continually strengthening our approach to diversity and inclusion. As part of our Five-Year Strategy, we have set ourselves the goal of becoming Masters in Diversity Accredited by the end of 2025 and ensuring that our teams reflect the communities we support. We have identified areas where we are making positive progress and other areas where further development is required.

In this year we became a Disability Confident Leader, the highest level awarded by DWP which reflects an organisations approach to employing disabled people. We embrace the job interview guarantee for people with disabilities. Candidates are encouraged to highlight any reasonable adjustments needed in the recruitment process. This has enabled the charity to provide materials in other formats such as large print and BSL Signers for those who require support to participate fully in the recruitment process. Staff complete a health questionnaire, to identify any reasonable adjustments needed to succeed in the role: 26% of the workforce have a disability. Occupational Health and Access to Work undertake workplace assessments to agree appropriate adjustments or support, e.g. assistive technologies for an employee with a visual impairment. Full training is provided to ensure people are able to make full use of the software or equipment provided. This is regularly reviewed with the manager to ensure it remains supportive.

The charity provides training and development to all staff and reasonable adjustments are in place for those with disabilities. This includes accessible training venues and information in other formats. Monitoring of participation in training and those who progress into promotion opportunities is undertaken, ensuring that there is no discrimination in workforce development procedures. In addition, specific disability awareness training is provided to staff, which improves delivery of services to disabled people but also helps promote good working relations between people in teams.

An area for improvement is increasing the ethnic diversity of our teams, including in senior positions. Currently 6% of staff are from an ethnic minority, with a goal set to increase this to 18% by the end of 2025. We are undertaking a number of initiatives to increase the diversity of our workforce, including reviewing our recruitment processes, training for hiring managers to ensure unconscious bias does not influence decision making, and undertaking ethnicity pay gap reporting, with our first report planned to be published next year.

The gender balance in the Charity is currently 72% female. Our median gender pay gap is currently 6% and has reduced over the last few years, however, further improvement is still required to eliminate the gap.

Environmental Impact

Career Connect is committed to playing its part in addressing the climate emergency and continues to focus on decreasing our environmental impact. One of the key changes we undertook this year was committing to removing all fossil fuel companies from our investment portfolio. We plan to ensure that we have divested all funds in these companies by the end of the 21/22 financial year. Our holdings were already limited, however, we believe it is crucial all Charities play their part in addressing what is one of the greatest issues of our time. The pandemic has had a massive impact on our environmental impact in 2020/21 with the majority of our services moving from face to face to virtual. As a result we saw a reduction in mileage of 92% compared to 2019/20 (216,522 less miles) and an 81% reduction in paper usage. We also saw electricity and gas usage reduce, however, this was less dramatic due to the requirement to continue to maintain our offices while not being utilised. Although we expect to see mileage and wider consumption increase as we return to in person services we are keen to ensure that the environmental gains are not lost, therefore we are aiming to continue to use a blend of digital and in-person delivery going forward and are moving to a hybrid working structure for our Head Office staff which has allowed a 60% reduction in our Head Office size.

Financial Review 2020/21

In 2020/21 the Charity saw a relatively stable level of income of £9,974k (£10,360k in 2019/20) despite the impact of Covid 19. We undertook a number of investments during the year aligned to our new Strategy, especially focused on digital transformation, new programmes and research and evaluation. A small number of programmes were delayed due to the pandemic but we expect to see these come to fruition in 2021/22.

We saw a positive increase in our income from our Criminal Justice work from £3,162k in 2019/20 to £3,715k in 2020/21.

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The cash position of the charity remains strong at £2,814k, after a transfer of £500k into our Investment Portfolio. The strength of our cash position provides a high degree of confidence and helped with any negative impact caused by the Covid-19 pandemic.

In 2019/20 our investments were negatively impacted by the significant economic effects of Covid-19 on global stock markets. We saw a loss £206k in the last quarter of 2019/20, however 2021/21 we received a positive £631k movement in year, making up for the loss of 2020/19. As a result of this positive movement we saw a £284k surplus achieved in 2020/21.

Group Income for the year ended 31 March 2021 was £9,974k (£10,360k in 2019/20) of which £9,683k (2019/2020 £9,839k) was on charitable activities and £291k (2019/20 £505k) from non-charitable activities via Career Connections our trading subsidiary

The Group spent £10,321k (2019/20 £10,392k) before adjusting for the actuarial gains and losses of the Defined Pension costs under FRS 102.

Reserves

The Charity hold reserves to ensure its continued sustainability and allow investment in delivering the Mission of the Charity.

Free reserves are defined by the Charity Commission as unrestricted funds available to spend on the general purposes of the charity and therefore excluding those designated for particular purposes and those already utilised in purchasing tangible fixed assets.

Free reserves may be utilised for the following purposes:

- To protect the charity against a fall in income levels
- To ensure that all liabilities can be discharged in the event of the closure of the Charity
- To provide working capital in the event that expenditure is needed ahead of income being received, which is often the case in commissioned services
- To provide funding for new initiatives or opportunities
- To protect the charity against unplanned adverse events such as losing key staff, theft, fire or adverse publicity

Career Connect's reserves policy states that the Charity should hold a minimum of three months and a maximum of six months of operating expenditure. At the end of 2020/21 this was calculated as between £3.1M and £6.2M. Our current free reserves stand at £4,483k (2020: £5,677k) above the minimum and within the range agreed in our policy. On the basis of current investment plans and cashflow planning we expect our reserves to reduce over the next year, however, remaining above the minimum threshold.

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Pensions

The group operates a number of funded defined-benefit pension schemes and a money purchase scheme as the auto-enrolment alternative. The effect of compliance with FRS102 is disclosed in Note 17 to the financial statements. A valuation carried out at 31 March 2021 shows the market value of the assets of the schemes to be £14,323k (2020: 11,652k) and the present value of the liabilities £14,685k (2020: £10,487k). The net deficit on the Schemes of £362k (2020: £1,165k surplus) is a statement of the transient situation at 31 March 2021, and the Trustees recognise that this can fluctuate year on year notably in response to market factors and the actuarial assumptions made.

Career Connect is a member of two LGPS schemes, the Greater Manchester Pension Fund and the Merseyside Pension Fund. Staff working on three contracts are members of GMPF, which is closed to new members and funding is provided within these contracts to cover the contributions required. In the case of Merseyside Pension Fund a significant number of staff are part of this fund, 106 at the end of 2020/21. These staff members work on a range of programmes and Head Office functions and current contracts do not cover the full cost of contributions, which have been increasing on this scheme. Currently there is a surplus in MPF, which has not been recognised in the accounts, which has been utilised to pay contributions over a number of years, however, this surplus is reducing and if contributions needed to be funded through day to day income, this would pose a major risk to the Charity. As a result, Trustees proposed to exit the fund and we entered negotiations with Unison and staff in early 2020/21. Following these negotiations we have agreement to exit the fund in August 2022 if certain financial parameters are met. If we exit in August 2022 this will remove a significant risk for the Charity.

Reference and Administrative Details

Registered Charity Name	Career Connect
Charity Registration Number	1141077
Company Registration Number	4233289
Registered Office	Walker House Exchange Flags Liverpool Merseyside L2 3YL

Structure, Governance and Management

Career Connect is a registered Charity (number 1141077) and a company limited by guarantee (number 4233289) and is governed by its Articles of Association dated 13 June 2001 and amended by Special Resolutions dated 22 September 2010, 11 March 2011, 24 April 2014, 9 June 2017 and 26 October 2020. Career Connect has two wholly owned subsidiary companies, Achieve North West Connect and Career Connections Limited.

The Trustees

The Trustees, who are also directors for the purposes of company law, who served the company during the period were as follows:

Mrs Lorraine Dodd	Chair
Ms Aameena Ahmed	Resigned – 19/7/21
Mr Nigel Bellamy	Resigned – 14/12/20
Mr Martin McEwan	Chair Investment and Remuneration Committee
Ms Kath Wyke	Staff Trustee
Mr Steven Leach	Staff Trustee – Appointed 16/7/21
Ms Kate Shone	
Ms Moriah Nell	
Mr Andrew Rannard	
Ms Susan Smith	
Ms Elaine Sweeney	

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Co-opted and Independent Members

Mr Alexander Mansfield	Independent Chair Audit and Risk Committee
Ms Su Bramley	Co-opted Member Audit and Risk Committee

Director

Mr Barry Fletcher	Chief Executive
Mrs Sheila Clark	Deputy Chief Executive

Secretary

Ms Gillian Holywell

Auditor

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Governing Body, recruitment, training and performance

The Charity has adopted the Charity Governance Code and strives to achieve best practice. The Board of Trustees is responsible for the overall governance of the Charity and to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The Board conducts its business at a minimum of four meetings throughout the year, receiving regular and timely information on financial and operational performance. The Board is also supplemented by Audit and Risk and Investment and Remuneration Committees.

There are currently a total of 9 Trustees and 2 Co-opted/Independent members who represent a spread of experience and interests in the field we operate. We are currently undertaking recruitment to further enhance our Board, with the planned addition of our first Young Trustees and Trustees with a background in Research and Criminal Justice.

The majority of Trustees are appointed through open recruitment in addition to potential Trustees being identified by partner organisations or serving Trustees who have the necessary skills, experience and enthusiasm to complement the current Board.

A Trustee Skills Audit was undertaken in 2020/21 which helped inform both our Trustee recruitment plans and further training and support required by Trustees.

In this year we also commenced an external Board Effectiveness review undertaken by consultants from NCVO in line with the Charity Commission guidance. An external review will now be undertaken every three years in addition to the internal review annually. We expect to receive the report and recommendations in the 2021/22 financial year.

The Charity has updated procedures to reflect guidance provided by the Charity Commission regarding trustee and senior management eligibility with effect from 1 August 2018.

Each Trustee will receive the Charity Commission Trustee Guide which covers internal and external requirements; the Board also reviews its own training needs and performance annually, in the form of an Effectiveness Review led by the Chair.

The Board has agreed the terms of reference for each committee and has also agreed a policy of Delegated Authority to the Executive, retaining responsibility for key strategic decisions. Throughout the year the Board has scrutinised the operations of the Executive, within this authority.

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Executive Management

Responsibility for the planning, co-ordination and day-to-day management of staff and operations is delegated to an Executive Team led by the Chief Executive and supported by a Senior Leadership Team. Formal reporting by the Chief Executive to the Board takes place at regular Board meetings and informally as appropriate throughout the year. The systems of control that are designed to provide reasonable assurance regarding risk management and against material misstatement or loss include:

- An annual budget approved by the Board
- A Five Year strategic plan
- Financial reports to every Board meeting including forecasts against budget
- Regular review of financial results, variance from budget and non-financial performance indicators and reports
- A clear delegation of authority and segregation of duties
- Identification and management of risks, reported regularly to Board and Audit and Risk Committee
- Regular meetings of the Audit and Risk and the Investment and Remuneration Committees
- A comprehensive three year Internal Audit plan agreed by the Board and delivered by Mazars
- *In 2020 we became registered with the Fundraising Regulator, providing evidence of our commitment to high fundraising standards and building public trust in the Charity and wider sector*

Senior Leadership Team Remuneration

The remuneration of the Executive and Senior Leadership Team is reviewed by the Investment and Remuneration Committee at least on an annual basis. Salaries and benefits for this group have been set taking into account appropriate benchmarks and balance the need to retain and attract talented individuals while ensuring the appropriate use of Charitable funds. Salaries are compared to pay rates in similar organisations in the Careers/Employment sector including both Charitable and private sector organisations. In order to ensure transparency, the salaries of the CEO and Deputy CEO are set out below. The Executive team and SLT are offered the same benefits package as all staff. In addition, when all staff pay rises are undertaken a flat rate is utilised to ensure that lower paid staff receive a higher percentage uplift.

Role	Annual Gross Salary 2020/21
CEO	£95,000
Deputy CEO	£77,760

The pay ratio of our CEO's pay to our employees is as follows:

- Upper quartile (£35,276): 2.7:1
- Median pay (£26,217): 3.6:1

Audit and Risk Committee

The committee comprises up to 10 members, of whom the majority are Trustees and also includes the Charity's Internal Auditor (Mazars). The Chair and Chief Executive are attendees but not members of the committee. The External Auditor attends as appropriate throughout the year and open dialogue is encouraged between non-executive members and the Auditors.

The committee meets at least three times a year and provides a forum for reporting by the Charity's external and internal auditors, who have full independent access to members. The committee also receives reports from other independent bodies as appropriate.

The Internal Auditor monitors the systems of internal control, risk management and governance procedures in accordance with an Annual Audit Plan, reporting their findings to the committee and to management. The Audit Plan is drawn up in consultation with management using a risk based approach.

The committee regularly reviews the Risk register, in particular the potential for new risks and the effectiveness of monitoring and control actions agreed.

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Statement of Internal Control

The Board has responsibility for maintaining a good, sound system of internal control that supports the achievement of Charity policies, aims and objectives, whilst safeguarding the funds and assets of the Charity.

The system of internal control is designed to assess and manage rather than eliminate risk. It can therefore only provide reasonable and not absolute assurance of effectiveness.

Our system of control is based on an on-going process designed to identify the principal risks to the achievement of Charity aims and objectives to evaluate the nature and extent of those risks and to manage them effectively, efficiently and economically. Risk Management Policy and Strategy continues to reflect the changes and challenges facing the organisation.

The Board through the Audit and Risk Committee review the Risk Register during the year and monitor progress on the risks identified and the procedures in place for identification and management of risk.

The Agenda for the Board and its Audit and Risk Committee includes, as a standing item, the area of risk management which is considered on a regular basis throughout the year.

The Charity reviews its risk management procedures and processes on an ongoing basis to ensure that it is fit for purpose in the changing operational environment and is fully embedded within the organisation.

Any review of the effectiveness of internal control is informed by regular reports from Charity's internal auditors and by the Chief Executive who is responsible for the integration and implementation of Risk Management.

The Board received an annual review from the Company's Internal Auditors, Mazars, which gave an overview on all the Internal Audits completed during the year to March 2021. Mazars' annual opinion on the framework of governance, risk management and control are reported under the following categories:

- Substantial
- Moderate
- Limited
- Unsatisfactory

The Internal Auditors overall opinion of the review was "On the basis of our audit work, our opinion on the framework of governance, risk management and control is **Substantial** in its overall adequacy and effectiveness. We noted good practice in other areas including our audit of corporate governance and safeguarding which both provided a substantial assurance opinion."

In addition, the External Auditor again found no material weaknesses in the Charity's systems.

As an important part of the Risk management process the Charity regularly reviews its Safeguarding and Whistleblowing Policy and Procedures and continues to review its practice to ensure that staff are fully conversant with the changing requirements and challenges of the job.

Risk Management

Risk is an uncertain event, which may have a positive or negative effect on an organisation meeting its strategic objectives. Risk arises as much from the non-realisation of potential opportunities as from the occurrence of potential threats. It is not possible to entirely eliminate risk.

The Charity has adopted a common approach to the management of risk throughout the organisation. This will be achieved via adherence to the risk management procedures.

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The Charity will identify and agree the level of risk exposure that it will tolerate. This is required to:

- make clear what activities the Charity (where it has a choice) will and will not engage in;
- help inform decision making;
- shape corporate and other individual strategies;
- help inform business and strategic planning;
- help prioritise the management and reporting of risks;
- proactively review opportunity risk; and
- assess the risk arising from the new activities and opportunities.

The above will be considered in the context of overall the Charity objectives.

The Charity seeks to be risk aware rather than risk averse. Every member of staff, from the directors through line managers to the individual employee must be aware of the nature of risk, and the agreed system of control.

The Charity will adopt a pro-active approach to risk management which:

- anticipates the possibility that unforeseen events may adversely affect the achievement of key objectives; and
- maximises the possibility that opportunities are taken to progress all objectives.

The risk management process is designed to ensure that potential opportunities and threats are proactively and systematically identified, assessed and addressed. It also provides for the monitoring and reporting of risk on an ongoing basis and is capable of independent verification.

The table below sets out a number of key risks for the Charity:

Key Risk	Mitigation
Impact of Covid-19 pandemic on the charity	• Business Continuity Plan activated and managing ongoing risk • Mixture of office/community based delivery and home working being utilised • Enhanced environmental control procedures • Communication on website regarding our ongoing services • Specific Infectious Diseases Policy developed • Encouraging vaccination among staff and monitoring number vaccinated
Exit from European Union and end of European Social Funding	• Diversification of income streams • Engagement with Northern Powerhouse authorities, Combined Authorities and Government via Careers England/IEP about UK Shared Prosperity Fund as ESF legacy potential • Invest in research and analytical capacity to influence commissioning plans • Opportunity to bid for Community Renewal Fund as precursor to Shared Prosperity Fund launched this year

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Significant loss of beneficiary data	• Robust security plans to ensure retention of data • Cyber Essentials accreditation • Regular patching and updates on all critical software and hardware • All staff undertake mandatory training on Information Security • Mazars our internal auditors will be undertaking an Information/Cyber Security review as part of internal audit schedule in 21/22 • Planning to become ISO27001 (Information Security) accredited in 2021
Local Government Pension Schemes	• Closely monitoring costs of schemes and potential impact on financial sustainability of the Charity • Membership of Greater Manchester schemes lower risk as contributions funded by commissioner • Due to increasing contributions on the Merseyside Pension Fund scheme we have agreed to exit in August 2022 subject to key financial targets being met, following agreement with our Unions and staff in the scheme.
Increased staff turnover and difficulty in recruiting new talent at all levels of the organisation	• Staff recruitment and retention strategy refresh • New rewards and remuneration strategy • Pay rise in June 2020 for all staff • Investment in internal accredited training for staff targeting areas of growth • Development of Glassdoor profile • Launch of new website with new 'Work for us' section • Launched new recruitment software to automate aspects of recruitment process, speed up hiring and improve candidate experience

Provision of Information to Auditors

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

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

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Responsibilities of the Trustees

The Trustees (who are also Directors of Career Connect for the purposes of Company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make 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 group will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Haysmacintyre LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.



Signed by order of the Trustees on 28 October 2021.
Ms Gillian Holywell
Company Secretary

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAREER CONNECT

Opinion

We have audited the financial statements of Career Connect for the year ended 31 March 2021 which comprise the Consolidated Statements of Financial Activities, the Consolidated Balance sheet, the Consolidated 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's and parent charitable company's net movement in funds, including the 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 group 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 ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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 Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAREER CONNECT

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, in particular in relation to recording income from donations and charitable activities in the correct accounting period and management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity relevant to the preparation of the financial statements to ensure these were in place throughout the year, including during the Covid-19 remote working period;
- Reviewing debtors recoverability post year end.
- Reviewing managements decisions on bad debt.
- Reviewing post balance sheet events.
- Evaluating management's controls designed to prevent and detect irregularities;

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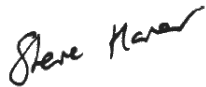
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAREER CONNECT

- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Harper (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 4 November 2021

CAREER CONNECT
(A company limited by guarantee)

GROUP STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Group Income and Expenditure Account)
for the year ended 31 March 2021

	Notes	Total 2021 £ '000	Restated Total 2020 £ '000
Income from:			
Donations, grants and legacies	3	4	4
Charitable activities	4	9,630	9,8342
Investments	5	2	12
Trading income		285	255
Total income		9,921	10,113
Expenditure on:			
Raising funds			
- Fundraising		149	122
- Trading		271	243
Charitable activities	6		
- Criminal Justice		3,950	3,669
- Local Authority		3,591	3,771
- Schools		1,146	1,217
- National Careers Services		1,164	1,123
Total expenditure		10,271	10,145
Net (expenditure) / income before gains and losses		(350)	(32)
Gains / (losses) on investments	11	631	(206)
Net income / (expenditure)		281	(238)
Actuarial (losses) / gains on pension	17	(1,475)	2,793
Net movement in funds		(1,194)	2,555
TOTAL FUNDS AT 1 APRIL 2020	16	5,677	3,122
TOTAL FUNDS AT 31 MARCH 2021	16	4,483	5,677

The group statement of financial activities has been prepared on the basis that all operations are continuing operations.

Income, expenditure and funds in both the current and previous financial year relate entirely to unrestricted funds.

The notes on pages 24 to 39 form part of these financial statements.

CAREER CONNECT
(A company limited by guarantee)

Company Registered Number 4233289
Charity Registered Number 1141077

GROUP BALANCE SHEET
at 31 March 2021

	Note	2021 £ '000	Restated 2020 £ '000
FIXED ASSETS			
Tangible assets	10	234	272
Investments	11	3,840	2,709
		<u>4,074</u>	<u>2,981</u>
CURRENT ASSETS	13		
Debtors		1,715	1,640
Cash at bank and in hand		2,815	3,651
		<u>4,530</u>	<u>5,291</u>
CREDITORS: Amounts falling due within one year	14	(3,759)	(3,760)
		<u>771</u>	<u>1,531</u>
NET CURRENT ASSETS/(LIABILITIES)			
		4,845	4,512
NET ASSETS EXCLUDING PENSION			
Defined benefit pension scheme	17	(362)	1,165
		<u>4,483</u>	<u>5,677</u>
NET ASSETS		<u><u>4,483</u></u>	<u><u>5,677</u></u>
ACCUMULATED FUNDS			
Unrestricted income funds			
General reserve	16	4,483	5,677
TOTAL FUNDS	16	<u><u>4,483</u></u>	<u><u>5,677</u></u>

The surplus/(deficit) of the parent Company before consolidation was £431k (2020: £(1,799)k).

The financial statements were approved and authorised for issue by the board of Trustees on 28 October 2021 and signed on its behalf by:



Lorraine Dodd
Trustee

CAREER CONNECT
(A company limited by guarantee)

The notes on pages 24 to 39 form part of these financial statements.

CAREER CONNECT
(A company limited by guarantee)

Company Registered Number 4233289
Charity Registered Number 1141077

CHARITY BALANCE SHEET
at 31 March 2021

	Note	2021 £ '000	Restated 2020 £ '000
FIXED ASSETS			
Tangible assets	10	234	272
Investments	11	3,840	2,709
		<u>4,074</u>	<u>2,981</u>
CURRENT ASSETS	13		
Debtors		1,585	1,381
Cash at bank and in hand		2,793	3,629
		<u>4,378</u>	<u>5,010</u>
CREDITORS: Amounts falling due within one year	14	(3,764)	(3,685)
NET CURRENT ASSETS/(LIABILITIES)		614	1,325
Defined benefit pension scheme	17	(1,558)	(745)
NET ASSETS		<u>3,130</u>	<u>3,561</u>
ACCUMULATED FUNDS			
Unrestricted income funds			
General reserve	16	3,130	3,561
TOTAL FUNDS	16	<u>3,130</u>	<u>3,561</u>

The financial statements were approved and authorised for issue by the board of Trustees on 28 October 2021 and signed on its behalf by:



Lorraine Dodd
Trustee

The notes on pages 24 to 39 form part of these financial statements

CAREER CONNECT
(A company limited by guarantee)

GROUP STATEMENT OF CASH FLOWS
for the year ended 31 March 2021

		2021	Restated
	Note	£ '000	2020
			£ '000
Net cash (used in) / provided by operating activities	A	(738)	557
Cash flows from investing activities:			
Interest from investments		2	12
Purchase of tangible fixed assets		(100)	(118)
Net cash used in investing activities		(98)	(106)
Change in cash and cash equivalents in the reporting period		(836)	451
Cash and cash equivalents at the beginning of the year		3,651	3,200
Cash and cash equivalents	B	2,815	3,651

A: Reconciliation of net movement in funds to net cash flow from operating activities

	2021	Restated
	£ '000	2020
		£ '000
Net (expenditure) / income	(1,194)	2,555
Depreciation charges	138	152
Loss on disposals	-	1
Net investment Additions	(500)	(497)
(Gains) / losses on investments	(631)	206
Pension movements	1,527	(2,546)
Interest from investments	(2)	(12)
(Increase) / decrease in debtors	(75)	434
(Decrease) / increase in creditors	(1)	264
Net cash used in operating activities	(742)	557

B. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April	Cash flows	At 31 March
	2020		2021
	£ '000	£ '000	£ '000
Cash and cash equivalents	3,651	(836)	2,815

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

1. General information

Career Connect is a charitable company limited by guarantee registered in England and Wales. The registered office is Walker House, Exchange Flags, Liverpool, Merseyside, L2 3YL.

2. Accounting policies

Basis of preparation of financial statements

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

Career Connect meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are prepared in sterling, which is the functional currency of the Charity.

Monetary amounts in these financial statements are stated in Pounds Sterling, rounded to the nearest £'000.

Basis of consolidation

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking, Career Connections Limited and Achieve North West Connect. The results are consolidated on a line by line basis. The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

Company status

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

Preparation of accounts on a going concern basis

The financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. There are no material uncertainties about the group's ability to continue as a going concern and we consider it appropriate to continue to prepare the financial statements on a going concern basis. The impact of Covid-19 has been considered in our assessment of the group as a going concern. As the majority of the group's funding is provided by local and national government there has been very limited impact on income during the period. In addition the likely increases in unemployment, especially among young people means more funding is likely to be available for the types of services in which the group specialises. The group's strong cash and reserves position also gives confidence that the group can manage risks arising from the impact of Covid-19.

Income

Income comprises mainly grant and contract funding for projects from government and other bodies. Additional income arises from trading income of subsidiaries, premises income and interest received.

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

Income from government and other grants is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for provision of specified services is deferred until the criteria for income recognition are met.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

2. ACCOUNTING POLICIES (continued)

Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures & Fittings	-	4 years straight line
Computer equipment	-	3 years straight line

Debtors

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

Cash at bank and in hand

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

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

2. ACCOUNTING POLICIES (continued)

Financial instruments

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

Pensions

The Charity operates three defined benefit pension schemes for employees. The assets of the scheme are held separately from those of the Charity.

In relation to The Merseyside Pension Fund, the latest valuation provided for FRS 102 purposes indicates an surplus position of £6,097k (2020: £5,545k). FRS 102 requires that a pension scheme asset is reflected only to the extent that it is recoverable by way of future contributions or refunds from the scheme. The charity has gained agreement with staff and union to exit scheme in August 2022 subject to agreed financial parameters. At the date of approving these financial statements, it is not possible to determine with reasonable accuracy the final amounts which will be due to or from the scheme on exit of the scheme. On this basis, the trustees do not consider that the surplus is recoverable and therefore the pension scheme asset has been derecognised in line with accounting standards. Prior year comparatives have been restated accordingly.

In relation to the Achieve North West Connect Greater Manchester Pension Fund, the latest valuation provided for FRS 102 purposes indicates an surplus position of £2,222k (2020: £2,628k). FRS 102 requires that a pension scheme asset is reflected only to the extent that it is recoverable by way of future contributions or refunds from the scheme. Currently, the charity does not benefit from reduced contributions as a result of the surplus. Having taken appropriate professional advice, the trustees' best assessment of the amounts which would be due as a result refund from the scheme on termination are £1,196k (2020: £1,910k). On this basis the surplus position has been adjusted to reflect the best estimate of the amounts which would be recoverable. This is a change in approach compared with previous years and prior year comparatives have been restated accordingly.

Current service costs, past service costs and gains and losses on settlements and curtailments are charged to appropriate resources expended categories in the statement of financial activities. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of financial activities during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount as other finance costs or income. Net pension finance costs are allocated to appropriate resources expended categories in the statement of financial activities. Net pension finance income is recognised as an incoming resource in the statement of financial activities. Actuarial gains and losses are recognised immediately as other recognised gains and losses in the statement of financial activities.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme surplus (to the extent that it can be recovered) is recognised in full on the balance sheet, net of related deferred tax.

The Charity also participates in a defined contribution pension scheme, in respect of which the charge to the Statement of Comprehensive Income represents the total employer liability for service received from the relevant employees in the year.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

2. ACCOUNTING POLICIES (continued)

Fund accounting

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

Critical accounting judgements and estimation uncertainty

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

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

The trustees recognise that there exists a significant estimate in relation to the recognition of pension scheme assets. In particular, as noted above, it is not possible to determine with reasonable accuracy the final amounts which will be due to or from The Merseyside Pension Fund on exit of the scheme. On this basis, the trustees do not consider that the surplus in The Merseyside Pension Fund is recoverable and therefore the pension scheme asset has been derecognised in line with the requirements of FRS 102. There is also judgement in determining whether an asset exists in relation to the surplus in the Career Connect section of the Greater Manchester Pension Fund and the quantum of the asset.

In the view of the Trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

3. Income from donations and legacies

	Unrestricted 2021 £ '000	Restricted 2021 £ '000	Total 2021 £ '000	Unrestricted 2020 £ '000	Restricted 2020 £ '000	Total 2020 £ '000
Donations	4	-	4	4	-	4
	<u>4</u>	<u>-</u>	<u>4</u>	<u>4</u>	<u>-</u>	<u>4</u>
	<u>4</u>	<u>-</u>	<u>4</u>	<u>4</u>	<u>-</u>	<u>4</u>

4. Income from charitable activities

	2021 £ '000	2020 £ '000
Criminal Justice	3,715	3,488
Local Authority	3,776	4,027
Schools	1,098	1,248
National Careers Services	1,028	1,015
Other	13	64
	<u>9,630</u>	<u>9,842</u>

All income from charitable activities in 2021 and 2020 was unrestricted.

5. INVESTMENT INCOME

	2021 £ '000	2020 £ '000
Interest receivable	2	12
	<u>2</u>	<u>12</u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

6. Analysis of expenditure on charitable activities

	Direct costs £ '000	Support costs £ '000	2021 £ '000
Criminal Justice	3,218	732	3,950
Local Authority	2,926	665	3,591
Schools	934	212	1,146
National Careers Services	948	216	1,164
	<u>8,026</u>	<u>1,825</u>	<u>9,851</u>
	Direct costs £ '000	Support costs £ '000	2020 £ '000
Criminal Justice	3,018	651	3,669
Local Authority	3,154	617	3,771
Schools	1,017	200	1,217
National Careers Services	923	200	1,123
	<u>8,112</u>	<u>1,668</u>	<u>9,780</u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

7. Analysis of support costs

	2021 £ '000	2020 £ '000
Support costs consist of the following:		
Travel	10	105
Telephone and IT	622	586
Other office costs	162	187
Recruitment	47	11
Training and development	7	6
Governance	22	23
LGPS Costs	(42)	(42)
Other	152	3
Depreciation	138	152
Wages	707	562
	<u>1,825</u>	<u>1,668</u>
Governance costs consist of the following:		
Auditor's remuneration for audit	19	21
Other auditor costs	3	2
	<u>22</u>	<u>23</u>

8. Net movement in funds

	2021 £ '000	2020 £ '000
This is stated after charging:		
Auditors' remuneration: audit	19	21
Auditors' remuneration: non-audit fees	3	2
Depreciation of owned fixed assets	138	152
	<u>160</u>	<u>175</u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

9. Staff costs

	2021 £ '000	2020 £ '000
Wages and salaries	6,779	6,850
Social security costs	589	404
Other pension costs	1,160	1,015
Pension rebate	(671)	(666)
	<u>7,857</u>	<u>7,603</u>

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

	2021 Number	2020 Number
Staff	218	224
	<u>218</u>	<u>224</u>

Under the Charity's memorandum and articles they are allowed to pay reasonable and proper remuneration to the officers. The remuneration paid during the period to Mrs Dodd the Chair of the Board of Trustees was £5k (2020: £5k) for their role as chair. Expenses of £1k (2020: £1k) were reimbursed to 1 (2020: £1k) trustees during the year in relation to travel and other expenses.

The number of employees whose remuneration for the year fell within the following bands was:

	2021 Number	2020 Number
£60,000 to £69,999	1	-
£70,000 to £79,999	1	-
£80,000 to £89,999	-	1
£90,000 to £99,999	1	-
£120,000 to £129,999	-	1
	<u>£ '000</u>	<u>£ '000</u>
Total remuneration of key management personnel	211	250

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

10. Tangible fixed assets
Group and Company

	Fixtures and fittings	IT	Total
	£ '000	£ '000	£ '000
Cost:			
At 1 April 2020	430	220	650
Additions	-	100	100
	<u>430</u>	<u>320</u>	<u>750</u>
At 31 March 2021	<u>430</u>	<u>320</u>	<u>750</u>
Depreciation:			
At 1 April 2020	281	97	378
Provided during the year	90	48	138
	<u>371</u>	<u>145</u>	<u>516</u>
At 31 March 2021	<u>371</u>	<u>145</u>	<u>516</u>
Net book value:			
At 31 March 2021	<u>59</u>	<u>175</u>	<u>234</u>
At 1 April 2020	<u>149</u>	<u>123</u>	<u>272</u>

11. INVESTMENTS

Group and Company

	2021	2020
	£ '000	£ '000
Market value at 1 April 2020	2,709	2,418
Additions	1,021	992
Disposals	(521)	(495)
Gains and losses in the year	631	(206)
	<u>3,840</u>	<u>2,709</u>
Market Value at 31 March 2021	<u>3,840</u>	<u>2,709</u>

Investments Comprise:

	2021	2020
	£ '000	£ '000
Fixed Interest	400	387
UK Equities	1,022	635
Overseas Equities	1,594	1,007
Alternatives	517	480
Cash	307	200
	<u>3,840</u>	<u>2,709</u>
Total	<u>3,840</u>	<u>2,709</u>

The investments are held with Rathbone Investment Management Limited and are shown at market value at the balance sheet date.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

12. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity is the sole member of two companies limited by guarantee: Career Connections Limited (03141192) and Achieve North West Connect (03075969).

Career Connections Limited

The principal activities during the year were commercial services and sale of productions which support the charity.

	2021	2020
	£ '000	£ '000
Turnover	285	505
Administrative expenditure	(324)	(494)
Gift Aid payment	(9)	(5)
	<u> </u>	<u> </u>
(Loss)/Profit on ordinary activities after taxation	(48)	6
	<u> </u>	<u> </u>
 Total Assets	 90	 147
Total Liabilities	(48)	(58)
	<u> </u>	<u> </u>
Reserves	40	89
	<u> </u>	<u> </u>

Achieve North West Connect

The principal activity during the year was providing the additional advice information and guidance services of Career Connect, relating to Her Majesty's Prison and Probation Services (HMPPS). The activity of Achieve North West Connect has been included in the Criminal Justice charitable activity in the group accounts on the basis that this reflects the substance of the activities.

	2021	2020
	£ '000	£ '000
Turnover	3,424	3,347
Administrative expenditure	(3,299)	(3,180)
Gift aid payment	(126)	(228)
	<u> </u>	<u> </u>
(Loss) on ordinary activities after taxation	(1)	(61)
	<u> </u>	<u> </u>
 Total Assets	 2,634	 2,463
Total Liabilities	(2,518)	(2,346)
	<u> </u>	<u> </u>
Reserves	116	117
	<u> </u>	<u> </u>

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

13. Debtors

	Group		Company	
	2021	2020	2021	2020
	£ '000	£ '000	£ '000	£ '000
Trade debtors	1,051	1,009	1,040	983
Other debtors	38	6	1	6
Prepayments and accrued income	626	625	544	392
	<u>1,715</u>	<u>1,640</u>	<u>1,585</u>	<u>1,381</u>

14. Creditors: amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£ '000	£ '000	£ '000	£ '000
Trade creditors	49	76	48	48
Amounts owed by group undertakings	-	1	2,571	2,330
Other taxes and social security	187	148	187	148
VAT recoverable	379	439	379	439
Other creditors	1	9	1	7
Provisions	136	184	136	184
Accruals and deferred income	3,007	2,903	442	529
	<u>3,759</u>	<u>3,760</u>	<u>3,764</u>	<u>3,685</u>

Movements in deferred income were as follows:

Deferred income at the start of the year	2,488	1,569	184	218
Income received in advance	266	1,137	114	184
Deferred income released	(172)	(218)	(184)	(218)
Deferred income at end of year	<u>2,582</u>	<u>2,488</u>	<u>114</u>	<u>184</u>

Deferred income represents grant income received in advance of meeting the conditions of the grants.

CAREER CONNECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

15. Analysis of net assets

	Unrestricted fund 2021 £ '000	Unrestricted fund 2020 £ '000
Group		
Fixed assets	4,074	2,981
Current assets	4,530	5,291
Current liabilities	(3,759)	(3,760)
Defined benefit pension scheme	(362)	1,165
	<u>4,483</u>	<u>5,677</u>
Company		
Fixed assets	4,074	2,981
Current assets	4,378	5,010
Current liabilities	(3,764)	(3,685)
Defined benefit pension scheme	(1,558)	(745)
	<u>3,130</u>	<u>3,561</u>

16. Reconciliation of funds and movement on reserves

	At 1 April 2021 £'000	Income 2021 £'000	Expenditure 2021 £'000	Gains and losses 2021 £ '000	At 31 March 2021 £'000
Group					
General funds	5,677	9,921	(10,271)	(844)	4,483
Total group funds	<u>5,677</u>	<u>9,921</u>	<u>(10,271)</u>	<u>(844)</u>	<u>4,483</u>
Charity					
General funds	3,561	6,719	(7,051)	(99)	3,130
Total charity funds	<u>3,561</u>	<u>6,719</u>	<u>(7,051)</u>	<u>(99)</u>	<u>3,130</u>

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17. Pension commitments

The Charity's employees belong to three Local Government Pension Schemes (LGPS) which are multi-employer defined benefit schemes and a defined benefit scheme. The LGPS schemes are managed by the Greater Manchester Pension Fund (two schemes) and Merseyside Pension Fund.

The surplus position in relation to the Merseyside Pension Fund has not been recognised in the balance sheet as the trustees do not consider the £6,097k (2020: £5,545k) surplus recoverable and have gained agreement with staff and union to exit scheme in August 2022 subject to agreed financial parameters. The assets and liabilities in the scheme are as follows:

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

	2021	2020
	£ '000	£ '000
At 1 April	25,074	24,652
Current services costs	874	1,051
Interest cost	600	615
Employee contributions	182	202
Benefit paid	(392)	(377)
Actuarial loss / (gain)	4,842	(1,069)
At 31 March	31,180	25,074

Changes in the fair value of the share of scheme assets:

	2021	2020
	£ '000	£ '000
At 1 April	30,619	29,499
Interest income	732	735
Employee contributions	182	202
Employer contributions	4	4
Admin expense	(14)	(15)
Benefits paid	(392)	(377)
Actuarial gain/(loss)	6,146	571
At 31 March	37,277	30,619

Career Connect - Merseyside Pension Fund Surplus	6,097	5,545

The latest actuarial valuation of the LGPS related to the period ended 31 March 2019.

As noted in the accounting policies, FRS 102 requires that pension scheme surplus is recognised only to the extent that it is recoverable. The surplus position calculated by the scheme actuary in relation to the Achieve North West Connect Greater Manchester Pension Fund has been reduced to £1,196k (2020: £1,910k) from the actuarial value of £2,222k (2020: £2,628k) and recognised in the balance sheet as the trustees consider this to be their best estimate of the refund which would be due on exit of the scheme.

Contributions amounting to £37k were payable to the schemes at 31 March 2021 (2020: £17k) and are included within creditors.

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution net of refunds made for the year ended 31 March 2021 was £341k (2020: £400), of which employer's contributions totalled £269k (2020: £327k) and employees' contributions totalled £72k (2020: £73k).

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17. Pension commitments (continued)

	2021	Restated 2020
Principal actuarial assumptions		
Inflation assumption (CPI)	2.8%	1.8%
Rate of increase in salaries	3.6%	2.6%
Discount rate for scheme liabilities	2.1%	2.3%

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

	2021	Restated 2020
Retiring today		
Males	20.5	20.5
Females	23.3	23.1
Retiring in 20 years		
Males	21.9	22.0
Females	25.3	25.0
Sensitivity analysis		
Discount rate -0.1%	337	239
Salary increase +0.1%	4	37
CPI rate +0.1%	282	199

	2021	Restated 2020
The Charities' share of the assets in the schemes were:		
	£ '000	£ '000
Equities	10,312	8,039
Bonds	1,719	1,747
Property	1,002	815
Cash	1,289	1,050
Total market value of assets	14,322	11,651

	2021	Restated 2020
Amount recognised in the Statement of Financial Activities		
	£ '000	£ '000
Current service costs	(389)	(517)
Interest income	269	327
Interest costs	(227)	(360)
	(347)	(550)

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17. Pension commitments (continued)

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

	2021	Restated 2020
	£ '000	£ '000
At 1 April	10,487	18,502
Current services costs	389	517
Interest cost	227	360
Employee contributions	72	73
Benefit paid	(203)	(184)
Actuarial (gain)/loss	3,713	(8,781)
	<u>14,685</u>	<u>10,487</u>
At 31 March	<u>14,685</u>	<u>10,487</u>

Changes in the fair value of the share of scheme assets:

	2021	Restated 2020
	£ '000	£ '000
At 1 April	11,652	17,120
Interest income	269	327
Employee contributions	72	73
Employer contributions	295	304
Benefits paid	(203)	(184)
Actuarial gain/(loss)	2,238	(5,988)
	<u>14,323</u>	<u>11,652</u>
At 31 March	<u>14,323</u>	<u>11,652</u>

At the year-end each scheme was in the following position:

	2021	Restated 2020
	£ '000	£ '000
Career Connect - Greater Manchester Pension Fund	(1,558)	(745)
Charity Total	<u>(1,558)</u>	<u>(745)</u>
Achieve North West Connect - Greater Manchester Pension Fund	1,196	1,910
Group Total	<u>(362)</u>	<u>1,165</u>

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18. Financial commitments

At 31 March the group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Land & buildings	
	2021	2020
	£ '000	£ '000
Not later than one year	27	141
Between one and five years	28	114
	<u>55</u>	<u>255</u>

19. Related party transactions

During the year the following transactions took place between the charity and its wholly owned subsidiaries:

- The recharge of staff cost to Career Connections Limited of £226k (2020: £175k)
- The recharge of staff cost to Achieve North West Connect of £2,192k (2020: £2,078k)
- The payment of profits under Gift Aid by Career Connections Limited to Career Connect of £9k (2020: £5k)
- The payment of profits under Gift Aid by Achieve North West Connect to Career Connect of £126k (2020: £228)

There were no other related party transactions in the current or previous financial year.

20. Prior year adjustment

As explained further in note 1, comparative figures have been restated to derecognise the pension scheme surplus in relation to the Merseyside Pension Fund and to reduce the pension scheme surplus to the expected termination refund for the Achieve North West Connect Greater Manchester Pension Fund. The change has resulted in a reduction of funds held at 31 March 2020 by £6,263k to £5,677k.

Summary of the prior year accounting impact:	£'000
Net assets of the group as previously stated	11,940
Reduction in defined benefit pension scheme asset	(6,263)
Net assets at 31 March 2020 as restated	<u>5,677</u>
Net movement for the year ended 31 March 2020 as previously stated	3,971
Impact of restatement	(1,416)
Net movement for the year ended 31 March 2020 as restated	<u>2,555</u>