



Annual Report 2023/24

Company number: 4233289
Charity number: 1141077

careerconnect.org.uk

CAREER CONNECT
(A company limited by guarantee)

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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.

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INTRODUCTION FROM THE CHAIR

In the last year, they helped us to:

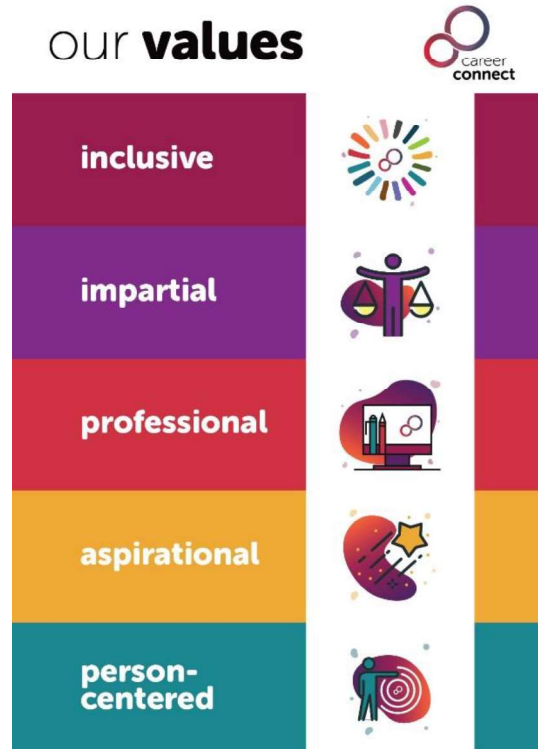
- Create a fresh and engaging new youth brand.
- Were consultants for the initial development of our forthcoming website for the charity, ensuring that it is accessible and engaging for young people.
- Participated in discussions about the future of Career Connect and provided input into developing our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

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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.

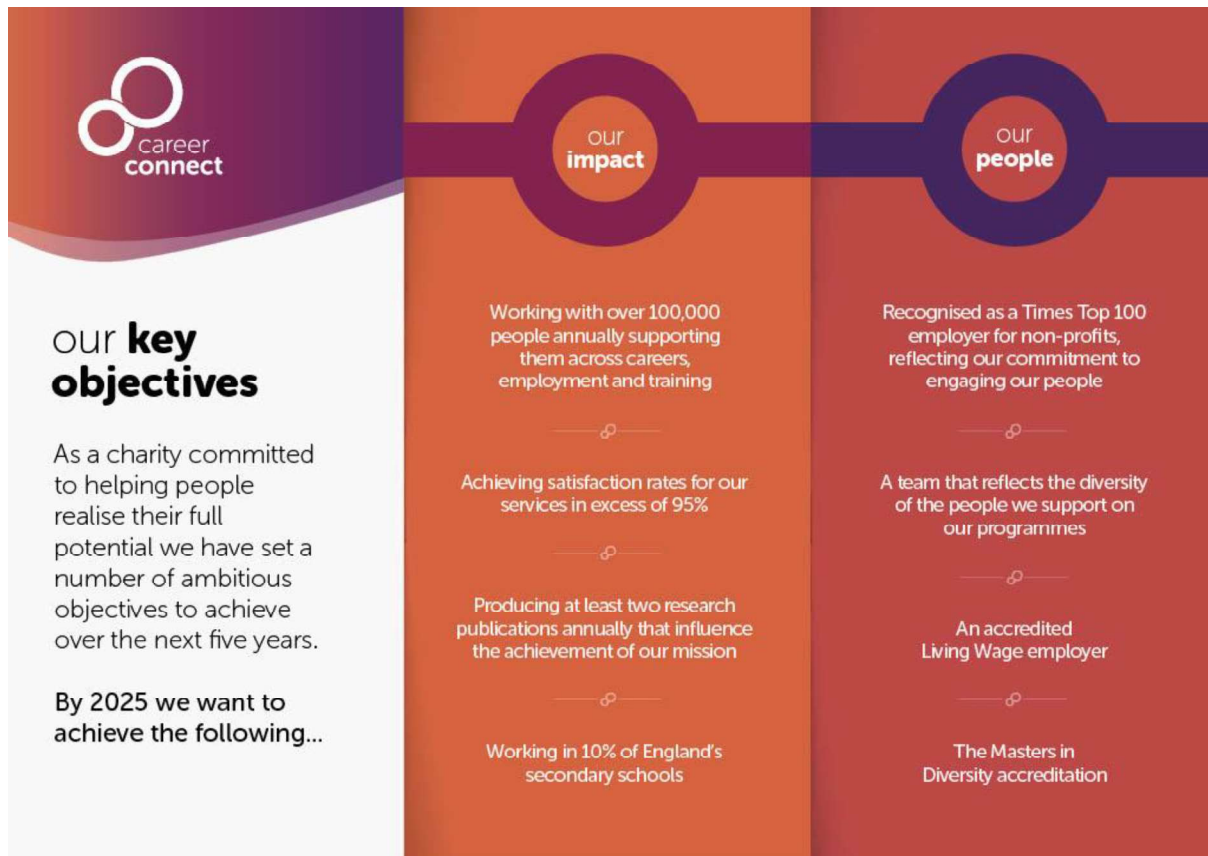
In 2023/24 we delivered:

- 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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For the year ended 31 March 2024

- 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	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• 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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TRUSTEES' REPORT
For the year ended 31 March 2024

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

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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
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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.

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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
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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.

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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
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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
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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.

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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>

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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>
	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>

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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>

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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

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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.

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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	-	-
	<hr/>	<hr/>
Loss on ordinary activities after taxation	(131)	(162)
	<hr/>	<hr/>
Total assets	93	151
Total liabilities	(465)	(392)
	<hr/>	<hr/>
Reserves	(372)	(241)
	<hr/>	<hr/>

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)
	<hr/>	<hr/>
Profit on ordinary activities after taxation	328	51
	<hr/>	<hr/>
Total assets	1,516	2,988
Total liabilities	(925)	(2,725)
	<hr/>	<hr/>
Reserves	591	263
	<hr/>	<hr/>

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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
	<hr/>	<hr/>
Total market value of assets	17,576	16,430
	<hr/>	<hr/>

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

Group Total

	<u>-</u>	<u>-</u>
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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
	<hr/>	<hr/>
	430	505
	<hr/>	<hr/>

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.