

Charity registration number 1145291

Company registration number 07667918 (England and Wales)

**CIRCLE COMMUNITY**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

# CIRCLE COMMUNITY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	J Montague R Coe R Butler D Unger M Gerrard D Denisov N Adubofour
<b>Secretary</b>	D Unger
<b>Charity number</b>	1145291
<b>Company number</b>	07667918
<b>Registered office</b>	136 Kingsland High Street London E8 2NS
<b>Independent examiner</b>	Frances Wilde FCCA DChA Warner Wilde Chartered Certified Accountants 4 Marigold Drive Bisley Surrey GU24 9SF
<b>Bankers</b>	The Charity Bank Limited Fosse House 182 High Street Tonbridge TN9 1BE  Nat West Bank PLC 120 High Street Barnet EN5 5XQ

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# CIRCLE COMMUNITY

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**CIRCLE COMMUNITY LTD  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT)**

**FOR THE YEAR ENDED 31 MARCH 2024**

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The Trustees are pleased to present their report including the financial statements of Circle Community Ltd (the "Charity") for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

The charity's objects (the "Objects") are specifically restricted to positively impacting the lives of those in need by reason of youth, age, disability, financial hardship or other disadvantage in any or all of the following ways:

- 1) The relief and support of those in need by reason of youth, age, disability, financial hardship or other disadvantage and their families and carers by;
  - a) Developing the skills, capabilities, confidence, mindset and self-discipline needed to secure life-changing, permanent employment
  - b) Providing professional and social development workshops, training programmes and general advice and support
- 2) To promote awareness of the issues affecting those in need by reason of youth, age, disability, financial hardship or other disadvantage, both generally and in relation to their social and workplace exclusion;
- 3) To promote social and workplace inclusion of those in need by reason of youth, age, disability, financial hardship or other disadvantage;
- 4) Advancing education and training for the public benefit, both generally and in relation to the social and workplace exclusion of those in need by reason of youth, age, disability, financial hardship or other disadvantage;
- 5) The relief of unemployment and other hardship for the public benefit;
- 6) Such other charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the Trustees may from time to time determine.

Our charitable activities are based on meeting the above objects. The charity delivers public benefit through the provision of our 'Back Your Future', training programme which supports disadvantaged

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

**FOR THE YEAR ENDED 31 MARCH 2024**

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young people aged 16-30 to acquire and develop workplace skills, capabilities and the desire to secure and sustain permanent employment, education or training.

This is delivered through the following activities:

- Immediate, structured work experience (8 hours weekly) supported by our Retail Manager at one of the three streetwear clothing shops run by our sister social enterprise, Circle Collective. Through this young people develop vital transferrable skills including team working, and customer relations and gain content examples for their CVs and future interviews.
- Workshops (minimum two per month) and one-to-one coaching on topics such as presentation skills, resilience building, personal finance and interacting with employers.
- Behind-the-scenes tours of real work environments, talking to employees in all areas of the business about their career journeys, and the opportunity for work placements via our committed corporate partners.
- Practical recruitment support (e.g. job searches, mock interviews) and one-to-one mentoring from our Job Coaches to help grow their confidence.
- Peer support opportunities, and the opportunity to learn from our Ambassadors, young people who have successfully gone through the programme and act as role models and mentors to the current cohort.

For those young people we support into jobs, once in work, we continue to help them through creating support plans with their employers and offering vital encouragement through weekly contact.

**PUBLIC BENEFIT STATEMENT**

When considering activities which contribute towards the charity's work, Trustees have regarded section 17(5) of the Charities Act 2011 in relation to its guidance on public benefit. Guidance has been considered at trustee meetings when planning programmes and activities for Circle Community over the course of the year.

**STRUCTURE GOVERNANCE AND MANAGEMENT**

The governing document is the Memorandum and Articles of association of the company incorporated on 16th June 2011 as amended by special resolution registered at Companies House on 28th December 2011.

**CIRCLE COMMUNITY LTD  
(A COMPANY LIMITED BY GUARANTEE)**

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

**FOR THE YEAR ENDED 31 MARCH 2024**

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

J Montague  
R Coe  
R Butler  
D Unger  
M Gerrard  
C Moreno (Resigned 27 July 2023)  
D Denisov  
N Adubofour

New Trustees are appointed by the existing Trustees.

The Trustees delegate the day to day running of the charity to Ms Turly Humphreys and her remuneration is agreed by the Trustees.

**WHY OUR WORK IS NEEDED**

"The Circle Collective team is ideal for individuals who lack confidence and require a support system they may not be receiving. Being unemployed can have a significant impact on someone not only physically but emotionally. Joining Circle Collective provides support to the unemployed and encourages them to continue trying and provides lots of opportunities. Thank you to everyone at Circle, I would encourage others to join! Joining Circle Collective has given me a huge amount of support to encourage me to keep on applying for jobs. I thank the team for the moral and professional support given."

*M, aged 18, Retail Team Member*

Most of the young people we support are those who are considered furthest away from the labour market. They often have complex lives and face multiple barriers to employment, for example, many come from black and minority ethnic groups who have low labour market participation, have low or no qualifications, no work experience and they are experiencing mental ill health. They often need help in developing the appropriate attitudes, resilience and behaviours to cope with typical work patterns. These cohorts of young people often fall through the gaps of other youth employment programmes.

According to the Office for National Statistics (ONS), 4.4% of people were unemployed in the period between February-April 2024, the highest rate since September 2021. Unemployment rates continue to remain disproportionately higher for young people with 11.2% of 18–24-year-olds unemployed in January to March 2024 vs 10.9% a year earlier. Young people are still struggling to secure meaningful employment and are set to bear the associated long-term consequences, including lower wages, inferior prospects, and poorer mental health.

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

**FOR THE YEAR ENDED 31 MARCH 2024**

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"We believe that every young person who wants a job should be able to get one...and Circle is on a mission to make this happen." *Turly Humphreys, Circle Founder and CEO*

We have demonstrated that the right support can reduce these barriers to work for even for the most marginalised youth, supporting over 1380 young people into work since 2015. We address the root causes of problems that are barriers to employment and start with basic needs; paying particular attention to mental well-being and making sure no one falls through the net. We guide young people through their journey into/towards employment, education or training. We provide them with advisors, advocates, role models, mentors, connectors, peer support and above all, a safe space.

**ACHIEVEMENTS AND PERFORMANCE**

During the financial year 2020/21, at the height of the Covid 19 pandemic, we saw a decrease in performance and outcomes as we were all under the government's lockdown restrictions and the economy had slowed down to a crawl. In 2021/22 we saw a huge bounce back in the economy with our highest level of recorded outcomes and performance levels as the economy re-opened and roles were created for young people via the Kickstart scheme with a disproportionately large amount of unemployed young people in the labour market desperate for support to gain employment.

For the year 2023/24 we have seen our best year to date, with increased outcomes as a direct result of having a third delivery site in Canary Wharf within the borough of Tower Hamlets. This new site added an additional set of staff including another Employment Coach providing the capacity for a further 120 new starts per year. New aspects to the programme such as additional wellbeing sessions and navigating the gig economy sessions have improved our service, alongside monthly feedback sessions that capture young people's opinions which feeds into our delivery model.

A high percentage of the young people we supported were still experiencing high levels of isolation and anxiety, directly linked to their experience in the pandemic, and we provided young people with a safe space and a sense of purpose and routine during these tumultuous times.

Our delivery model included the following:

- one-to-one mentoring – in person where it is easier to build a relationship and trust which is an essential element to the Job Coach role.
- Wellbeing sessions – the duration, frequency and content of these sessions continually evolves based on young people's evaluations. In this period we doubled the amount of wellbeing sessions on offer to our young people including introducing regular group

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

**FOR THE YEAR ENDED 31 MARCH 2024**

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meditation, where participant young people wore eye masks and were supported by our Wellbeing Coach.

- Corporate partner led events – Our corporates have seen the shift from exclusively working from home move closer to a split hybrid model which has enabled us to return to our in person corporate events with Sage in the Shard, Canary Wharf Group in Canada Square and Landsec in Cardinal Place.
- Work placements – this supports young people with confidence and anxiety issues, those who are isolated and do not communicate outside of their peer groups and those that have not had any previous paid or voluntary work experience.

**New location in Canary Wharf**



A major achievement of the past year was opening a brand-new site in the heart of Canary Wharf and embedding ourselves into this new borough, becoming an essential part of the local provision for supporting young people back into work. We have spent several years working towards this goal with Canary Wharf Group, hampered by the lockdowns of Covid and the slow return to normal footfall levels within Canary Wharf. Footfall levels at the Wharf now exceed 2019 levels by over 20%, with many now viewing Canary Wharf as a shopping destination in its own right, rather than just a shopping area for the office workers.

This new location represents an exciting opportunity for us to recalibrate and expand our model. We are looking to test a broader corporate focused model, using the space to showcase our approach to potential partners within this area of highly concentrated wealth, gaining funding, employment opportunities and corporate volunteering across a wide variety of sectors, all supporting us to increase the number of young people finding work and at a faster rate, bringing down our delivery unit costs.



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

**FOR THE YEAR ENDED 31 MARCH 2024**

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**317** young people engaged with our Back Your Future employability programme

**243** completed the programme, taking six weeks on average

**193** of those young people gained an Employability, Education or Training outcome with 170 going into sustained employment and 23 into higher education or training.

**CASE STORY**

**Abidah**

**Sales Assistant @ Holland & Barrett**

"I had finished my education in May 2023 and immediately started applying for jobs as I really wanted to get into work. I did manage to get a few interviews but nothing that went anywhere. I maintained my focus and just kept on applying and applying for months.

I started to feel down because my hard work was not paying off and I was not feeling positive about my future. At this point I decided to sign up to Universal Credit at the Job Centre and after 3 weeks I was referred to meet Jake and Matthew from Circle Collective at the Whitechapel JCP. They told me all about their programme and what they could do to help me so I thought I would give it a go.

Jake called me in immediately and after explaining what I would be doing, I was taken on to a shop induction with Huxley, who showed me how the shop works and started me on a shop shift the next day. They were both very supportive and I really like the store, it made me feel good to be there.

I started working on my CV with Shanna, she made it look better and Jake helped me add my new experiences at Circle Collective, so it looked better instantly. The retail staff like Bella and Margarita showed me how to do shop standards, taught me about the brands and I was even showed how to put a skateboard together by the shop manager which was completely new to me.

One of the sessions that really helped me was the Gig Economy / Rights and Responsibilities session with Tayo. Before I would not have read my contract but now, I know what to look out for and feel confident in knowing my rights.

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

**FOR THE YEAR ENDED 31 MARCH 2024**

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My new CV helped me get an interview at Park Plaza Hotel Westminster Bridge and Circle Collective referred me to a role at Holland & Barrett in Canary Wharf. I interviewed for both and was offered the Holland & Barrett job on the spot! The CV support, the shop standards sessions, and the interview techniques with Matthew, all helped me get a job which I will be starting straight away!"

**Future plans**

We are keen to further expand our geographical footprint and reach more young people across London by working with young people from surrounding boroughs who have easy access to our three existing sites (in Lewisham, Dalston and Canary Wharf), whilst looking at the best location for a fourth site.

We are in discussion with our long-term corporate partners, LandSec regarding new venues and are exploring the opportunities they present.

Over the next 12 months we plan to increase our staff capacity, as we physically expand, and to cope with demand and adapt to young people's evolving needs.

We want to ensure that we can provide the best possible opportunities to those young people coming to us.

We aim to expand our employer partnerships and strengthen relationships with corporate partners in order to create a steady pipeline of exclusive job vacancies and opportunities for our young people.. Together with Canary Wharf Group we have created a new 'Entry Level Jobs Hub' partnership. Through this, Canary Wharf Group introduces us to all new employers and businesses moving to the Wharf so that we can support with their entry level recruitment needs. This initiative has already seen early success with multiple companies such as Tribe, Roe, Marceline, At Home Pizza, Holland & Barrett, Moleskine and Capital Karts hiring our young people as a result of these connections.

**FUNDRAISING STATEMENT**

We fundraise so that we can provide the services that deliver our charitable objectives and to deliver our mission that all young people that want a job are able to get one.

We have regard to the guidance provided by the Fundraising Regulator, and we actively support the Code of Fundraising Practice. We promise to be open, honest, clear, respectful, fair, reasonable and accountable.

Our warmest thanks go to everyone who has supported Circle Community this year. We are so grateful for the support of our wonderful corporate volunteers and companies who have provided us

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

**FOR THE YEAR ENDED 31 MARCH 2024**

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with hundreds of hours of pro bono support including mentoring, workshops and career experiences and other in-kind donations.

We would like to highlight the support of our corporate partners, in particular the Canary Wharf Group, our landlords at the Jubilee Mall, Canary Wharf and the driving partner in our new Entry Level Jobs Hub; Landsec, who besides providing us with long term financial support are also our landlords in Lewisham shopping centre; UBS who fund our East London locations and British Land, with whom we have just started working around employability at Broadgate.

We would also like to thank grant giving organisations who supported us in 2023-24 including UK Youth, Quintessentially Foundation, Chesterhill Charitable Trust, Garfield Weston Foundation, Jack Petchey Foundation, Peter Cruddas Foundation, Forrester Family Trust, Henry Smith Charity, The Drapers' Company, The Skinners' Company Lawrence Atwell's Charity, East End Community Foundation, Isle of Dogs Community Chest, The Berkeley Foundation, and Tower Hamlets Tackling Poverty Fund.

**FINANCIAL REVIEW AND RESERVES POLICY**

Circle Community's principal sources of funds are grant giving organisations, statutory contracts and corporate donations, with a small amount of income received through individual donations.

Income for the year was £407,339 (2023: £451,093) and expenditure was £499,301 (2023: £486,555) giving us a deficit for the year of £91,962 (2023: deficit of £35,462).

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charities Commission and produced a reserves policy which requires reserves to be developed to a reasonable level to ensure the charity can run efficiently and ensure the continuation of core activities during a period of unforeseen difficulty.

The target value of these free reserves should be a minimum of three months of core operating costs and a maximum of three months of worth of total costs. Our reserves should be maintained in a realisable form – a bank account without access restrictions. For 2023/24 this amount is calculated as minimum £93,410 and maximum £124,825.

At 31 March 2024, our total free reserves were just £23,214. We keep at least £10,000 of our reserves in a dedicated interest-bearing bank account held at Charity Bank.

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

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**TRUSTEES' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS**

The Trustees (who are also directors of Circle Community Ltd for the purposes of company law) are responsible for preparing the Directors' and Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Charity's finances.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statements of Recommended of Recommended Practise;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

**APPROVED BY THE BOARD OF DIRECTORS AND SIGNED ON ITS BEHALF BY**



**Robert Coe**

**Treasurer**

**Date** 29/10/24

# CIRCLE COMMUNITY

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CIRCLE COMMUNITY

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I report to the trustees on my examination of the financial statements of Circle Community (the charity) for the year ended 31 March 2024.

### Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

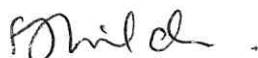
### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



**Frances Wilde FCCA DChA**

Warner Wilde  
Chartered Certified Accountants  
4 Marigold Drive  
Bisley  
Surrey  
GU24 9SF

Dated: 6 November 2024

# CIRCLE COMMUNITY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2024**

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
<b>Income from:</b>							
Donations and legacies	3	214,192	-	214,192	69,370	-	69,370
Charitable activities	4	13,816	179,018	192,834	30,445	351,162	381,607
Investments	5	314	-	314	116	-	116
<b>Total income</b>		<b>228,322</b>	<b>179,018</b>	<b>407,340</b>	<b>99,931</b>	<b>351,162</b>	<b>451,093</b>
<b>Expenditure on:</b>							
Raising funds	6	24,283	-	24,283	27,798	214	28,012
Charitable activities	7	281,505	188,467	469,972	101,941	356,602	458,543
<b>Total expenditure</b>		<b>305,788</b>	<b>188,467</b>	<b>494,255</b>	<b>129,739</b>	<b>356,816</b>	<b>486,555</b>
<b>Net expenditure and movement in funds</b>		<b>(77,466)</b>	<b>(9,449)</b>	<b>(86,915)</b>	<b>(29,808)</b>	<b>(5,654)</b>	<b>(35,462)</b>
<b>Reconciliation of funds:</b>							
Fund balances at 1 April 2023		100,680	21,869	122,549	130,488	27,523	158,011
<b>Fund balances at 31 March 2024</b>		<b>23,214</b>	<b>12,420</b>	<b>35,634</b>	<b>100,680</b>	<b>21,869</b>	<b>122,549</b>

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



# CIRCLE COMMUNITY

## BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
<b>Fixed assets</b>					
Tangible assets	14		5,257		363
<b>Current assets</b>					
Debtors	15	29,938		49,676	
Cash at bank and in hand		145,832		205,903	
		175,770		255,579	
<b>Creditors: amounts falling due within one year</b>	16	(145,393)		(133,393)	
<b>Net current assets</b>			30,377		122,186
<b>Total assets less current liabilities</b>			35,634		122,549
<b>The funds of the charity</b>					
Restricted income funds	19		12,420		21,869
Unrestricted funds	20		23,214		100,680
			35,634		122,549

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 24/10/24



R Coe  
Trustee

Company registration number 07667918 (England and Wales)

# CIRCLE COMMUNITY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024

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#### 1 Accounting policies

##### Charity information

Circle Community is a private company limited by guarantee incorporated in England and Wales. The registered office is 136 Kingsland High Street, London, E8 2NS.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

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

##### 1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.



# CIRCLE COMMUNITY

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

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### 1 Accounting policies

(Continued)

#### 1.5 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. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Costs of raising funds comprise of trading costs and the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Expenditure on charitable activities includes the costs of delivering services to further the purposes of the charity and their associated support costs.

irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### 1.6 Tangible fixed assets

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

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

Fixtures and fittings	straight line basis over 5 years
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Items of equipment are capitalised where the purchase price exceeds £1,000.

#### 1.7 Impairment of fixed assets

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

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# CIRCLE COMMUNITY

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

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### 1 Accounting policies

(Continued)

#### 1.9 Financial instruments

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

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

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

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently measured at their settlement value.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans 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.

##### **Derecognition of financial liabilities**

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

#### 1.10 Employee benefits

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

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

#### 1.11 Retirement benefits

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

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

# CIRCLE COMMUNITY

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

### 3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	2,291	4,871
Grants	211,901	64,499
	<u>214,192</u>	<u>69,370</u>
<b>Grants</b>		
Henry Smith Charity	40,000	40,000
Lawrence Attwell	10,000	10,000
London Borough of Lewisham	32,200	9,999
British Land Company	7,500	-
Garfield Weston	22,500	-
Jack Petchley	17,800	-
UK Youth Fund	20,000	-
Elba	11,768	-
Tower Hamlets Council	25,133	-
Landsec Futures	12,500	-
Other	12,500	4,500
	<u>211,901</u>	<u>64,499</u>

### 4 Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<b>Charitable activities</b>						
Training and other income	13,816	-	13,816	30,445	-	30,445
Performance related grants	-	177,311	177,311	-	351,162	351,162
Other income	-	1,707	1,707	-	-	-
	<u>13,816</u>	<u>179,018</u>	<u>192,834</u>	<u>30,445</u>	<u>351,162</u>	<u>381,607</u>

# CIRCLE COMMUNITY

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

### 4 Income from charitable activities

(Continued)

#### Performance related grants analysis

	Charitable activities 2024 £	Charitable activities 2023 £
Charities Aid Foundation	-	94,394
National Lottery Community Fund Reaching Communities	-	87,605
East End Community Fund	30,750	40,625
Connected Futures	49,200	18,900
London Borough of Lewisham	-	27,413
YLF Hackney - Gig Economy	9,253	35,283
UBS	68,858	17,086
Drapers Charitable Fund	-	8,000
Tower Hamlets Council	8,000	-
HitClubUK	-	9,437
Other	11,250	12,419
	<u>177,311</u>	<u>351,162</u>

### 5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	<u>314</u>	<u>116</u>

### 6 Expenditure on raising funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<b>Fundraising and publicity</b>						
Advertising	-	-	-	-	214	214
Other fundraising costs	<u>24,283</u>	<u>-</u>	<u>24,283</u>	<u>27,798</u>	<u>-</u>	<u>27,798</u>
	<u>24,283</u>	<u>-</u>	<u>24,283</u>	<u>27,798</u>	<u>214</u>	<u>28,012</u>

# CIRCLE COMMUNITY

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

### 7 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
<b>Direct costs</b>		
Staff costs	285,472	229,386
Depreciation and impairment	297	-
Other staff and volunteer costs	3,466	3,188
Training costs	1,595	6,454
Room hire and other direct costs	-	5,750
Evaluation	1,800	1,800
Rent, rates, utilities and other premises costs	24,452	19,672
Advertising	689	1,408
Event costs	2,732	-
Expensed equipment	3,339	-
Office supplies	3,601	3,134
Coaching fees	7,360	13,174
Other legal and professional fees	7,307	1,470
Trustee expenses	414	278
	<u>342,524</u>	<u>285,714</u>
Grant funding of activities (see note 8)	92,206	97,842
<b>Share of support and governance costs (see note 9)</b>		
Support	32,908	70,316
Governance	2,334	4,671
	<u>469,972</u>	<u>458,543</u>
<b>Analysis by fund</b>		
Unrestricted funds	281,505	101,941
Restricted funds	188,467	356,602
	<u>469,972</u>	<u>458,543</u>

### 8 Grants payable

	Charitable activities 2024 £	Charitable activities 2024 £
Grants to institutions:		
Other	92,206	97,842
	<u>92,206</u>	<u>97,842</u>

# CIRCLE COMMUNITY

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

### 9 Support costs allocated to activities

	2024 £	2023 £
Staff costs	-	56,347
Depreciation	154	645
Communications and IT	12,796	12,169
Insurance	652	773
Memberships and subscriptions	719	369
Bookkeeping and accountancy	18,587	-
Other costs	-	13
Governance costs	2,334	4,671
	<u>35,242</u>	<u>74,987</u>
<b>Analysed between:</b>		
Charitable activities	<u>35,242</u>	<u>74,987</u>

	2024 £	2023 £
<b>Governance costs comprise:</b>		
Independent Examiners fees	1,800	3,840
Trustee expenses	-	304
Bank charges and other finance costs	534	527
	<u>2,334</u>	<u>4,671</u>

### 10 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<u>451</u>	<u>645</u>

### 11 Trustees

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

### 12 Employees

The average monthly number of employees during the year was:

2024 Number	2023 Number
<u>22</u>	<u>22</u>

# CIRCLE COMMUNITY

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

### 12 Employees (Continued)

Employment costs	2024 £	2023 £
Wages and salaries	251,263	250,296
Social security costs	19,909	21,376
Other pension costs	14,300	14,061
	<u>285,472</u>	<u>285,733</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,001 to £70,000	-	1
£70,001 to £80,000	1	-
	<u>-</u>	<u>-</u>

#### Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	<u>183,956</u>	<u>199,589</u>

### 13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

# CIRCLE COMMUNITY

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

### 14 Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 1 April 2023	6,419
Additions	5,345
	<hr/>
At 31 March 2024	11,764
	<hr/>
<b>Depreciation and impairment</b>	
At 1 April 2023	6,056
Depreciation charged in the year	451
	<hr/>
At 31 March 2024	6,507
	<hr/>
<b>Carrying amount</b>	
At 31 March 2024	5,257
	<hr/> <hr/>
At 31 March 2023	363
	<hr/> <hr/>

### 15 Debtors

	2024 £	2023 £
<b>Amounts falling due within one year:</b>		
Trade debtors	9,647	-
Other debtors	19,759	49,676
Prepayments and accrued income	532	-
	<hr/>	<hr/>
	29,938	49,676
	<hr/> <hr/>	<hr/> <hr/>

### 16 Creditors: amounts falling due within one year

	2024 £	2023 £
Deferred income	125,630	112,946
Trade creditors	14,238	14,604
Other creditors	1,925	2,003
Accruals	3,600	3,840
	<hr/>	<hr/>
	145,393	133,393
	<hr/> <hr/>	<hr/> <hr/>

### 17 Deferred income

	2024 £	2023 £
Other deferred income	125,630	112,946
	<hr/> <hr/>	<hr/> <hr/>



# CIRCLE COMMUNITY

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

### 17 Deferred income

(Continued)

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	125,630	112,946
Movements in the year:		
Deferred income at 1 April 2023	112,946	173,737
Released from previous periods	(112,946)	(173,737)
Resources deferred in the year	125,630	112,946
Deferred income at 31 March 2024	125,630	112,946

### 18 Retirement benefit schemes

	2024 £	2023 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	14,300	14,061

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

### 19 Restricted funds

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

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
	-	-	-	-
Back Your Future	19,511	164,420	(176,559)	7,372
Navigating the Gig Economy	2,358	9,253	(11,611)	-
Fixed Assets	-	5,345	(297)	5,048
	21,869	179,018	(188,467)	12,420

# CIRCLE COMMUNITY

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

### 19 Restricted funds (Continued)

Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
Back Your Future	27,263	315,878	(323,630)	19,511
Navigating the Gig Economy	-	35,284	(32,926)	2,358
Fixed Assets	260	-	(260)	-
	<u>27,523</u>	<u>351,162</u>	<u>356,816</u>	<u>21,869</u>

**Back Your Future:** is our main area of work and is funded by various funders including the Young Londoners Fund and Reaching Communities from The National Lottery Community Fund

**Navigating the Gig Economy:** is a programme funded by the Young Londoners Fund

### 20 Unrestricted funds

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

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	<u>100,680</u>	<u>228,322</u>	<u>(305,788)</u>	<u>23,214</u>
<b>Previous year:</b>	<b>At 1 April 2022 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>At 31 March 2023 £</b>
General funds	<u>130,488</u>	<u>99,931</u>	<u>(129,739)</u>	<u>100,680</u>

### 21 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
<b>At 31 March 2024:</b>			
Tangible assets	209	5,048	5,257
Current assets/(liabilities)	<u>23,005</u>	<u>7,372</u>	<u>30,377</u>
	<u>23,214</u>	<u>12,420</u>	<u>35,634</u>

# CIRCLE COMMUNITY

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

### 21 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<b>At 31 March 2023:</b>			
Tangible assets	363	-	363
Current assets/(liabilities)	100,317	21,869	122,186
	<u>100,680</u>	<u>21,869</u>	<u>122,549</u>

### 22 Operating lease commitments

#### Lessee

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

	2024 £	2023 £
Within one year	8,196	7,934
Between two and five years	18,441	26,637
	<u>26,637</u>	<u>34,571</u>

### 23 Related party transactions

#### Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Circle Sports C.I.C. is the trading element of the charity which is a commercial shop used to generate funds and also train our beneficiaries. Mr D Unger, a trustee of the charity, and Mrs T Humphreys, part of the key management personnel of the charity, are directors of Circle Sports C.I.C.

# CIRCLE COMMUNITY

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

### 23 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties 2024		Amounts owed by related parties 2023	
	Balance £	Net £	Balance £	Net £
Circle Sports C.I.C.	19,758	19,758	19,758	19,758
	<u>19,758</u>	<u>19,758</u>	<u>19,758</u>	<u>19,758</u>