

# THE CENTRE FOR JUSTICE INNOVATION UK

England & Wales · Charity number 1151939

## Details

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Other names	THE CENTRE FOR JUSTICE INNOVATION
Status	Registered
Legal form	Charitable company
Company number	<a href="#">08274430</a>
Registered	2013-05-08
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	Unit 321 Edinburgh House 170 Kennington Lane London Kennington SE11 5DP
Phone	020 3036 2884
Email	<a href="mailto:info@justiceinnovation.org">info@justiceinnovation.org</a>
Website	<a href="http://www.justiceinnovation.org">www.justiceinnovation.org</a>

## Activities

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**Objects:** 1.1 THE OBJECTS OF THE CHARITY (THE "OBJECTS") ARE TO:-1.1.1 PROMOTE, FOR THE BENEFIT OF THE PUBLIC, THE EFFICIENCY AND EFFECTIVENESS OF THE JUSTICE SYSTEM IN THE UNITED KINGDOM AND TO PROMOTE GREATER PUBLIC PARTICIPATION IN THE PREVENTION AND EXCLUSION OF CRIME;1.1.2 FURTHER SUCH OTHER EXCLUSIVELY CHARITABLE PURPOSES ACCORDING TO THE LAW OF ENGLAND AND WALES AS THE TRUSTEES IN THEIR ABSOLUTE DISCRETION FROM TIME TO TIME DETERMINE.

**Activities:** The Centre for Justice Innovation seeks to build a justice system which every citizen believes is fair and effective. We provide hands on support to practitioners in the justice system, conduct research, promote evidence-based, innovative justice policy, and share lessons between the jurisdictions of the UK and with our sister organisation in New York City, the Center for Justice Innovation.

## Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

## Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,332,631	£1,242,451	£817,325	18
2024-03-31	£1,166,442	£1,125,742	£727,145	17
2023-03-31	£1,229,177	£1,262,984	£686,445	18
2022-03-31	£1,051,794	£1,077,043	£720,252	17
2021-03-31	£952,771	£941,434	£781,501	14

## Trustees

Name	Role	Appointed
<b>Karyn McCluskey</b>	Chair	2019-01-29
Adjoa Abekah-Mensah		2024-01-24
Courtney Bryan		2020-03-16
Dr Geraldine O'Hare		2020-07-14
Kevin Sadler CBE		2024-01-24
Robert Joseph Edwards Zara		2022-01-21
SHAUNEEN LAMBE Ms		2016-03-10
Sal Naseem		2024-01-24

**THE CENTRE FOR JUSTICE INNOVATION UK**

England & Wales - Charity number 1151939

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# Accounts

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**CONTENTS**

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	Page
<b>Reference and Administrative Details of the Company, its Trustees and Advisers</b>	1
<b>Trustees' Report</b>	2 - 7
<b>Independent Auditors' Report on the Financial Statements</b>	8 - 12
<b>Statement of Financial Activities</b>	13
<b>Balance Sheet</b>	14
<b>Statement of Cash Flows</b>	15
<b>Notes to the Financial Statements</b>	16 - 29

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2025**

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<b>Trustees</b>	Gregory Berman Mark Blake (Resigned 3 March 2025) Courtney Bryan Aubrey Fox Shauneen Lambe Karyn McCluskey Geraldine O'Hare Gordon Wasserman (Resigned 4 November 2024) Robert Zara Adjoa Abekah-Mensah Kevin Sadler Sal Naseem
<b>Company registered number</b>	08274430
<b>Charity registered number</b>	1151939
<b>Registered office</b>	Unit 321 Edinburgh House 170 Kennington Lane London SE11 5DP
<b>Independent auditors</b>	Nyman Libson Paul LLP Chartered Accountants 124 Finchley Road London NW3 5JS
<b>Bankers</b>	Barclays Bank PLC 81 Fleet Street London EC4Y 1EL
<b>Senior Management</b>	Phil Bowen (Director) Vicki Morris (Deputy Director)
<b>Patron</b>	The Rt Hon. the Lord Falconer of Thoroton

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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The objects of the charity, defined in our memorandum and articles of associations, are to promote, for the benefit of the public, the efficiency and effectiveness of the justice system in the United Kingdom.

### **Vision and mission**

2024/25 was the third and final year of the Centre's three-year strategy, *Fair and Effective: Putting practitioners and the evidence at the heart of justice reform*. *Fair and Effective* sets out our vision to build a justice system which every citizen believes is fair and effective. We believe that the justice system should be focused on solving the issues that drive crime and social harm; that it should be fair in how it treats people; that it should be proportionate in the things it does; and that those on the front line should be given the freedom and support to come up with innovative solutions to the problems their communities face.

To deliver our vision of fairer and more effective justice system, *Fair and Effective* describes how we work:

- provide hands on support to practitioners in the justice system to help them develop and share innovative and effective practice;
- conduct research into how things work right now and how they could work better;
- promote evidence-based, innovative justice policy reforms;
- share lessons between the jurisdictions of the UK and with our sister organisation in New York City, the Center for Justice Innovation.

### **Policy and operational context**

As outlined in our strategic paper, *Systems Shift*, "serious recorded crime is rising. Victims wait years for their trials. Our prisons are overcrowded and violent. Our frontline practitioners are exhausted, overworked, and burnt out. The result is a public that feels less safe and is increasingly losing confidence in the criminal justice system's ability to protect them. At the root of these problems is a system that is overloaded — an excessive amount of work surges into a system that has become increasingly fractured and fragile over the past decade."

During 2024/25, we saw the election of a new Government in July 2025 and an immediate focus on the emergency problems of prisons, probation and court capacity, with also longer-term strategic reviews commissioned into sentencing and into the criminal courts, chaired by Rt Hon. David Gauke and Sir Brian Leveson respectively. In Scotland, a Sentencing and Penal Policy Commission was established in February 2025, along similar lines to the Gauke review.

### **Key achievements in 24/25**

In *Fair and Effective*, we highlighted our six areas of focus, which shape our objectives and our programmes of work. We have achieved the following in these areas:

#### Strategic policy

Throughout the year, the Centre has combined confidential political engagement with public thought leadership. Our strategic policy paper *Systems Shift* set out a long-term vision for the criminal justice system. We produced detailed policy proposals on court reform, probation, youth justice, and prison pressure reduction, influencing both Opposition parties' pre-election and incoming Ministers post-election. We have strengthened our parliamentary engagement, attending major party conferences and meeting Ministers, including those responsible for children, families, prisons and probation. Our work has intersected with wider governmental reviews, including the Leveson review of criminal courts and spending settlements with implications for courts, probation, and children's social care.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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Out of court resolutions

The Centre's longstanding commitment to promoting effective out of court resolutions (OOCRs) has continued to grow, with an increased emphasis on youth diversion and gender-responsive practice. Over the year, we supported police and youth justice services to improve diversion schemes, notably through our Youth Justice Partnership funded by the Youth Endowment Fund. The first year saw work with ten youth justice service areas to enhance the use of informal and formal OOCRs, with a positive lessons-learned report confirming the Centre as the only national source of expertise in this area. The second year will expand into four police forces to ensure consistency across force areas.

We hosted and contributed to national platforms, including the National Police Chiefs' Council event for police leads across England and Wales, and specialist workshops on diversion for women. Our research and policy engagement have influenced both the Ministry of Justice and the Youth Justice Board, despite uncertainty caused by delays to the new 'two-tier' OOCR framework.

Court innovation

The Centre has consolidated its reputation as a leader in court innovation. We completed training and support for all four new adult criminal problem-solving court pilots (called Intensive Supervision Courts (ISCs)), including the latest Crown Court pilot in Bristol. Interim evaluation feedback is positive, with courts largely targeting those at risk of custody and fostering constructive practitioner–client relationships. The thrust of our Systems Shift paper, which called for changes to which cases come to court, how courts areas structured to deal with them and the use of more technology, has informed the Leveson Reviews first report.

In the family justice arena, we trained new "pathfinder" private family law courts designed to better respond to domestic abuse and continued to provide national leadership in supporting Family Drug and Alcohol Courts (FDACs). This included helping establish new FDACs in Liverpool, Northamptonshire, Thames Valley and Teesside, developing business cases in other areas, and convening MPs and Ministers to advocate for national funding. Challenges remain, with closures such as the North East FDAC and financial pressures in local government.

Our Highbury Community Advice Service provided dedicated casework to over 300 clients and navigational support to more than 1,500 others.

Smarter sentencing

Our research on the use and impact of criminal court fines, especially on people on low incomes, has had national traction, including forming part of new Sentencing Guidelines issued by the Sentencing Council. The first phase highlighted the disproportionate financial and wellbeing impacts of fines, and the second phase — due for publication later in the year — will propose targeted reforms, including avoiding fines for those unable to pay and reducing fine use for poverty-related offences.

The Centre helped shape the Independent Sentencing Review, with many of its recommendations aligning with our advocacy, including expanded community sentencing options, deferred sentencing, and the development of more Intensive Supervision Courts (ISCs). We are now working closely with the Ministry of Justice on the planned roll-out of up to eight new ISCs, including women-specific and youth pilots, positioning the Centre as a likely delivery partner.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

Women in justice

Women's justice has become a more prominent organisational priority, supported by significant new funding. We completed in-depth research on women's experiences of substance use treatment, which confirmed that many mainstream services fail to meet women's needs. The findings are shaping improved commissioning guidance and practice.

Our "Transforming Community Justice for Women" project is building a national network of practitioners, commissioners, and policymakers to expand women's problem-solving courts and gender-responsive diversion schemes. We are working with the Ministry of Justice on the development of women-specific ISCs, and in July will publish new evidence and cost-benefit analyses to strengthen the case for expansion.

**FINANCIAL REVIEW**

In financial year 2024/25, the charity received £1,332,631. The total income represents a 14% increase on the previous year (£1,166,442). In total, we received £872,392 in unrestricted funds and £460,239 in restricted funds. This compares to £852,471 in unrestricted funds and £313,971 in restricted funds we received in 2023/24.

Of the restricted funds received in 2024/25, the funds were used as follows:

<b>Funder</b>	<b>Purpose</b>	<b>Amount</b>
Aberdeen Financial Fairness Trust	Smarter Sentencing: Court fines and fees	£45,000
Barrow Cadbury Trust	Pre-court disposals	£33,500
Youth Endowment Foundation	Pre-court disposals	£135,125
Hadley Trust	Court reform: Highbury Community Advice	£94,500
Jabbs Foundation	Women in justice: Women and treatment services	£94,614
Anonymous donors	Common Ground Justice Project	£57,500
		<b>£460,239</b>

In financial year 2024/25, the charity spent £1,242,451. The total expenditure represents a 10% increase on the previous year (£1,125,742).

*Going concern*

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern.

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In particular, approval of the budget for 25/26 by the Board in March 2025 indicated that 90% of the required expenditure had been secured in income prior to the start of the financial year, with 6 months in free reserves.

For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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### *Risk management*

The principal risks and uncertainties facing the Centre are:

- During 2024/25 and looking ahead into 2025/26, funding for the Centre's family justice work is insufficient for the demand for our services and our ability to operate in this area has become precarious;
- Operational challenges that justice agencies are facing, especially the continuing mismatch between demand and capacity in significant areas of justice policy and operations, which reduces practitioner time and energy to innovate and change;
- The potential for divisive and hostile public engagement in our work, stemming from controversy following *For Women Scotland Ltd (Appellant) v The Scottish Ministers (Respondent)* which could cause negative organisational publicity;
- The Centre carries significant risk related to its Highbury Community Advice services, specifically risks concerning health and safety and safeguarding risks related to clients of the service.

To manage these risks, we worked closely with funders and others to explore new opportunities for fund raising for our family justice work. We have also ensured that we have maintained links with officials, politicians and advisers and others who have influence over policy formation away from national Government. As respects the operation of our Highbury Community Advice service, we have safeguarding and health and safety policies and procedures in place and it is subject to regular discussion and review by the Centre's management.

### **Reserves policy**

The charity aims to maintain free reserves sufficient to cover at least six months' of total future annual expenditure (minus grants). This equates to £560,000 - £600,000. Specific permission from the Trustees is required if reserves are likely to fall below this minimum target.

At year end, the Charity held funds totalling £817,325 (2024: £727,145), including £245,609 held in restricted funds (2024: £119,512) and £571,717 held in unrestricted funds (2024: £607,633). The Charity's free reserves (unrestricted funds less fixed assets and commitments) totalled £550,860 (2024: £585,714) and is in line with the free reserves target.

### **Plans for future periods**

In financial year 2025/26, the charity has confirmed income of £1,295,730, and anticipates spending £1,474,708, of which the biggest expenditure is on staff costs (£964,309 or 65% of total anticipated expenditure). We have submitted additional applications for funding for 2025/26 and plan to submit further applications to close the gap between income and expenditure.

Recognising the change in Government, and that 2024/25 is the last year of our current strategy, the Centre has revised its overall strategy. Our new strategy was published in June 2025. This sets out our key areas of focus, which are:

- Out of court resolutions
- Family justice reform
- Smarter sentencing
- Court innovation
- Women in justice.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**STRUCTURE, MANAGEMENT AND GOVERNANCE**

**Constitution**

The charity is registered as a charitable company limited by guarantee and was set up by a Trust deed on 30th October 2012. The charity is registered (charity number 1151939).

**Method of election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees are identified via open recruitment, including through encouraging applications from within our existing networks, and selection is conducted through formal and informal conversations with the Chair and Director of the charity.

**Induction of Trustees**

Induction of Trustees is through conversations with the Director of the charity, the issuance of formal induction materials to the Trustee and their further involvement in the work of the charity.

The training of trustees includes the provision of up-to-date financial and other information about the charity, the circulation of Charity Commission publications giving guidance on the role of Trustees, informal meetings with the team and the Director, and an annual 'in person' meeting with the Director and other staff.

**Decision making**

The business of the Charity is managed by the Trustee Board. The Trustees are responsible for the following decisions: (i) approval of the annual budget; (ii) review of finances; (iii) reviewing the performance of the charity against its stated aims and charitable objects.

The chair of the Trustee Board is responsible for the remuneration and performance appraisal of the Director, in consultation with the Trustee Board. The chair gathers feedback on the performance of the Director from the team and other stakeholders as part of the Director's performance appraisal.

**Remuneration of staff**

Remuneration of all staff is set through the charity's salary policy. We set initial salaries through benchmarking exercises comparing pay scales across the sector. The Centre's pay policy is based on a combination of inflationary and performance-related increases, with the goal of rewarding good performance and team well-being, as far as the Centre's overall financial situation can allow.

**Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

**Public benefit**

The Trustees are aware of and give due consideration, when setting objectives and planning activities, to the Charity Commission's guidance on public benefit.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**Statement of Trustees' Responsibilities**

The trustees (who are also directors of The Centre for Justice Innovation UK 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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.

In so far as the trustees are aware:

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

**Auditors**

Nyman Lisbon Paul LLP have expressed their willingness to continue in office and will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

**Small company exemptions**

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

Approved by order of the members of the board of Trustees on 16 September 2025 and signed on their behalf by:

*Karyn McCluskey*

**Karyn McCluskey**  
Chair of the Board

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK**

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**Opinion**

We have audited the financial statements of The Centre for Justice Innovation UK (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK (CONTINUED)**

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**Responsibilities of trustees**

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
  - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to timing of income recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK (CONTINUED)**

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We also obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act.

In addition, we considered other laws and regulations that could have an effect on the company and result in the imposition of financial or other penalties and litigation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

All matters in relation to non-compliance with laws and regulations and potential fraud risks were communicated to all members of the engagement team and we remained alert to any indications of non-compliance throughout the audit.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- assessing the appropriateness and where appropriate with third parties concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and correspondence with HMRC;
- in addressing the risk of fraud through management override of controls, reviewing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK (CONTINUED)**

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**Use of our report**

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



**Andrew Thomas (Senior Statutory Auditor)**

for and on behalf of

**Nyman Libson Paul LLP**

Chartered Accountants

124 Finchley Road

London

NW3 5JS

Date: 25 September 2025

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
<b>Income from:</b>					
Donations and legacies	3	694,723	460,239	1,154,962	1,010,971
Charitable activities	4	177,669	-	177,669	155,471
<b>Total income</b>		<u>872,392</u>	<u>460,239</u>	<u>1,332,631</u>	<u>1,166,442</u>
<b>Expenditure on:</b>					
Charitable activities	5	908,308	334,143	1,242,451	1,125,742
<b>Total expenditure</b>		<u>908,308</u>	<u>334,143</u>	<u>1,242,451</u>	<u>1,125,742</u>
<b>Net movement in funds</b>		<u>(35,916)</u>	<u>126,096</u>	<u>90,180</u>	<u>40,700</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		607,633	119,512	727,145	686,445
Net movement in funds		(35,916)	126,096	90,180	40,700
<b>Total funds carried forward</b>		<u><u>571,717</u></u>	<u><u>245,608</u></u>	<u><u>817,325</u></u>	<u><u>727,145</u></u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 29 form part of these financial statements.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08274430**

**BALANCE SHEET**  
**AS AT 31 MARCH 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	9	20,857	21,919
<b>Current assets</b>			
Debtors	10	64,451	94,478
Cash at bank and in hand		791,494	650,745
		<u>855,945</u>	<u>745,223</u>
Creditors: amounts falling due within one year	11	(59,477)	(39,997)
<b>Net current assets</b>		796,468	705,226
<b>Total assets less current liabilities</b>		<u>817,325</u>	<u>727,145</u>
<b>Total net assets</b>		<u>817,325</u>	<u>727,145</u>
<b>Charity funds</b>			
Restricted funds	12	245,608	119,512
Unrestricted funds	12	571,717	607,633
<b>Total funds</b>		<u>817,325</u>	<u>727,145</u>

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

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

The financial statements were approved and authorised for issue by the Trustees on 16 September 2025 and signed on their behalf by:

*Karyn McCluskey*

**Karyn McCluskey**  
Chair

The notes on pages 16 to 29 form part of these financial statements.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	14	154,314	(7,739)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	9	(13,565)	(16,717)
<b>Net cash used in investing activities</b>		<b>(13,565)</b>	<b>(16,717)</b>
<b>Change in cash and cash equivalents in the year</b>			
Cash and cash equivalents at the beginning of the year		140,749	(24,456)
<b>Cash and cash equivalents at the end of the year</b>	15	<b>650,745</b>	<b>675,201</b>

The notes on pages 16 to 29 form part of these financial statements

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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

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**1. General information**

The Centre for Justice Innovation UK is a charitable company limited by guarantee, incorporated in England and Wales. The liability of each member in respect of the guarantee is limited to £1. Its registered office and principal place of business is Unit 321 Edinburgh House, 170 Kennington Lane, London, SE11 5DP. The Directors of the company are the Trustees named in the Reference and Administrative Information on page 1.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

The Centre for Justice Innovation UK 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.

**2.2 Going concern**

The Trustees have reviewed the charity's forecasts and budgets and accordingly have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Having therefore assessed the Charity's financial position, its plans for the foreseeable future and the risks to which it is exposed and, taking into account future expected income streams, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

**2.3 Income**

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities when the Company is entitled to receive the money. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

**2.4 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

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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

**2. Accounting policies (continued)**

**2.4 Expenditure (continued)**

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 allocated on the portion of the asset's use.

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

All expenditure is inclusive of irrecoverable VAT.

**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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 basis:

Short-term leasehold property	-	33%
Fixtures and fittings	-	33%
Office equipment	-	33%

**2.6 Debtors**

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

**2.7 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments.

**2.8 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.

**2.9 Financial instruments**

The Company 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.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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

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**2. Accounting policies (continued)**

**2.10 Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**2.11 Pensions**

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

**2.12 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 Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**2.13 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described above, Trustees are required to make judgements, estimates and assumptions about the carrying values 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 on-going 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 affects the current and future periods.

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

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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

**3. Income from donations and legacies**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	-	57,500	57,500	-
Grants	694,723	402,739	1,097,462	1,010,971
	<u>694,723</u>	<u>460,239</u>	<u>1,154,962</u>	<u>1,010,971</u>
Total 2024	<u>697,000</u>	<u>313,971</u>	<u>1,010,971</u>	

In addition to the Restricted grant funders detailed on page 4 in the Trustees' report, the Charity received unrestricted grants from the following funders, which are included within total unrestricted grants:

£445,000 from the Hadley Trust  
 £100,000 from the Esmee Fairbairn Foundation  
 £75,000 from the Jongen Charitable Trust  
 £50,000 from the Aurum Trust  
 £20,000 from the AB Charitable Trust

**4. Income from charitable activities**

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Consultancy contracts and fees	177,669	177,669	155,471
	<u>177,669</u>	<u>177,669</u>	<u>155,471</u>
Total 2024	<u>155,471</u>	<u>155,471</u>	

Income from consultancy contracts is derived from research projects and consultancy services of a contract nature that the charity has undertaken to promote evidence-based justice policy reforms.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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

**5. Analysis of expenditure by activities**

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Research and dissemination	932,643	309,808	1,242,451	1,125,742
Total 2024	791,163	334,579	1,125,742	

**Analysis of direct costs**

	Total funds 2025 £	Total funds 2024 £
Wages and salaries	740,046	656,329
Consultancy	119,679	63,641
Other direct costs	68,615	67,774
Training	4,303	3,419
	932,643	791,163

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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

**5. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Total funds 2025 £	Total funds 2024 £
Staff costs	81,230	80,001
Depreciation	14,627	10,794
Office costs	27,429	39,666
Recruitment, health & safety and staff welfare	38,863	47,368
Insurance	2,870	1,673
Rent and rates	62,366	76,451
Travel and subsistence	48,805	49,338
Sundry expenses	7,699	2,805
Subscriptions	15,387	15,589
Governance costs	10,532	10,894
	<u>309,808</u>	<u>334,579</u>

**6. Auditors' remuneration**

	2025 £	2024 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<u>7,500</u>	<u>7,200</u>

**7. Staff costs**

	2025 £	2024 £
Wages and salaries	686,409	620,127
Social security costs	66,516	52,989
Contribution to defined contribution pension schemes	68,351	63,214
	<u>821,276</u>	<u>736,330</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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

**7. Staff costs (continued)**

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

	2025 No.	2024 No.
Employees	18	17

All employee time is involved in providing either direct or support services to the charitable activities of the Company.

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

	2025 No.	2024 No.
In the band £60,001 - £70,000	1	1
In the band £80,001 - £90,000	1	1

The total amount of employee benefits received by key management personnel was £180,761 (2024: £176,950).

**8. Trustees' remuneration and expenses**

During the year, Shauneen Lambe was paid remuneration of £Nil (2024: £4,019) by the Charity. This related to project work undertaken in partnership with and on behalf of the Charity's sister organisation, the Center For Justice Innovation and was paid out of unrestricted funds. The Center for Justice Innovation reimbursed the Charity for the payment made on its behalf.

During the year, Geraldine O'Hare was paid remuneration of £Nil (2024: £1,000) by the Charity. This related to training provided on problem solving courts.

Trustees received no other remuneration or benefits.

During the year ended 31 March 2025, travel expenses incurred to attend meetings and workshops totalling £7,656 (2024: £7,221) were reimbursed or paid directly to 12 Trustees (2024: 6 Trustees).

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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

**9. Tangible fixed assets**

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>				
At 1 April 2024	7,683	11,790	72,244	91,717
Additions	-	3,087	10,478	13,565
At 31 March 2025	7,683	14,877	82,722	105,282
<b>Depreciation</b>				
At 1 April 2024	191	11,790	57,817	69,798
Charge for the year	2,561	1,029	11,037	14,627
At 31 March 2025	2,752	12,819	68,854	84,425
<b>Net book value</b>				
At 31 March 2025	4,931	2,058	13,868	20,857
At 31 March 2024	7,492	-	14,427	21,919

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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

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**10. Debtors: Amounts falling due within one year**

	2025 £	2024 £
Other debtors	17,296	23,766
Prepayments and accrued income	47,155	70,712
	<u>64,451</u>	<u>94,478</u>

**11. Creditors: Amounts falling due within one year**

	2025 £	2024 £
Other taxation and social security	17,928	16,412
Other creditors	5,939	5,468
Accruals and deferred income	35,610	18,117
	<u>59,477</u>	<u>39,997</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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

**12. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £
<b>Unrestricted funds</b>				
General Funds - all funds	607,633	872,392	(908,308)	571,717
<b>Restricted funds</b>				
Court reform	34,264	94,500	(81,020)	47,744
Pre-court disposals	21,014	168,625	(115,503)	74,136
Problem-solving courts	33,134	-	-	33,134
Smarter Sentencing	34,947	45,000	(25,674)	54,273
Women in justice	(3,847)	94,614	(76,980)	13,787
Common Ground Justice	-	57,500	(34,966)	22,534
	<u>119,512</u>	<u>460,239</u>	<u>(334,143)</u>	<u>245,608</u>
<b>Total of funds</b>	<u><u>727,145</u></u>	<u><u>1,332,631</u></u>	<u><u>(1,242,451)</u></u>	<u><u>817,325</u></u>

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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

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**12. Statement of funds (continued)**

**Purposes of restricted funds**

The purposes of the restricted funds are summarised below. Further details on the objectives and achievements of restricted funds are provided in the Trustees' report.

**Court reform**

These funds are used to promote evidence based court reform research to improve procedural fairness in court. The charity also provides Community Advice services, including the running the service in Highbury Corner magistrates' court, where the charity worked with over 150 court users to help them access the support they need relating to housing, benefits support and mental health issues.

**Pre-court disposals**

These funds are used to improve the use and effectiveness of pre-court disposals as an evidence-based way of addressing low-level criminal behaviour, while minimising the collateral consequences of prosecution on people's future life chances.

**Problem-solving courts**

These funds are used to help practitioners implement evidence-led problem-solving approaches, in particular supporting the 16 Family Drug and Alcohol Courts, which work with families to overcome the substance misuse, mental health and domestic abuse problems which lead to their children being at risk of serious harm.

**Smarter sentencing**

These funds are used to promote evidence-based practice in sentencing across the UK where crime is proportionately punished, the harm caused by crime is repaired, victims feel listened to and protected, systemic racial disparities are tackled, and where people who have offended are given the chance to turn around their lives.

**Women in justice**

These funds are used to research and implement gender-specific responses for women in the justice system, especially around violence against women and girls. This includes supporting practitioners to deliver gender-responsive interventions and victim services, traumainformed practice and ensuring policy change recognises the distinct needs of women and girls.

**Common Ground Justice**

The Common Ground Justice Project aims to find a better balance between different perspectives on crime and justice. The project is uncovering a new way forward – towards a justice system that makes communities safer while restoring public confidence and trust in the system. The Centre for Justice Innovation is acting as an incubator for the project.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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

**12. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>				
General Funds - all funds	591,671	852,471	(836,509)	607,633
<b>Restricted funds</b>				
Court reform	29,321	95,000	(90,057)	34,264
Pre-court disposals	14,570	49,500	(43,056)	21,014
Problem-solving courts	32,548	67,950	(67,364)	33,134
Smarter Sentencing	34,947	40,000	(40,000)	34,947
Women in justice	(16,612)	61,521	(48,756)	(3,847)
	<u>94,774</u>	<u>313,971</u>	<u>(289,233)</u>	<u>119,512</u>
<b>Total of funds</b>	<u><u>686,445</u></u>	<u><u>1,166,442</u></u>	<u><u>(1,125,742)</u></u>	<u><u>727,145</u></u>

**13. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	20,857	-	20,857
Current assets	610,337	245,608	855,945
Creditors due within one year	(59,477)	-	(59,477)
<b>Total</b>	<u><u>571,717</u></u>	<u><u>245,608</u></u>	<u><u>817,325</u></u>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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

**13. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	21,919	-	21,919
Current assets	625,711	119,512	745,223
Creditors due within one year	(39,997)	-	(39,997)
<b>Total</b>	<u>607,633</u>	<u>119,512</u>	<u>727,145</u>

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

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	90,180	40,700
<b>Adjustments for:</b>		
Depreciation charges	14,627	10,794
Decrease/(increase) in debtors	30,027	(45,208)
Increase/(decrease) in creditors	19,480	(14,025)
<b>Net cash provided by/(used in) operating activities</b>	<u>154,314</u>	<u>(7,739)</u>

**15. Analysis of cash and cash equivalents**

	2025 £	2024 £
Cash in hand	791,494	650,745
<b>Total cash and cash equivalents</b>	<u>791,494</u>	<u>650,745</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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

**16. Analysis of changes in net debt**

	At 1 April 2024	Cash flows	At 31 March 2025
	£	£	£
Cash at bank and in hand	650,745	140,749	791,494
	<u>650,745</u>	<u>140,749</u>	<u>791,494</u>

**17. Pension commitments**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions payable by the charity to the fund amounted to £5,936 (2024: £5,238) at the balance sheet date and are included in creditors.

**18. Operating lease commitments**

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

	2025	2024
	£	£
Not later than 1 year	<u>25,170</u>	<u>35,955</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**

England & Wales - Charity number 1151939

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# Accounts

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Registered number: 08274430  
Charity number: 1151939

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**CONTENTS**

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	Page
<b>Reference and Administrative Details of the Company, its Trustees and Advisers</b>	1
<b>Trustees' Report</b>	2 - 7
<b>Independent Auditors' Report on the Financial Statements</b>	8 - 12
<b>Statement of Financial Activities</b>	13
<b>Balance Sheet</b>	14
<b>Statement of Cash Flows</b>	15
<b>Notes to the Financial Statements</b>	16 - 29

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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<b>Trustees</b>	Gregory Berman, Resigned as Chair 24 October 2023 Mark Blake Courtney Bryan Aubrey Fox Shauneen Lambe Karyn McCluskey, Appointed as Chair 24 October 2023 Geraldine O'Hare Gordon Wasserman Robert Zara Adjoa Abekah-Mensah (appointed 24 January 2024) Kevin Sadler (appointed 24 January 2024) Sal Naseem (appointed 24 January 2024)
<b>Company registered number</b>	08274430
<b>Charity registered number</b>	1151939
<b>Registered office</b>	Unit 321 Edinburgh House 170 Kennington Lane London SE11 5DP
<b>Independent auditors</b>	Nyman Libson Paul LLP Chartered Accountants 124 Finchley Road London NW3 5JS
<b>Bankers</b>	Barclays Bank PLC 81 Fleet Street London EC4Y 1EL
<b>Senior Management</b>	Phil Bowen (Director) Vicki Morris (Deputy Director)

TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2024

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The objects of the charity, defined in our memorandum and articles of associations, are to promote, for the benefit of the public, the efficiency and effectiveness of the justice system in the United Kingdom.

### Vision and mission

2023/24 was the second year of the Centre's three-year strategy, *Fair and Effective: Putting practitioners and the evidence at the heart of justice reform*. This sets out our approach and our theory of change over the next three years. It is consciously and deliberately a continuation on the broad themes of our work since our founding in 2011.

*Fair and Effective* sets out our vision to build a justice system which every citizen believes is fair and effective. We believe that the justice system should be focused on solving the issues that drive crime and social harm; that it should be fair in how it treats people; that it should be proportionate in the things it does; and that those on the front line should be given the freedom and support to come up with innovative solutions to the problems their communities face.

To deliver our vision of fairer and more effective justice system, *Fair and Effective* describes how we work:

- provide hands on support to practitioners in the justice system to help them develop and share innovative and effective practice;
- conduct research into how things work right now and how they could work better;
- promote evidence-based, innovative justice policy reforms;
- share lessons between the jurisdictions of the UK and with our sister organisation in New York City, the Center for Justice Innovation.

### Context

2023/24 continued themes from the previous years—justice systems across the UK struggled to cope with rising and complex demand and were still recovering from the continued impacts of the Covid-19 pandemic. Moreover, persistent issues such as the over representation of individuals from our poorer and our minoritised communities, the lack of service provision for victims of crime, and constrained public service budgets continued. For the justice workforce, like many in the UK, hard-working practitioners continued to deliver services while seeing their pay in real terms diminish, due to historically high inflation.

### Key achievements in 23/24

In *Fair and Effective*, we highlighted our six areas of focus, which shape our objectives and our programmes of work. We have achieved the following in these areas:

#### Out of court resolutions

To keep our communities safer while minimising the collateral consequences of prosecution on people's future life chances, we work to improve the use and effectiveness of pre-court disposals. Pre-court disposals are an evidence-based way of addressing low-level criminal behaviour, especially for children and young people, those from minoritised communities, and for women who offend. In 2023/24, we worked with a number of police forces, youth justice services and others to improve their practice, assisting them to implement best practice interventions. We also worked to influence the Youth Justice Board's Case management guidance to strengthen its provisions on the use of diversion. We published research on children with Special Educational Need and Disabilities (SEND) and their experiences of out of court resolutions. We've provided practical assistance to the Government and the National Police Chiefs Council on the implementation of a proposed new out of court disposal framework. We have assisted a number of forces to implement our evidence-based framework for the use of out of court resolutions for drug possession.

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

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Court reform

We champion Community Advice services, which signpost people to services to help them with issues like debt and mental health needs. This includes running the service in Highbury Corner magistrates' court, where we directly worked over 300 cases for individual court users to help them access the support they need, while providing information and guidance to over 1,000 others. Our Highbury service often works with people with a wide range of needs, including housing, benefits support and mental health issues.

We champion and support evidence-based problem-solving courts to test new approaches to difficult cases where social, human, and legal problems intersect. In public family law, we help practitioners implement evidence-led problem-solving approaches, in particular supporting the 13 Family Drug and Alcohol Courts, which work with families to overcome the substance misuse, mental health and domestic abuse problems which lead to their children being at risk of serious harm. We provided induction training to three new problem-solving courts in adult criminal courts, as well as providing policy advice on them to the Ministry of Justice. We also provided training and support to the new pathfinder pilots in private family law.

Smarter sentencing

We focused our work in this area on a research and policy project on the use of the court fine, and their impact on people on low incomes. We conducted 56 in-depth interviews with people on low incomes and who had received a court fine. This also included a legal review of court fines, a data review and a literature review. We are due to publish the first stage of our research in May 2024.

Women in justice

Women in our justice system often have different and more complex needs than men. We work to implement gender-specific responses for women in the justice system, especially around violence against women and girls. This includes support practitioners to deliver gender-responsive interventions and victim services, trauma-informed practice and ensuring policy change recognises the distinct needs of women and girls. We published a range of research and practical toolkits, for example, guidance to commissioners for developing drug and alcohol treatment services for women. We also published a briefing on the current landscape of protective orders and lessons that should be considered for the implementation of the new Domestic Abuse Protection Notices and Orders, ahead of their pilots due to start in 2024.

Strategic policy

In an election year, we focused our policy work on influencing political parties' manifestos.

**FINANCIAL REVIEW**

In financial year 2023/24, the charity received £1,166,442. The total income represents a 5% decrease on the previous year (£1,229,177). In total, we received £852,471 in unrestricted funds and £313,971 in restricted funds. This compares to £861,829 in unrestricted funds and £367,348 in restricted funds we received in 2022/23.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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

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Of the restricted funds received in 2023/24, the funds were used as follows:

<b>Funder</b>	<b>Purpose</b>	<b>Amount</b>
Aberdeen Financial Fairness Trust	Smarter Sentencing: Court fines and fees	£40,000
Barrow Cadbury Trust	Pre-court disposals	£49,500
Hadley Trust	Court reform: Highbury Community Advice	£95,000
Jabbs Foundation	Women in justice: Women and treatment services	£61,521
FDAC National Partnership	Problem-solving courts: Family courts	£48,000
National Lottery Wales	Problem-solving courts: Family courts	£19,950
		<b>£313,971</b>

In financial year 2023/24, the charity spent £1,125,742. The total expenditure represents a 10% decrease on the previous year (£1,262,984).

*Going concern*

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern.

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In particular, approval of the budget for 24/25 by the Board in March 2024 indicated that 77% of the required expenditure had been secured in income prior to the start of the financial year, with 6 months in free reserves.

For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

*Risk management*

The principal risks and uncertainties facing the Centre are:

- The organisation's financial reliance on particular foundations (see below) and the impact of low economic growth on their portfolios;
- Political uncertainty, making influencing policy and building networks with key opinion formers challenging, especially with a General Election potentially occurring in 24/25;
- Operational challenges that justice agencies are facing, especially the reunification of the probation service, the increasing prison population and ongoing court backlogs, which are especially acute for victims of sexual violence;
- The Centre carries significant risk related to its Highbury Community Advice services, specifically risks concerning health and safety and safeguarding risks related to clients of the service.

To manage these risks, we worked closely with funders and others to revise delivery plans on some of our restricted grants. We have also ensured that we have maintained links with officials, devolved administrations and others who have influence over policy formation away from national Government. As respects the operation of our Highbury Community Advice service, we have safeguarding and health and safety policies and procedures in place and it is subject to regular discussion and review by the Centre's management.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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

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### **Reserves policy**

The charity aims to maintain free reserves sufficient to cover at least six months' of total future annual expenditure (minus grants). This equates to £560,000 - £600,000. Specific permission from the Trustees is required if reserves are likely to fall below this minimum target.

At year end, the Charity held funds totalling £727,145 (2022: £686,445), including £119,512 held in restricted funds (2023: £94,774) and £607,633 held in unrestricted funds (2023: £591,671). The Charity's free reserves (unrestricted funds less fixed assets and commitments) totalled £585,714 (2023: £575,675) and is in line with the free reserves target.

### **Plans for future periods**

In financial year 2024/25, the charity has confirmed income of £1,182,832, and anticipates spending £1,210,611, of which the biggest expenditure is on staff costs (£755,995 or 62% of total anticipated expenditure).

2024/25 is the last year of our current strategy. Given the change of the Government, this provides the Centre an opportunity to review its current areas of focus and its policy objectives. There are areas, such as problem-solving courts in the criminal justice system, where the existence of pilots and the ending of Government funding for the Centre's work provide a natural opportunity to re-evaluate our future commitment to this area. Other areas, especially our growing portfolio of work around women in the justice systems, our work on early intervention for children, and our work on domestic abuse and family court reform, will remain. Moreover, regardless of the shifts we make over the next year, our mission to put evidence-based policy and practice into action across the justice system will continue.

## **STRUCTURE, MANAGEMENT AND GOVERNANCE**

### **Constitution**

The charity is registered as a charitable company limited by guarantee and was set up by a Trust deed on 30th October 2012. The charity is registered (charity number 1151939).

### **Method of election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees are identified via existing networks and through formal and informal conversations with the Chair and Director of the charity.

### **Induction of Trustees**

Induction of Trustees is through conversations with the Director of the charity, the issuance of formal induction materials to the Trustee and their further involvement in the work of the charity.

The training of trustees includes the provision of up-to-date financial and other information about the charity, the circulation of Charity Commission publications giving guidance on the role of Trustees, informal meetings with the team and the Director, and an annual 'in person' meeting with the Director and other staff.

### **Decision making**

The business of the Charity is managed by the Trustee Board. The Trustees are responsible for the following decisions: (i) approval of the annual budget; (ii) review of finances; (iii) reviewing the performance of the charity against its stated aims and charitable objects.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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

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The chair of the Trustee Board is responsible for the remuneration and performance appraisal of the Director, in consultation with the Trustee Board. The chair gathers feedback on the performance of the Director from the team and other stakeholders as part of the Director's performance appraisal.

**Remuneration of staff**

Remuneration of all staff is set through the charity's salary policy. We set initial salaries through benchmarking exercises comparing pay scales across the sector. The Centre's pay policy is based on a combination of inflationary and performance-related increases, with the goal of rewarding good performance and team well-being, as far as the Centre's overall financial situation can allow.

**Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

**Public benefit**

The Trustees are aware of and give due consideration, when setting objectives and planning activities, to the Charity Commission's guidance on public benefit.

**Statement of Trustees' Responsibilities**

The trustees (who are also directors of The Centre for Justice Innovation UK 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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.

In so far as the trustees are aware:

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

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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

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**Auditors**

Nyman Lisbon Paul LLP have expressed their willingness to continue in office and will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

**Small company exemptions**

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

Approved by order of the members of the board of Trustees on

and signed on their behalf by:

**Karyn McCluskey**  
Chair of the Board

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK**

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**Opinion**

We have audited the financial statements of The Centre for Justice Innovation UK (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK (CONTINUED)**

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**Responsibilities of trustees**

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
  - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to timing of income recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK (CONTINUED)**

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We also obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act.

In addition, we considered other laws and regulations that could have an effect on the company and result in the imposition of financial or other penalties and litigation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

All matters in relation to non-compliance with laws and regulations and potential fraud risks were communicated to all members of the engagement team and we remained alert to any indications of non-compliance throughout the audit.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- assessing the appropriateness and where appropriate with third parties concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and correspondence with HMRC;
- in addressing the risk of fraud through management override of controls, reviewing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK (CONTINUED)**

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**Use of our report**

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

**Andrew Thomas (Senior Statutory Auditor)**

for and on behalf of

**Nyman Libson Paul LLP**

Chartered Accountants

124 Finchley Road

London

NW3 5JS

Date:

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>					
Donations and legacies	3	697,000	313,971	1,010,971	1,182,727
Charitable activities	4	155,471	-	155,471	46,450
<b>Total income</b>		<u>852,471</u>	<u>313,971</u>	<u>1,166,442</u>	<u>1,229,177</u>
<b>Expenditure on:</b>					
Charitable activities	5	836,509	289,233	1,125,742	1,262,984
<b>Total expenditure</b>		<u>836,509</u>	<u>289,233</u>	<u>1,125,742</u>	<u>1,262,984</u>
<b>Net movement in funds</b>		<u>15,962</u>	<u>24,738</u>	<u>40,700</u>	<u>(33,807)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		591,671	94,774	686,445	720,252
Net movement in funds		15,962	24,738	40,700	(33,807)
<b>Total funds carried forward</b>		<u>607,633</u>	<u>119,512</u>	<u>727,145</u>	<u>686,445</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 29 form part of these financial statements.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08274430**

**BALANCE SHEET**  
**AS AT 31 MARCH 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	9	21,919	15,996
<b>Current assets</b>			
Debtors	10	94,478	49,270
Cash at bank and in hand		650,745	675,201
		<u>745,223</u>	<u>724,471</u>
Creditors: amounts falling due within one year	11	(39,997)	(54,022)
<b>Net current assets</b>		<u>705,226</u>	<u>670,449</u>
<b>Total assets less current liabilities</b>		<u>727,145</u>	<u>686,445</u>
<b>Total net assets</b>		<u><u>727,145</u></u>	<u><u>686,445</u></u>
<b>Charity funds</b>			
Restricted funds	12	119,512	94,774
Unrestricted funds	12	607,633	591,671
<b>Total funds</b>		<u><u>727,145</u></u>	<u><u>686,445</u></u>

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

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

The financial statements were approved and authorised for issue by the Trustees on \_\_\_\_\_ and signed on their behalf by:

**Karyn McCluskey**  
Chair

The notes on pages 16 to 29 form part of these financial statements.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	14	(7,739)	(41,065)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(16,717)	(7,872)
<b>Net cash used in investing activities</b>		<b>(16,717)</b>	<b>(7,872)</b>
<b>Change in cash and cash equivalents in the year</b>			
Cash and cash equivalents at the beginning of the year		675,201	724,138
<b>Cash and cash equivalents at the end of the year</b>	15	<b>650,745</b>	<b>675,201</b>

The notes on pages 16 to 29 form part of these financial statements

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**1. General information**

The Centre for Justice Innovation UK is a charitable company limited by guarantee, incorporated in England and Wales. The liability of each member in respect of the guarantee is limited to £1. Its registered office and principal place of business is Unit 321 Edinburgh House, 170 Kennington Lane, London, SE11 5DP. The Directors of the company are the Trustees named in the Reference and Administrative Information on page 1.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

The Centre for Justice Innovation UK 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.

**2.2 Going concern**

The Trustees have reviewed the charity's forecasts and budgets and accordingly have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Having therefore assessed the Charity's financial position, its plans for the foreseeable future and the risks to which it is exposed and, taking into account future expected income streams, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

**2.3 Income**

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities when the Company is entitled to receive the money. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

**2.4 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

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**2. Accounting policies (continued)**

**2.4 Expenditure (continued)**

basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

All expenditure is inclusive of irrecoverable VAT.

**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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 basis:

Short-term leasehold property	-	33%
Fixtures and fittings	-	33%
Office equipment	-	33%

**2.6 Debtors**

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

**2.7 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments.

**2.8 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.

**2.9 Financial instruments**

The Company 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.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**2. Accounting policies (continued)**

**2.10 Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**2.11 Pensions**

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

**2.12 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 Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**2.13 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described above, Trustees are required to make judgements, estimates and assumptions about the carrying values 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 on-going 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 affects the current and future periods.

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

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**3. Income from donations and legacies**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Grants	697,000	313,971	1,010,971	1,182,727
Total 2023	815,379	367,348	1,182,727	

In addition to the Restricted grant funders detailed on page 4 in the Trustees' report, the Charity received unrestricted grants from the following funders, which are included within total unrestricted grants:

£150,000 from the Esmee Fairbairn Foundation  
£430,000 from the Hadley Trust  
£20,000 from the AB Charitable Trust  
£50,000 from the Jongen Charitable Trust  
£25,000 from the Aurum Trust

**4. Income from charitable activities**

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Consultancy contracts and fees	155,471	155,471	46,450
Total 2023	46,450	46,450	

Income from consultancy contracts is derived from research projects and consultancy services of a contract nature that the charity has undertaken to promote evidence-based justice policy reforms.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**5. Analysis of expenditure by activities**

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Research and dissemination	791,163	334,579	1,125,742	1,262,984
Total 2023	1,040,985	221,999	1,262,984	

**Analysis of direct costs**

	Total funds 2024 £	Total funds 2023 £
Wages and salaries	656,329	718,167
Consultancy	63,641	142,649
Other direct costs	67,774	175,026
Training	3,419	5,143
	791,163	1,040,985

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**5. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Total funds 2024 £	Total funds 2023 £
Staff costs	80,001	50,215
Depreciation	10,794	15,205
Office costs	39,666	31,979
Recruitment, health & safety and staff welfare	47,368	25,654
Insurance	1,673	3,124
Rent and rates	76,451	62,671
Travel and subsistence	49,338	15,751
Sundry expenses	2,805	1,477
Subscriptions	15,589	6,385
Governance costs	10,894	9,538
	<u>334,579</u>	<u>221,999</u>

**6. Auditors' remuneration**

	2024 £	2023 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<u>7,200</u>	<u>7,000</u>

**7. Staff costs**

	2024 £	2023 £
Wages and salaries	620,127	658,741
Social security costs	52,989	67,386
Contribution to defined contribution pension schemes	63,214	42,255
	<u>736,330</u>	<u>768,382</u>

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**7. Staff costs (continued)**

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

	2024 No.	2023 No.
Employees	17	18

All employee time is involved in providing either direct or support services to the charitable activities of the Company.

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

	2024 No.	2023 No.
In the band £60,001 - £70,000	1	1
In the band £80,001 - £90,000	1	1

The total amount of employee benefits received by key management personnel was £176,950 (2023: £171,439).

**8. Trustees' remuneration and expenses**

During the year, Shauneen Lambe was paid remuneration of £4,019 (2023: £4,108) by the Charity. This related to project work undertaken in partnership with and on behalf of the Charity's sister organisation, the Center For Justice Innovation and was paid out of unrestricted funds. The Center for Justice Innovation will reimburse the Charity for the payment made on its behalf.

During the year, Geraldine O'Hare was paid remuneration of £1,000 (2023: £nil) by the Charity. This related to training provided on problem solving courts.

Trustees received no other remuneration or benefits.

During the year ended 31 March 2024, travel expenses incurred to attend meetings and workshops totalling £7,221 (2023: £1,219) were reimbursed or paid directly to 6 Trustees (2023: 3 Trustees).

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**9. Tangible fixed assets**

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>				
At 1 April 2023	8,455	13,901	66,012	88,368
Additions	7,683	-	9,034	16,717
Disposals	(8,455)	(2,111)	(2,802)	(13,368)
At 31 March 2024	7,683	11,790	72,244	91,717
<b>Depreciation</b>				
At 1 April 2023	8,455	13,901	50,016	72,372
Charge for the year	191	-	10,603	10,794
On disposals	(8,455)	(2,111)	(2,802)	(13,368)
At 31 March 2024	191	11,790	57,817	69,798
<b>Net book value</b>				
At 31 March 2024	7,492	-	14,427	21,919
At 31 March 2023	-	-	15,996	15,996

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**10. Debtors: Amounts falling due within one year**

	2024 £	2023 £
Other debtors	23,766	12,658
Prepayments and accrued income	70,712	36,612
	<u>94,478</u>	<u>49,270</u>

**11. Creditors: Amounts falling due within one year**

	2024 £	2023 £
Other taxation and social security	16,412	16,047
Other creditors	5,468	9,630
Accruals and deferred income	18,117	28,345
	<u>39,997</u>	<u>54,022</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**12. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>				
General Funds - all funds	591,671	852,471	(836,509)	607,633
<b>Restricted funds</b>				
Court reform	29,321	95,000	(90,057)	34,264
Pre-court disposals	14,570	49,500	(43,056)	21,014
Problem-solving courts	32,548	67,950	(67,364)	33,134
Smarter Sentencing	34,947	40,000	(40,000)	34,947
Women in justice	(16,612)	61,521	(48,756)	(3,847)
	<u>94,774</u>	<u>313,971</u>	<u>(289,233)</u>	<u>119,512</u>
<b>Total of funds</b>	<u><u>686,445</u></u>	<u><u>1,166,442</u></u>	<u><u>(1,125,742)</u></u>	<u><u>727,145</u></u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

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12. Statement of funds (continued)

**Purposes of restricted funds**

The purposes of the restricted funds are summarised below. Further details on the objectives and achievements of restricted funds are provided in the Trustees' report.

**Court reform**

These funds are used to promote evidence based court reform research to improve procedural fairness in court. The charity also provides Community Advice services, including the running the service in Highbury Corner magistrates' court, where the charity worked with over 150 court users to help them access the support they need relating to housing, benefits support and mental health issues.

**Pre-court disposals**

These funds are used to improve the use and effectiveness of pre-court disposals as an evidence-based way of addressing low-level criminal behaviour, while minimising the collateral consequences of prosecution on people's future life chances.

**Problem-solving courts**

These funds are used to help practitioners implement evidence-led problem-solving approaches, in particular supporting the 16 Family Drug and Alcohol Courts, which work with families to overcome the substance misuse, mental health and domestic abuse problems which lead to their children being at risk of serious harm.

**Smarter sentencing**

These funds are used to promote evidence-based practice in sentencing across the UK where crime is proportionately punished, the harm caused by crime is repaired, victims feel listened to and protected, systemic racial disparities are tackled, and where people who have offended are given the chance to turn around their lives.

**The best of British justice innovation**

These funds are used to promote the best of Britain's innovative justice practice using cross-jurisdictional networks in Northern Ireland, Scotland and beyond. The charity researches emerging trends in innovation, such as the use of new technology in the justice system, to ensure that the justice system keeps pace with the changing world around it.

**Women in justice**

These funds are used to research and implement gender-specific responses for women in the justice system, especially around violence against women and girls. This includes supporting practitioners to deliver gender-responsive interventions and victim services, traumainformed practice and ensuring policy change recognises the distinct needs of women and girls.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**12. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
General Funds - all funds	593,101	861,829	(724,478)	(138,781)	591,671
<b>Restricted funds</b>					
Court reform	85,355	151,548	(207,582)	-	29,321
Pre-court disposals	21,718	31,670	(38,818)	-	14,570
Problem-solving courts	25,458	80,708	(212,399)	138,781	32,548
Smarter Sentencing	-	45,000	(10,053)	-	34,947
The best of British justice innovation	-	13,950	(13,950)	-	-
Women in justice	(5,380)	44,472	(55,704)	-	(16,612)
	127,151	367,348	(538,506)	138,781	94,774
<b>Total of funds</b>	<b>720,252</b>	<b>1,229,177</b>	<b>(1,262,984)</b>	<b>-</b>	<b>686,445</b>

**13. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	21,919	-	21,919
Current assets	625,711	119,512	745,223
Creditors due within one year	(39,997)	-	(39,997)
<b>Total</b>	<b>607,633</b>	<b>119,512</b>	<b>727,145</b>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**13. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior period**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	15,996	-	15,996
Current assets	629,697	94,774	724,471
Creditors due within one year	(54,022)	-	(54,022)
<b>Total</b>	<u>591,671</u>	<u>94,774</u>	<u>686,445</u>

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

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	40,700	(33,807)
<b>Adjustments for:</b>		
Depreciation charges	10,794	15,205
Increase in debtors	(45,208)	(5,680)
Decrease in creditors	(14,025)	(16,783)
<b>Net cash used in operating activities</b>	<u>(7,739)</u>	<u>(41,065)</u>

**15. Analysis of cash and cash equivalents**

	2024 £	2023 £
Cash in hand	650,745	675,201
<b>Total cash and cash equivalents</b>	<u>650,745</u>	<u>675,201</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**16. Analysis of changes in net debt**

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	675,201	(24,456)	650,745
	<u>675,201</u>	<u>(24,456)</u>	<u>650,745</u>

**17. Pension commitments**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions payable by the charity to the fund amounted to £5,238 (2023: £4,689) at the balance sheet date and are included in creditors.

**18. Operating lease commitments**

At 31 March 2024 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Not later than 1 year	<u>35,955</u>	<u>32,400</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**

England & Wales - Charity number 1151939

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# Accounts

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Registered number: 08274430  
Charity number: 1151939

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**CONTENTS**

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	Page
<b>Reference and Administrative Details of the Company, its Trustees and Advisers</b>	1
<b>Trustees' Report</b>	2 - 7
<b>Independent Auditors' Report on the Financial Statements</b>	8 - 12
<b>Statement of Financial Activities</b>	13
<b>Balance Sheet</b>	14
<b>Statement of Cash Flows</b>	15
<b>Notes to the Financial Statements</b>	16 - 28

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2023**

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<b>Trustees</b>	Gregory Berman, Resigned as Chair 24 October 2023 Mark Blake Courtney Bryan Aubrey Fox Shauneen Lambe Karyn McCluskey, Appointed as Chair 24 October 2023 Geraldine O'Hare Gordon Wasserman Robert Zara
<b>Company registered number</b>	08274430
<b>Charity registered number</b>	1151939
<b>Registered office</b>	Unit 102 Edinburgh House 170 Kennington Lane London SE11 5DP
<b>Independent auditors</b>	Nyman Libson Paul LLP Chartered Accountants 124 Finchley Road London NW3 5JS
<b>Bankers</b>	Barclays Bank PLC 81 Fleet Street London EC4Y 1EL
<b>Senior Management</b>	Phil Bowen (Director) Vicki Morris (Deputy Director)

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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The objects of the charity, defined in our memorandum and articles of associations, are to promote, for the benefit of the public, the efficiency and effectiveness of the justice system in the United Kingdom.

### **Vision and mission**

2022/23 was the first year of the Centre's three-year strategy, *Fair and Effective: Putting practitioners and the evidence at the heart of justice reform*. This sets out our approach and our theory of change over the next three years. It is consciously and deliberately a continuation on the broad themes of our work since our founding in 2011.

*Fair and Effective* sets out our vision to build a justice system which every citizen believes is fair and effective. We believe that the justice system should be focused on solving the issues that drive crime and social harm; that it should be fair in how it treats people; that it should be proportionate in the things it does; and that those on the front line should be given the freedom and support to come up with innovative solutions to the problems their communities face.

To deliver our vision of fairer and more effective justice system, *Fair and Effective* describes how we work:

- provide hands on support to practitioners in the justice system to help them develop and share innovative and effective practice;
- conduct research into how things work right now and how they could work better;
- promote evidence-based, innovative justice policy reforms;
- share lessons between the jurisdictions of the UK and with our sister organisation in New York City, the Center for Justice Innovation.

### **Context**

2022/23 was a challenging year for justice systems across the UK, struggling to cope with rising and complex demand in both crime and care populations. They were still weathering the continued impacts of the Covid-19 pandemic including court backlogs and rising remand populations. Moreover, persistent issues such as the over representation of individuals from our poorer and our minoritised communities, the lack of service provision for victims of crime, and constrained public service budgets continued. For the justice workforce, like many in the UK, hard-working practitioners continued to deliver services while seeing their pay affected by the high inflation.

### **Key achievements in 22/23**

In *Fair and Effective*, we highlighted our six areas of focus, which shape our objectives and our programmes of work. We have achieved the following in these areas:

#### Pre-court disposals

To keep our communities safer while minimising the collateral consequences of prosecution on people's future life chances, we work to improve the use and effectiveness of pre-court disposals. Pre-court disposals are an evidence-based way of addressing low-level criminal behaviour, especially for children and young people, those from minoritised communities, and for women who offend, while providing reparation for victims. In 2022/23, we worked with a number of police forces, youth justice services and others to improve their practice, assisting them to implement best practice interventions. In the first research report of its kind, we worked with children, youth practitioners and others to explore racial disparity within pre-court disposals. We've provided practical assistance to the Government on the implementation of a new out of court disposal framework and have set out a new evidence based framework for the use of community diversion for drug possession.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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Court reform

The challenges of changing demand, long waiting times, and technological change requires our court systems to innovate. We promote evidence based innovation, such as improving procedural fairness in court and more creative ways to hear the court cases of children and young people. We also champion Community Advice services, which signpost people to services to help them with issues like debt and mental health needs. This includes running the service in Highbury Corner magistrates' court, where we worked with over 150 court users to help them access the support they need. Our Highbury service often works with people with a wide range of needs, including housing, benefits support and mental health issues. In an in-depth qualitative research report, we explored how people coming through our courts struggle to access support, because of issues like literacy, learning difficulties or neurodiversity, and having English as a second or additional language. The research found that being in contact with the criminal justice system often exacerbates these issues, causing additional stress or creating practical problems with employment or family life.

Problem-solving courts

We champion and support evidence-based problem-solving courts to test new approaches to difficult cases where social, human, and legal problems intersect. In public family law, we help practitioners implement evidence-led problem-solving approaches, in particular supporting the 16 Family Drug and Alcohol Courts, which work with families to overcome the substance misuse, mental health and domestic abuse problems which lead to their children being at risk of serious harm. We worked in partnership with East Sussex County Council to deliver the SWIFT Safer Relationships Domestic Abuse intervention programme across the FDACs of England and Wales. This ground-breaking, well-evidenced problem-solving practice directly inspired recommendations for reform in the Independent Review Of Children's Social Care. Alongside this, we provided training and support to the new Hidden Harm pilots in private family law and have provided the Ministry of Justice advice on the piloting of three new problem-solving courts in adult criminal courts.

Smarter sentencing

Utilising the best evidenced-based practice from across the UK and further afield, we work to make our sentencing smarter— where crime is proportionately punished, where the harm caused by crime is repaired, where victims feel listened to and protected, where we tackle systemic racial disparities, and where people who have offended are given the chance to turn around their lives. As the English and Welsh probation service was reunified, we looked at improvements that can be made to how community payback is delivered, while also publishing practical guidance to probation practitioners to improve their work with people with English as a second or additional language. We also started a new research project on the use of the court fine, and their impact on people on low incomes.

Women in justice

Women in our justice system often have different and more complex needs than men. We work to implement gender-specific responses for women in the justice system, especially around violence against women and girls. This includes support practitioners to deliver gender-responsive interventions and victim services, trauma-informed practice and ensuring policy change recognises the distinct needs of women and girls. We published a range of research, for example, our evaluation of the Westminster Specialist Domestic Abuse Court, our briefing on the lessons learnt from international Specialist Sexual Violence Courts designed to assist their implementation in England and Wales and our briefing on problem-solving courts for women at risk of short custody sentences, who are very often victims of domestic abuse themselves.

The best of British justice innovation

We work to promote the best of Britain's innovative justice practice using our cross-jurisdictional networks in Northern Ireland, Scotland and beyond. We seek to explore emerging trends in innovation, such as the use of new technology in the justice system, so we can ensure that our justice system keeps pace with the changing

**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

world around it. Through our work to map and champion innovative practice in justice across the UK, we can see that even while the challenges and turbulence of the last 12 months have been acute, frontline practitioners, researchers and policymakers, with a passion and enthusiasm for making our justice system fairer and more effective, continue to shine through, as was evident in our inaugural expert voice seminar on neuro-diversity in the criminal justice system. We also awarded our first second annual justice innovation awards, the Nick Crichton Award for Family Justice Innovation and the Criminal Justice Innovation award. We also completed a short piece of work looking at how the justice system captured and used data about victims of crime.

### **FINANCIAL REVIEW**

In financial year 2022/23, the charity received £1,229,177. The total income represents a 21% increase on the previous year (£1,015,794). In total, we received £861,829 in unrestricted funds and £367,348 in restricted funds. This compares to £467,618 in unrestricted funds and £548,176 in restricted funds we received in 2021/22. This change is explained, in part, due to a reclassification of some restricted funds to unrestricted funds.

Of the restricted funds received in 2022/23, the funds were used as follows:

<b>Funder</b>	<b>Purpose</b>	<b>Amount</b>
Aberdeen Financial Fairness Trust	Smarter Sentencing: Court fines and fees	£45,000
Barrow Cadbury Trust	Pre-court disposals	£31,670
Department for Education	Problem-solving courts: Family courts	£50,000
Hadley Trust	Court reform: Highbury Community Advice	£92,500
Jabbs Foundation	Women in justice: Women and treatment services	£10,306
Legal Education Foundation	The best of British justice innovation: Victims and data	£13,950
Lloyds TSB Foundation	Court reform: Community Advice services	£59,048
Ministry of Justice	Problem-solving courts: Family courts	£1,000
Standing Together Tampon Tax SDAC project	Women in justice: Specialist Domestic Abuse Courts	£34,166
		<b>£367,348</b>

In financial year 2022/23, the charity spent £1,262,984. The total expenditure represents a 17% increase on the previous year (£1,077,045).

#### *Going concern*

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern.

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In particular, approval of the budget for 23/24 by the board in March 2023 indicated that 88% of the required expenditure had been secured in income prior to the start of the financial year, with 6 months in free reserves.

For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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### *Risk management*

The principal risks and uncertainties facing the Centre are:

- The organisation's financial reliance on particular foundations (see below) and the impact of low economic growth on their portfolios;
- Political uncertainty, making influencing policy and building networks with key opinion formers challenging, especially with a General Election potentially occurring in 23/24;
- operational challenges that justice agencies are facing, especially the reunification of the probation service, the increasing prison population and ongoing court backlogs, which are especially acute for victims of sexual violence;
- The Centre carries significant risk related to its Highbury Community Advice services, specifically risks concerning health and safety and safeguarding risks related to clients of the service.

To manage these risks, we worked closely with funders and others to revise delivery plans on some of our restricted grants. We have also ensured that we have maintained links with officials, devolved administrations and others who have influence over policy formation away from national Government. As respects the operation of our Highbury Community Advice service, we have safeguarding and health and safety policies and procedures in place and it is subject to regular discussion and review by the Centre's management.

### **Reserves policy**

The charity aims to maintain free reserves sufficient to cover at least six months' of total future annual expenditure (minus grants). This equates to £560,000- £600,000. Specific permission from the Trustees is required if reserves are likely to fall below this minimum target.

At year end, the Charity held funds totalling £686,445 (2022: £720,252), including £94,774 held in restricted funds (2022: £127,151) and £591,671 held in unrestricted funds (2022: £593,101). The Charity's free reserves (unrestricted funds less fixed assets) totalled £575,675 (2022: £569,772) and is in line with the free reserves target.

### **Plans for future periods**

In 2023/24 the charity will continue to deliver against its 3 year plan covering the six strategic areas. To help deliver against the plan in financial year 2023/24, the charity has confirmed income of £1,182,832, and anticipates spending £1,210,611, of which the biggest expenditure is on staff costs (£755,995 or 62% of total anticipated expenditure). The charity currently has confirmed income of £787,000 for financial year 2024/25.

## **STRUCTURE, MANAGEMENT AND GOVERNANCE**

### **Constitution**

The charity is registered as a charitable company limited by guarantee and was set up by a Trust deed on 30th October 2012. The charity registration number is 1151939 and the company registration number is 08274430.

### **Method of election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees are identified via existing networks and through formal and informal conversations with the Chair and Director of the charity.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**Induction of Trustees**

Induction of Trustees is through conversations with the Director of the charity, the issuance of formal induction materials to the Trustee and their further involvement in the work of the charity.

The ongoing training of trustees includes the provision of up-to-date financial and other information about the charity, the circulation of Charity Commission publications giving guidance on the role of trustees, informal meetings with the team and the Director, and an annual 'in person' meeting with the Director and other staff.

**Decision making**

The business of the Charity is managed by the Trustee Board. The Trustees are responsible for the following decisions: (i) approval of the annual budget; (ii) review of finances; (iii) reviewing the performance of the charity against its stated aims and charitable objects.

The chair of the Trustee Board is responsible for the remuneration and performance appraisal of the Director, in consultation with the Trustee Board. The chair gathers feedback on the performance of the Director from the team and other stakeholders as part of the Director's performance appraisal.

**Remuneration of staff**

Remuneration of all staff is set through the charity's salary policy. We set initial salaries through benchmarking exercises comparing pay scales across the sector. The Centre's pay policy is based on a combination of inflationary and performance-related increases, with the goal of rewarding good performance and team well-being, as far as the Centre's overall financial situation can allow.

**Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

**Public benefit**

The Trustees are aware of and give due consideration, when setting objectives and planning activities, to the Charity Commission's guidance on public benefit.

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THE CENTRE FOR JUSTICE INNOVATION UK  
(A Company Limited by Guarantee)

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TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023

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**Statement of Trustees' Responsibilities**

The trustees (who are also directors of The Centre for Justice Innovation UK 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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.

In so far as the trustees are aware:

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

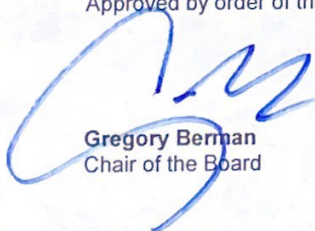
**Auditors**

Nyman Lisbon Paul LLP were appointed as auditors during the year. Following their appointment, they have expressed their willingness to continue in office in accordance with Section 487 of the Companies Act 2006.

**Small company exemptions**

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

Approved by order of the members of the board of Trustees on 24 October 2023 and signed on their behalf by:



Gregory Berman  
Chair of the Board

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK**

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**Opinion**

We have audited the financial statements of The Centre for Justice Innovation UK (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK (CONTINUED)**

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**Responsibilities of trustees**

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
  - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to timing of income recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION UK (CONTINUED)**

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We also obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act.

In addition, we considered other laws and regulations that could have an effect on the company and result in the imposition of financial or other penalties and litigation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

All matters in relation to non-compliance with laws and regulations and potential fraud risks were communicated to all members of the engagement team and we remained alert to any indications of non-compliance throughout the audit.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- assessing the appropriateness and where appropriate with third parties concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and correspondence with HMRC;
- in addressing the risk of fraud through management override of controls, reviewing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

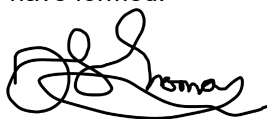
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CENTRE FOR JUSTICE INNOVATION  
UK (CONTINUED)**

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**Use of our report**

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



**Andrew Thomas (Senior Statutory Auditor)**

for and on behalf of  
**Nyman Libson Paul LLP**

Chartered Accountants

124 Finchley Road

London

NW3 5JS

7 November 2023

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Donations and legacies	3	815,379	367,348	1,182,727	1,015,794
Charitable activities	4	46,450	-	46,450	-
<b>Total income</b>		<u>861,829</u>	<u>367,348</u>	<u>1,229,177</u>	<u>1,015,794</u>
<b>Expenditure on:</b>					
Charitable activities	5	724,478	538,506	1,262,984	1,077,045
<b>Total expenditure</b>		<u>724,478</u>	<u>538,506</u>	<u>1,262,984</u>	<u>1,077,045</u>
<b>Net income/(expenditure)</b>		<u>137,351</u>	<u>(171,158)</u>	<u>(33,807)</u>	<u>(61,251)</u>
Transfers between funds	12	(138,781)	138,781	-	-
<b>Net movement in funds</b>		<u>(1,430)</u>	<u>(32,377)</u>	<u>(33,807)</u>	<u>(61,251)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		593,101	127,151	720,252	781,503
Net movement in funds		(1,430)	(32,377)	(33,807)	(61,251)
<b>Total funds carried forward</b>		<u><u>591,671</u></u>	<u><u>94,774</u></u>	<u><u>686,445</u></u>	<u><u>720,252</u></u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 28 form part of these financial statements.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08274430**

**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	9	15,996	23,329
		15,996	23,329
<b>Current assets</b>			
Debtors	10	49,270	43,590
Cash at bank and in hand		675,201	724,138
		724,471	767,728
Creditors: amounts falling due within one year	11	(54,022)	(70,805)
<b>Net current assets</b>		670,449	696,923
<b>Total assets less current liabilities</b>		686,445	720,252
<b>Total net assets</b>		686,445	720,252
<b>Charity funds</b>			
Restricted funds	12	94,774	127,151
Unrestricted funds	12	591,671	593,101
<b>Total funds</b>		686,445	720,252

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

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

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

  
**Gregory Berman**  
 Chair

The notes on pages 16 to 28 form part of these financial statements.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	14	(41,065)	59,654
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(7,872)	(16,031)
<b>Net cash used in investing activities</b>		<b>(7,872)</b>	<b>(16,031)</b>
<b>Change in cash and cash equivalents in the year</b>			
Cash and cash equivalents at the beginning of the year		724,138	680,515
<b>Cash and cash equivalents at the end of the year</b>	15	<b>675,201</b>	<b>724,138</b>

The notes on pages 16 to 28 form part of these financial statements

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**1. General information**

The Centre for Justice Innovation UK is a charitable company limited by guarantee, incorporated in England and Wales. The liability of each member in respect of the guarantee is limited to £1. Its registered office and principal place of business is Unit 102 Edinburgh House, 170 Kennington Lane, London, SE11 5DP. The Directors of the company are the Trustees named in the Reference and Administrative Information on page 1.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

The Centre for Justice Innovation UK 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.

**2.2 Going concern**

The Trustees have reviewed the charity's forecasts and budgets and accordingly have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Having therefore assessed the Charity's financial position, its plans for the foreseeable future and the risks to which it is exposed and, taking into account future expected income streams, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

**2.3 Income**

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities when the Company is entitled to receive the money. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

**2.4 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

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**2. Accounting policies (continued)**

**2.4 Expenditure (continued)**

charges allocated on the portion of the asset's use.

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

All expenditure is inclusive of irrecoverable VAT.

**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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 basis:

Short-term leasehold property	-	33%
Fixtures and fittings	-	33%
Office equipment	-	33%

**2.6 Debtors**

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

**2.7 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments.

**2.8 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.

**2.9 Financial instruments**

The Company 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.

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**2. Accounting policies (continued)**

**2.10 Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**2.11 Pensions**

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

**2.12 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 Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**2.13 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described above, Trustees are required to make judgements, estimates and assumptions about the carrying values 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 on-going 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 affects the current and future periods.

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

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**3. Income from donations and legacies**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Grants	815,379	367,348	1,182,727	1,015,794
Total 2022	467,618	548,176	1,015,794	

In addition to the Restricted grant funders detailed on page 4 in the Trustees' report, the Charity received unrestricted grants from the following funders, which are included within total unrestricted grants:

£20,000 from the AB Charitable Trust  
£217,500 from the Esmee Fairbairn Foundation  
£413,000 from the Hadley Trust  
£150,000 from the Monument Fellowship (Woolbedding Charity)

**4. Income from charitable activities**

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Consultancy contracts and fees	46,450	46,450	-

Income from consultancy contracts is derived from research projects and consultancy services of a contract nature that the charity has undertaken to promote evidence-based justice policy reforms.

**5. Analysis of expenditure by activities**

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Research and dissemination	1,040,985	221,999	1,262,984	1,077,045
Total 2022	721,363	355,682	1,077,045	

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**5. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	Total funds 2023 £	Total funds 2022 £
Wages and salaries	718,167	552,402
Consultancy	142,649	79,506
Other direct costs	175,026	85,346
Training	5,143	4,109
	<u>1,040,985</u>	<u>721,363</u>

**Analysis of support costs**

	Total funds 2023 £	Total funds 2022 £
Staff costs	50,215	138,100
Depreciation	15,205	13,758
Office costs	31,979	41,080
Recruitment, health & safety and staff welfare	25,654	39,396
Insurance	3,124	2,013
Rent and rates	62,671	55,097
Travel and subsistence	15,751	54,219
Sundry expenses	1,477	1,007
Subscriptions	6,385	5,646
Governance costs	9,538	5,366
	<u>221,999</u>	<u>355,682</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**6. Auditors' remuneration**

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	7,000	3,480

**7. Staff costs**

	2023 £	2022 £
Wages and salaries	658,741	612,279
Social security costs	67,386	51,030
Contribution to defined contribution pension schemes	42,255	27,193
	768,382	690,502

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

	2023 No.	2022 No.
Employees	18	17

All employee time is involved in providing either direct or support services to the charitable activities of the Company.

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	1	1
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-

The total amount of employee benefits received by key management personnel was £171,439 (2022: £166,383).

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**8. Trustees' remuneration and expenses**

During the year, Shauneen Lambe was paid remuneration of £4,108 (2022 - £NIL) by the Charity. This related to project work undertaken in partnership with and on behalf of the Charity's sister organisation, the Center For Justice Innovation and was paid out of unrestricted funds. The Center for Justice Innovation will reimburse the Charity for the payment made on its behalf.

Trustees received no other remuneration or benefits.

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

**9. Tangible fixed assets**

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>				
At 1 April 2022	8,455	13,901	58,140	80,496
Additions	-	-	7,872	7,872
At 31 March 2023	8,455	13,901	66,012	88,368
<b>Depreciation</b>				
At 1 April 2022	8,455	12,449	36,263	57,167
Charge for the year	-	1,452	13,753	15,205
At 31 March 2023	8,455	13,901	50,016	72,372
<b>Net book value</b>				
At 31 March 2023	-	-	15,996	15,996
At 31 March 2022	-	1,452	21,877	23,329

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**10. Debtors: Amounts falling due within one year**

	2023 £	2022 £
Other debtors	12,658	13,726
Prepayments and accrued income	36,612	29,864
	<u>49,270</u>	<u>43,590</u>

**11. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Trade creditors	-	1,202
Other taxation and social security	16,047	19,880
Other creditors	9,630	4,943
Accruals and deferred income	28,345	44,780
	<u>54,022</u>	<u>70,805</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**12. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out* £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
General Funds - all funds	593,101	861,829	(724,478)	(138,781)	591,671
<b>Restricted funds</b>					
Court reform	85,355	151,548	(207,582)	-	29,321
Pre-court disposals	21,718	31,670	(38,818)	-	14,570
Problem-solving courts	25,458	80,708	(212,399)	138,781	32,548
Smarter Sentencing	-	45,000	(10,053)	-	34,947
The best of British justice innovation	-	13,950	(13,950)	-	-
Women in justice	(5,380)	44,472	(55,704)	-	(16,612)
	<u>127,151</u>	<u>367,348</u>	<u>(538,506)</u>	<u>138,781</u>	<u>94,774</u>
<b>Total of funds</b>	<u><u>720,252</u></u>	<u><u>1,229,177</u></u>	<u><u>(1,262,984)</u></u>	<u><u>-</u></u>	<u><u>686,445</u></u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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**12. Statement of funds (continued)**

\* A transfer was made during the year from unrestricted to restricted funds in order to facilitate the charity in meeting its objectives in the work performed on family problem-solving courts.

**Purposes of restricted funds**

The purposes of the restricted funds are summarised below. Further details on the objectives and achievements of restricted funds are provided in the Trustees' report.

**Court reform**

These funds are used to promote evidence based court reform research to improve procedural fairness in court. The charity also provides Community Advice services, including the running the service in Highbury Corner magistrates' court, where the charity worked with over 150 court users to help them access the support they need relating to housing, benefits support and mental health issues.

**Pre-court disposals**

These funds are used to improve the use and effectiveness of pre-court disposals as an evidence-based way of addressing low-level criminal behaviour, while minimising the collateral consequences of prosecution on people's future life chances.

**Problem-solving courts**

These funds are used to help practitioners implement evidence-led problem-solving approaches, in particular supporting the 16 Family Drug and Alcohol Courts, which work with families to overcome the substance misuse, mental health and domestic abuse problems which lead to their children being at risk of serious harm.

**Smarter sentencing**

These funds are used to promote evidence-based practice in sentencing across the UK where crime is proportionately punished, the harm caused by crime is repaired, victims feel listened to and protected, systemic racial disparities are tackled, and where people who have offended are given the chance to turn around their lives.

**The best of British justice innovation**

These funds are used to promote the best of Britain's innovative justice practice using cross-jurisdictional networks in Northern Ireland, Scotland and beyond. The charity researches emerging trends in innovation, such as the use of new technology in the justice system, to ensure that the justice system keeps pace with the changing world around it.

**Women in justice**

These funds are used to research and implement gender-specific responses for women in the justice system, especially around violence against women and girls. This includes supporting practitioners to deliver gender-responsive interventions and victim services, traumainformed practice and ensuring policy change recognises the distinct needs of women and girls.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**12. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
General Funds	578,187	467,618	(413,053)	(39,651)	593,101
<b>Restricted funds</b>					
Court reform	64,085	198,764	(177,494)	-	85,355
Pre-court disposals	26,600	63,000	(67,882)	-	21,718
Problem-solving courts	112,629	271,412	(383,234)	24,651	25,458
Women in justice	-	15,000	(35,380)	15,000	(5,380)
	<u>203,314</u>	<u>548,176</u>	<u>(663,990)</u>	<u>39,651</u>	<u>127,151</u>
<b>Total of funds</b>	<u><u>781,501</u></u>	<u><u>1,015,794</u></u>	<u><u>(1,077,043)</u></u>	<u><u>-</u></u>	<u><u>720,252</u></u>

**13. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	15,996	-	15,996
Current assets	629,697	94,774	724,471
Creditors due within one year	(54,022)	-	(54,022)
<b>Total</b>	<u><u>591,671</u></u>	<u><u>94,774</u></u>	<u><u>686,445</u></u>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**13. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	23,329	-	23,329
Current assets	640,577	127,151	767,728
Creditors due within one year	(70,805)	-	(70,805)
<b>Total</b>	<u>593,101</u>	<u>127,151</u>	<u>720,252</u>

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

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(33,807)	(61,251)
<b>Adjustments for:</b>		
Depreciation charges	15,205	13,758
Decrease/(increase) in debtors	(5,680)	65,843
Increase/(decrease) in creditors	(16,783)	41,304
<b>Net cash provided by/(used in) operating activities</b>	<u>(41,065)</u>	<u>59,654</u>

**15. Analysis of cash and cash equivalents**

	2023 £	2022 £
Cash in hand	675,201	724,138
<b>Total cash and cash equivalents</b>	<u>675,201</u>	<u>724,138</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**16. Analysis of changes in net debt**

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	724,138	(48,937)	675,201
	<u>724,138</u>	<u>(48,937)</u>	<u>675,201</u>

**17. Pension commitments**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions payable by the charity to the fund amounted to £4,689 (2022 - £4,943) at the balance sheet date and are included in creditors.

**18. Operating lease commitments**

At 31 March 2023 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Not later than 1 year	<u>32,400</u>	<u>20,048</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**

England & Wales - Charity number 1151939

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# Accounts

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**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee and not having a share capital)  
Company Number: 08274430  
Charity Number: 1151939

**TRUSTEES ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**Myrus Smith**  
Chartered Accountants  
Norman House  
8 Burnell Road  
Sutton, Surrey  
SM1 4BW

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee and not having a share capital)  
Company Number: 08274430  
Charity Number: 1151939  
FOR THE YEAR ENDED 31 MARCH 2022

<b>CONTENTS</b>	<b>PAGES</b>
Trustees' Annual Report	1 – 6
Independent Auditor's Report	7 – 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes forming part of the Financial Statements	13 - 20

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

**TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements for the Centre for Justice Innovation UK (the charity) for the period 1 April 2021 to 31 March 2022, recognising the Charity Commission's guidance on public benefit.

**Reference and Administrative Information**

**Trustees**

Gregory Berman (chair)  
Mark Blake  
Courtney Bryan  
Aubrey Fox  
Shauneen Lambe  
Karyn McCluskey  
Dr Geraldine O'Hare  
Lord Wasserman  
Robert Zara (appointed 21<sup>st</sup> January 2022)

Megan Liberty Aldrich (resigned 28<sup>th</sup> July 2021)

**Senior Management**

Phil Bowen (Director)

**Company registered number**

08274430

**Charity registered number**

1151939

**Registered office**

Unit 102, Edinburgh House  
170 Kennington Lane  
LONDON  
SE11 5DP

**Independent auditors**

Myrus Smith  
Norman House  
8 Burnell Road  
Sutton  
Surrey SM1 4BW

**Bank account details**

Barclays  
81 Fleet Street,  
London, EC4Y 1EL

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

**TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2022

**Vision and mission**

The Centre for Justice Innovation seeks to build a justice system which every citizen believes is fair and effective. We believe that the justice system should be focused on solving the issues that drive crime and social harm; that it should be fair in how it treats people; that it should be proportionate in the things it does; and that those on the front line should be given the freedom and support to come up with innovative solutions to the problems their communities face.

To deliver our vision of fairer and more effective justice system, we:

- provide hands on support to practitioners in the justice system to help them develop and share innovative and effective practice;
- conduct research into how things work right now and how they could work better;
- promote evidence-based, innovative justice policy reforms;
- share lessons between the jurisdictions of the UK and with our sister organisation in New York City, the Center for Court Innovation, who are at the forefront of problem-solving and community justice innovation in the USA.

**Key achievements between 2019 and 2022**

2021/22 was the final year of the Centre's three-year strategy. It also marked the 10-year anniversary of the establishment of the Centre in December 2011.

**Alm 1: To increase the use of community sentences, including spreading problem-solving court practice**

Since 2019, we worked with senior officials and Ministers to develop practical policy proposals to improve the effectiveness of community sentences within the Government's White Paper, *A Smarter Approach To Sentencing*, and the subsequent legislation, the Police, Crime, Sentencing and Courts Act 2022.

During 2021/22, this has resulted in the following:

- The passage of legislation to support more flexible use of electronic monitoring curfews and giving probation staff the power to vary electronic monitoring requirements;
- The passage of legislation to pilot problem-solving courts, which will incorporate a number of evidenced problem-solving components such as regular judicial monitoring and the use of graduated sanction and incentives (see below);
- The passage of legislation to make consultation on the use of unpaid work mandatory

We have worked with the Ministry of Justice to implement five new problem-solving courts, trialling three new models of practice, including a Crown Court substance misuse model, a domestic abuse model at a magistrates' court, building on the Specialist Domestic Abuse Court model, and a model for vulnerable female offenders as an alternative to custody, also at a magistrates' court. These are expected to go live in 2023.

**Alm 2: Spreading community advice services**

During 2020/21, we took over the Highbury Community Advice service, transferring staff from the previous provider into our team. Due to the pandemic, we worked to keep the service open, in consultation with the court service and while continually monitoring the situation with regards to the safety and well-being of our staff and our clients. During 2021/22, we have continued to run the Highbury Community Advice service, training new volunteers to assist in the running of the service. During 2021/22, we have been working with stakeholders to evaluate and spread knowledge about the community advice model, and have started work on new research looking at the gap these services fill.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

**TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2022

**Aim 3: Increase the use and effectiveness of pre-court diversion**

Since 2019, we have expanded our work in this area, adding to our work on diversion for children and young people with diversion for adults.

For children and young people, our key achievements in the last 3 years include working with 10 areas to set up or improve their diversion scheme, influencing officials to include diversion in the Youth Justice Board's 'Standards for Children in the Youth Justice System', and working with Her Majesty's Inspectorate of Probation to influence how they inspect diversion work in youth offending teams. Over the past year, we have had a special focus on research into the impact and experience of diversion for Black, Asian Minority Ethnic children.

For adults, our work began in 2019, and our initial focus was to better understand the landscape and to build networks with practitioners. With the support of the National Police Chiefs Council, we surveyed forces - 30 of the 43 police forces have a pre-court diversion scheme for adults or have plans to set one up in their area. We found hugely variable practice and that there was a lack of support available to forces. During 2021/22, the Government's new Police, Crime, Sentencing and Courts Bill was introduced to Parliament which aims to simplify statutory out of court disposals, and bring more consistency across how police forces deal with low level offences through pre-court diversion. We have therefore focused in 2021/22 on supporting the Ministry of Justice to develop its new code of practice for pre-court diversion, supporting Merseyside Police & the Met police to deliver more effective pre-court diversion and releasing briefings outlining the evidence and best practice in the use of conditions in pre-court diversion.

**Aim 4: Increase the use of Family Drug and Alcohol Courts (FDAC)**

In April 2019, the Centre took on the role of overseeing and supporting the development of FDAC across the UK. In May 2019, the Department for Education announced it would invest in the expansion and evaluation of FDAC, under the 'Supporting Families; Investing in Practice' programme, under which we became the 'delivery partner' assisting areas to develop and expand FDACs.

In 2020/21, we completed the set-up of 7 new FDAC areas, and provided support to the 8 additional existing FDACs. The set up support included rolling out a new three-day induction training, and supporting practitioners through refresher training and practitioner sharing forums. Our research team developed a new data collection tool for FDACs which was rolled out across FDACs during 2021/22.

**Aim 5: Promote the best of Britain's innovative justice practice**

During the year, we have refreshed and updated our map of innovative justice practice and have over 35 projects on the map, including case studies from across the UK. We also awarded our first two annual justice innovation awards, the Nick Crichton Award for Family Justice Innovation and the Criminal Justice Innovation award.

**FINANCIAL REVIEW**

In financial year 2021/22, the charity received £1,015,794. The total income represents a 6.6% increase on the previous year (£952,771). In total, we received £467,618 in unrestricted funds and £548,176 in restricted funds. This compares to £530,281 in unrestricted funds and £396,175 in restricted funds we received in 2020/21.

Of the restricted funds received in 2021/22, the funds were used as follows:

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

**TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2022

<b>Funder</b>	<b>Purpose</b>	<b>Amount</b>
FDAC national consortia of funders	Support for expansion of FDACs in England and Wales	£56,000
Department of Education		£60,812
Welsh Government	Support for expansion of FDACs in Wales	£107,000
Home Office	Domestic Abuse and FDAC	£22,602
Barrow Cadbury Trust grants	Funds to support point-of arrest diversion for vulnerable adults/research on problem-solving in West Midlands	£63,000
Bell Foundation grant	Funds for research into experiences of the justice system for service users with English as an	£8,864
Hadley Trust grant - Highbury	Highbury Community Advice	£85,000
ABC Charitable Trust		£20,000
Lloyds TSB Foundation	Expansion of Community Advice services	£84,900
Tampon Tax (via Standing Together)	Research on Specialist Domestic Abuse Courts (SDACs)	£15,000
Ministry of Justice	Training for practitioners	£1,000
<b>Total</b>		<b>£548,176</b>

In financial year 2021/22, the charity spent £1,077,043. The total expenditure represents a 14.4% increase on the previous year (£941,434).

At year end 2021/22, the charity had £720,252 in funds to carry forward, of which £127,151 are restricted funds carried over for 22/23, and £593,101 are unrestricted and held in reserve.

*Going concern*

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

*Risk management*

The principal risks and uncertainties facing the Centre are:

- the organisation's financial reliance on foundations, especially unrestricted funds in light of the end of the Monument legacy grants (see below);
- the extent of political and Ministerial change in the UK Government, making influencing policy and building networks with key opinion formers challenging;
- operational challenges that justice agencies are facing, including the reunification of the probation service.

To manage these risks, we worked closely with funders and others to revise delivery plans on some of our restricted grants. We have also ensured that we have maintained links with officials, devolved administrations and others who have influence over policy formation away from national Government.

**Reserves policy**

The charity aims to maintain unrestricted reserves sufficient to cover at least six months' total anticipated expenditure. Specific permission from the Trustees is required prior to the use of this reserve.

At the end of 2021/22, the charity has £593,101 in unrestricted funds to carry forward, which constitutes 7 months of our total anticipated expenditure in 2022/23.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

**TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2022

**Plans for future periods**

In financial year 2022/23, the charity has confirmed income of £1,050,986, and anticipates spending £1,008,093, of which the biggest expenditure is on staff costs (£674,804 or 67% of total anticipated expenditure).

The Board, recognising the ongoing uncertainties of the covid-19 pandemic, reviewed the organisation's future strategy during 21/22 and plan to launch a new strategy in 2022/23. However, the Board and the Director have had ongoing discussions about the aims, objectives and activities of the organisation and there will be substantial continuity between the previous strategy and the new strategy in 2022/23.

**STRUCTURE, MANAGEMENT AND GOVERNANCE**

**Constitution**

The charity is registered as a charitable company limited by guarantee and was set up by a Trust deed on 30<sup>th</sup> October 2012. The charity is registered (charity number 1151939).

**Method of election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees are identified via existing networks and through formal and informal conversations with the Chair and Director of the charity.

**Induction of Trustees**

Induction of Trustees is through conversations with the Director of the charity, the issuance of formal induction materials to the Trustee and their further involvement in the work of the charity.

**Decision making**

The business of the Charity is managed by the Trustee Board. The Trustees are responsible for the following decisions: (i) approval of the annual budget; (ii) review of finances; (iii) reviewing the performance of the charity against its stated aims and charitable objects.

The chair of the Trustee Board is responsible for the remuneration and performance appraisal of the Director, in consultation with the Trustee Board. The chair gathers feedback on the performance of the Director from the team and other stakeholders as part of the Director's performance appraisal.

**Remuneration of staff**

Remuneration of all staff is set through the charity's salary policy. We set initial salaries through benchmarking exercises comparing pay scales across the sector. The Centre's pay policy is based on a combination of inflationary and performance-related increases, with the goal of rewarding good performance and team well-being, as far as the Centre's overall financial situation can allow.

**Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

**TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2022

**Public benefit**

The Trustees are aware of and give due consideration, when setting objectives and planning activities, to the Charity Commission's guidance on public benefit.

**Trustees' responsibilities statement**

The trustees (who are also directors of The Centre for Justice Innovation UK) 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 2019 (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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.

In so far as the trustees are aware:

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

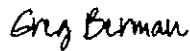
**Auditors**

The auditors, Myrus Smith have expressed their willingness to continue in office in accordance with Section 487 of the Companies Act 2006.

**Small company exemptions**

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

This report was approved by the trustees on 7<sup>th</sup> December 2022 and signed on its behalf by:

DocuSigned by:  
  
420F63A1AB24AA...

Greg Berman  
Chair of the Board

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:

### THE CENTRE FOR JUSTICE INNOVATION UK

(A company limited by guarantee)

#### Opinion

We have audited the financial statements of The Centre for Justice Innovation (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:**

### **THE CENTRE FOR JUSTICE INNOVATION UK**

(A company limited by guarantee)

/cont

#### **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' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the 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 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:

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:**

**THE CENTRE FOR JUSTICE INNOVATION UK**

(A company limited by guarantee)

/cont

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

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](http://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.



Kevin Fisher BA FCA CTA (Senior Statutory Auditor)  
For and on behalf of Myrus Smith  
Chartered Accountants and Statutory Auditor  
Norman House  
8 Burnell Road  
Sutton, Surrey  
SM1 4BW

Date: 12<sup>th</sup> December 2022

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Income</b>					
Donations and grants	2	467,500	548,176	1,015,676	926,456
Charitable activities	3	118	-	118	26,315
Investments	4	-	-	-	-
<b>Total</b>		<u>467,618</u>	<u>548,176</u>	<u>1,015,794</u>	<u>952,771</u>
<b>Expenditure</b>					
Raising funds	5	-	286	286	2,016
Charitable activities	6	413,053	663,704	1,076,757	939,418
<b>Total</b>		<u>413,053</u>	<u>663,990</u>	<u>1,077,043</u>	<u>941,434</u>
<b>Net income/(expenditure)</b>	11	54,565	(115,814)	(61,249)	11,337
Transfers between funds	18	(39,651)	39,651	-	-
<b>Net movement in funds</b>		14,914	(76,163)	(61,249)	11,337
<b>Reconciliation of funds</b>					
Total funds brought forward	18	578,187	203,314	781,501	770,164
<b>Total funds carried forward</b>	18	<u>£593,101</u>	<u>£127,151</u>	<u>£720,252</u>	<u>£781,501</u>

All income and expenditure is derived from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes form part of these Financial Statements.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee and not having a share capital)  
Company Number: 08274430  
Charity Number: 1151939

**BALANCE SHEET**

AS AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	15		23,331		21,057
<b>CURRENT ASSETS</b>					
Debtors	16	43,561		109,404	
Cash at bank		724,138		680,515	
		<u>767,699</u>		<u>789,919</u>	
<b>CREDITORS: Amounts falling due within one year</b>	17	<u>70,778</u>		<u>29,475</u>	
<b>NET CURRENT ASSETS</b>			696,921		760,444
<b>NET ASSETS</b>	19		<u>£720,252</u>		<u>£781,501</u>
<b>FUNDS</b>					
Unrestricted fund	18		593,101		578,187
Restricted funds	18		127,151		203,314
			<u>£720,252</u>		<u>£781,501</u>

The Financial Statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the trustees on 7<sup>th</sup> December 2022

DocuSigned by:

*Greg Berman*

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.....  
Greg Berman  
Chair of the Board

The notes form part of these Financial Statements

**THE CENTRE FOR JUSTICE INNOVATION UK**  
 (A company limited by guarantee and not having a share capital)  
 Company Number: 08274430  
 Charity Number: 1151939

**CASH FLOW STATEMENT**

FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
<b>Net cash generated from / (used in) operating activities</b> (see below)	59,654	(16,679)
<b>Cash flow from investing activities</b>		
Interest received	-	-
Purchase of tangible fixed assets	(16,031)	(8,198)
<b>(Decrease)/Increase in cash in the year</b>	43,623	(24,877)
Cash brought forward	680,515	705,392
<b>Cash carried forward</b>	<u>£724,138</u>	<u>£705,392</u>
<b>Analysis of cash</b>		
Cash at bank	<u>£724,138</u>	<u>£680,515</u>
	2022	2021
	£	£
<b>Reconciliation of net income to net cash flow from operating activities</b>		
Operating (deficit) / surplus on ordinary activities	(61,249)	11,337
Adjustments for non-cash items:		
Depreciation	13,757	12,667
Decrease / (Increase) in debtors	65,843	(42,927)
Increase in creditors	41,303	2,244
	<u>59,654</u>	<u>(16,679)</u>
Adjustment for investing activities		
Interest receivable	-	-
<b>Net cash generated from / (used in) operating activities</b>	<u>£59,654</u>	<u>£(16,679)</u>

The notes form part of these financial statements.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**1. ACCOUNTING POLICIES**

**Basis of preparation**

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Income recognition**

Items of income are recognised in the financial statements when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost can be measured reliably. No income is recognised where there is no financial costs borne by a third party.

The company received government support through the Coronavirus Job Retention Scheme (CJRS) which is accounted for on the accrual basis, and is included under Grants received (Note 2).

**Expenditure recognition**

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably. Expenditure includes all irrecoverable VAT which is included as part of the relevant cost. Expenditure is classified under the following activity headings:

- Costs of raising funds comprises those costs associated with attracting voluntary donations and grants
- Expenditure on charitable activities comprises those costs associated with the delivery of the various activities and services for the charity's beneficiaries.

Expenditure includes those costs of a direct nature which can be allocated to a specific activity and also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support those activities. Support costs are apportioned to each activity on the basis of staff time.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the yearend are noted as a commitment, but not accrued as expenditure.

**Fund accounting**

Unrestricted general funds are freely available for use in furtherance of the objects of the charity and which have not been designated for specific purposes.

Restricted funds are funds which can only be used in accordance with specific restrictions imposed by the donor or which have been raised for a particular purpose.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

/contd...

**1. ACCOUNTING POLICIES/contd....**

**Tangible fixed assets and depreciation**

All tangible assets are capitalised and are stated at costs less accumulated depreciation.

Depreciation is provided so as to write off the cost of each asset, less estimated residual value, over its estimated useful life at the following annual rates:

Fixtures and fittings	33% Straight line
Office equipment	33% Straight line

**Financial Instruments**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairments are recognised in expenditure.

**Pensions**

The charity operates a defined contribution pension scheme for the benefit of its employees. Contributions are charged to the statement of financial activities in the year to which they relate.

The Centre has no liability beyond making its contributions and paying over the deductions for the employees' contributions.

**Operating leases**

Operating lease rentals are charged to the statement of financial activities on a straight line basis over the period of the lease.

<b>2. DONATIONS AND GRANTS</b>	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Grants	£467,618	£548,176	£1,015,794	£926,456

Of the £926,456 recognised in 2021, £530,281 was unrestricted and £396,175 was restricted funds.

<b>3. INCOME FROM CHARITABLE ACTIVITIES</b>	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
Contracts and fees	£118	£Nil	£118	£26,315

<b>4. INVESTMENT INCOME</b>	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
Bank interest	£Nil	£Nil	£Nil	£Nil

All of the £Nil recognised in 2021 was unrestricted funds.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

/contd...

<b>5. COST OF RAISING FUNDS</b>	Direct costs £	Support costs £	Total 2022 £	Total 2021 £
Fundraising activities	<u>£286</u>	<u>£Nil</u>	<u>£286</u>	<u>£2,016</u>

All of the £2,016 expenditure recognised in 2021 was charged to unrestricted funds.

<b>6. EXPENDITURE ON CHARITABLE ACTIVITIES</b>	Grant funding £	Direct costs £	Support costs £	Total 2022 £	Total 2021 £
Research and dissemination	<u>£5,736</u>	<u>£721,363</u>	<u>£349,744</u>	<u>£1,077,043</u>	<u>£941,434</u>

Of the £941,434 expenditure recognised in 2021, £404,773 was charged to unrestricted funds and £536,661 was charged to restricted funds.

<b>7. ANALYSIS OF GRANT FUNDING</b>	2022 £	2021 £
<b>Grants to institutions</b>		
RCJ Advice Bureau	-	35,384
ICPR	5,736	8,717
	<u>£5,736</u>	<u>£44,101</u>

<b>8. ANALYSIS OF DIRECT COSTS</b>	Raising funds £	Charitable activities £	Total 2022 £	Total 2021 £
Wages and salaries	-	552,401	552,401	504,490
Consultancy	-	79,506	79,506	57,662
Other direct costs	-	83,777	83,777	81,436
Training	-	5,393	5,393	2,359
Advertising	286	-	286	2,016
	<u>£286</u>	<u>£721,077</u>	<u>£721,363</u>	<u>£647,963</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

/contd...

**9. ANALYSIS OF SUPPORT COSTS**

	Raising funds £	Charitable activities £	Total 2022 £	Total 2021 £
Wages and salaries	-	138,100	138,100	126,123
Office costs	-	69,189	69,189	47,964
Bad debts	-	-	-	-
Bank charges	-	474	474	274
Insurance	-	328	328	335
Rent and rates	-	55,097	55,097	47,521
Depreciation	-	13,757	13,757	12,667
Governance costs (note 10)	-	6,611	6,611	6,129
Travel and subsistence	-	53,576	53,576	1,784
Sundry expenses	-	2,195	2,195	1,247
Subscriptions	-	7,867	7,867	2,791
Website development	-	2,750	2,750	2,535
	<u>£Ni</u>	<u>£349,944</u>	<u>£349,944</u>	<u>£249,370</u>

**10. GOVERNANCE COSTS**

	2022 £	2021 £
Accountancy fees	1,886	1,718
Audit fees	3,480	3,300
Legal and professional fees	1,245	1,111
	<u>£6,611</u>	<u>£6,129</u>

**11. NET INCOME**

	2022	2021
Net income for the year is stated after charging:		
Auditors remuneration - Audit fees	£3,480	£3,300
Depreciation	£13,757	£12,667
Operating lease rentals	<u>£50,387</u>	<u>£47,521</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2022**

/contd...

**12. STAFF COSTS**

	2022 £	2021 £
Wages and salaries	612,278	550,926
Social security costs	51,030	55,186
Pension costs	27,193	24,501
	<u>£690,501</u>	<u>£630,613</u>

The average monthly number of employees was 16.6 (2021: 14.2), with all employee time involved in providing either direct or support services to the charitable activities.

The number of employees whose total employee benefits (excluding employer pension costs) were in excess of £60,000 was as follows:

	2022 No.	2021 No.
£70,000 - £80,000	-	1
£80,000 - £90,000	<u>1</u>	<u>-</u>

The total amount of employee benefits received by key management personnel was £95,436 (2021 : £94,273). Under FRS 102, employee benefits include gross salary, benefits in kind, employer's national insurance and employer pension cost.

**13. TRUSTEES' REMUNERATION AND EXPENSES**

The trustees received no remuneration during either year (2021: £Nil) and nor were they reimbursed any expenses (2021: £Nil)

**14. TAXATION AND COMPANY STATUS**

The company is exempt from taxation on its charitable activities.

The charity is also a private company (No. 08274430) limited by guarantee and has no share capital registered in England and Wales. The liability of each member in respect of the guarantee is limited to £1. The registered office is given in the Reference and Administrative Information in the Trustees' Annual Report.

**THE CENTRE FOR JUSTICE INNOVATION UK**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2022**

/contd...

<b>15. TANGIBLE FIXED ASSETS</b>	Improvements to Leasehold Property £	Fixtures and fittings £	Office equipment £	Total £
Cost:				
At 1 April 2021	8,455	13,901	42,110	64,466
Additions	-	-	16,031	16,031
	<u>84,555</u>	<u>13,901</u>	<u>58,141</u>	<u>80,497</u>
At 31 March 2022				
Depreciation:				
At 1 April 2021	7,046	8,986	27,377	43,409
Charge for year	1,409	3,463	8,885	13,757
	<u>8,455</u>	<u>12,499</u>	<u>36,262</u>	<u>57,166</u>
At 31 March 2022				
Net Book Value:				
At 31 March 2022	<u>£Nil</u>	<u>£1,452</u>	<u>£21,879</u>	<u>£23,331</u>
At 31 March 2021	<u>£1,409</u>	<u>£4,915</u>	<u>£14,733</u>	<u>£21,057</u>
<b>16. DEBTORS</b>			2022 £	2021 £
Trade debtors			-	89,659
Other debtors			13,698	13,749
Prepayments and accrued income			29,863	5,996
			<u>£43,561</u>	<u>£109,404</u>
<b>17. CREDITORS: Amounts falling due within one year</b>			2022 £	2021 £
Trade creditors			1,202	1,202
Other taxation and social security			24,796	17,873
Accruals and deferred income			44,780	10,400
			<u>£70,778</u>	<u>£29,475</u>

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

/contd...

18. MOVEMENT IN FUNDS	Balance 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance 31 March 2022 £
<b>2022</b>					
<b>Unrestricted funds</b>					
General funds	578,187	467,618	413,053	(39,651)	593,101
	<u>578,187</u>	<u>467,618</u>	<u>413,053</u>	<u>(39,651)</u>	<u>593,101</u>
<b>Restricted funds</b>					
Hadley Trust– Highbury CAS	65,905	105,000	103,283	-	67,622
Barrow Cadbury Trust	26,600	63,000	67,882	-	21,718
Home Office	-	22,602	22,144	-	458
Esmee Foundation	7,602	-	7,602	-	-
Porticus	105,027	-	80,027	-	25,000
Bell Foundation	7,733	8,864	16,597	-	-
Lloyds Foundation	(9,553)	84,900	57,614	-	17,733
FDAC	-	248,810	273,461	24,651	-
Standing together	-	15,000	35,380	15,000	(5,380)
	<u>203,314</u>	<u>548,176</u>	<u>663,990</u>	<u>39,651</u>	<u>127,151</u>
<b>Total funds</b>	<u>£781,501</u>	<u>£1,015,794</u>	<u>£1,077,043</u>	<u>£Nil</u>	<u>£720,252</u>

Comparative information for the movement in funds in the previous year is as follows:

2021	Balance 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance 31 March 2021 £
<b>Unrestricted funds</b>					
General funds	565,723	556,596	536,661	(7,471)	578,187
	<u>565,723</u>	<u>556,596</u>	<u>536,661</u>	<u>(7,471)</u>	<u>578,187</u>
<b>Restricted funds</b>					
Hadley Trust– Highbury CAS	31,343	70,000	35,438	-	65,905
Barrow Cadbury Trust	15,902	27,500	16,802	-	26,600
Nuffield Foundation	27,515	1,250	28,765	-	-
Esmee Foundation	26,222	15,000	33,620	-	7,602
Porticus	62,482	100,000	57,455	-	105,027
Bell Foundation	-	14,772	7,039	-	7,733
Lloyds Foundation	35,610	-	45,163	-	(9,553)
FDAC	5,367	167,653	180,491	7,471	-
	<u>204,441</u>	<u>396,175</u>	<u>404,773</u>	<u>7,471</u>	<u>203,314</u>
<b>Total funds</b>	<u>£770,164</u>	<u>£952,771</u>	<u>£941,434</u>	<u>£Nil</u>	<u>£781,501</u>

The purpose of the restricted funds is set out in the Trustees' Annual Report.

**THE CENTRE FOR JUSTICE INNOVATION UK**  
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

/contd...

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

<b>2022</b>	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Funds 2022 £
Tangible fixed assets	23,331	-	23,331
Current assets	640,548	127,151	767,699
Current liabilities	(70,778)	-	(70,778)
	<u>£593,101</u>	<u>£127,151</u>	<u>£720,252</u>

Comparative information for the analysis of net assets between funds in the previous year is as follows:

<b>2021</b>	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Funds 2021 £
Tangible fixed assets	21,057	-	21,057
Current assets	586,605	203,314	789,919
Current liabilities	(29,475)	-	(29,475)
	<u>£578,187</u>	<u>£203,314</u>	<u>£781,501</u>

**20. OPERATING LEASE COMMITMENTS**

The total minimum lease payments falling due under non-cancellable operating lease agreements are as follows:

	2022 £	2021 £
Within one year	20,048	20,048
Within one to two years	-	-
	<u>£20,048</u>	<u>£20,048</u>

**21. CONTINGENT ASSETS**

The charity has been awarded several multi-year grants, however, not all of the funds awarded have been recognised as income due to the policy of recognising income in accordance with agreed budgets and implied time frames. The total grant income awarded but not yet received amounts to £300,000.

**THE CENTRE FOR JUSTICE INNOVATION UK**

England & Wales - Charity number 1151939

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# Accounts

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## **The Centre for Justice Innovation UK**

(A company limited by guarantee and not having a share capital)

Company Number: 08274430

Charity Number: 1151939

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### **Trustees annual report and financial statements for the year ended 31 March 2021**

**Myrus Smith**  
Chartered Accountants  
Norman House  
8 Burnell Road  
Sutton, Surrey  
SM1 4BW

**The Centre for Justice Innovation UK**

(A company limited by guarantee and not having a share capital)

Company Number: 08274430

Charity Number: 1151939

For the Year Ended 31 March 2021

**Contents**

Trustees' annual report .....	1
Independent Auditors Report .....	11
Statement of Financial Activities.....	15
Balance sheet .....	16
Cash flow statement .....	17
Notes to the financial statements.....	18

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Trustees' Annual Report

For the year ended 31 March 2021

## Trustees' annual report

### For the year ended 31 March 2021

The Trustees present their annual report together with the audited financial statements for the Centre for Justice Innovation UK (the charity) for the period 1 April 2020 to 31 March 2021, recognising the Charity Commission's guidance on public benefit.

### Reference and administrative information

#### Trustees

Gregory Andrew Berman (chair)  
Megan Liberty Aldrich  
Mark Blake  
Courtney Bryan  
Aubrey Fox  
Shauneen Lambe  
Karyn McCluskey  
Dr Geraldine O'Hare  
Lord Wasserman

#### Senior Management

Phil Bowen (Director)

#### Company registered number

08274430

#### Charity registered number

1151939

#### Registered office

Unit 102, Edinburgh House  
170 Kennington Lane  
LONDON  
SE11 5DP

#### Independent auditors

Myrus Smith  
Norman House  
8 Burnell Road  
Sutton  
Surrey SM1 4BW

#### Bank account details

Barclays  
81 Fleet Street,  
London, EC4Y 1EL

## Objectives and strategies

### Charitable aims and objects

The Centre for Justice Innovation seeks to build a justice system which every citizen believes is fair and effective. The objects of the charity are to promote, for the benefit of the public, the efficiency and effectiveness of the justice system in the United Kingdom and to promote good citizenship and greater public participation in the prevention and exclusion of crime and to further such other exclusively charitable purposes according to the law of England and Wales.

### Main activities in pursuit of charitable objects

Our vision is to build a justice system which every citizen believes is fair and effective. We believe that the justice system should be focused on solving the issues that drive crime and social harm; that it should be fair in how it treats people; that it should be proportionate in the things it does; and that those on the front line should be given the freedom and support to come up with innovative solutions to the problems their communities face.

To deliver our vision of fairer and more effective justice system, we:

- provide hands on support to practitioners in the justice system to help them develop and share innovative and effective practice;
- conduct research into how things work right now and how they could work better;
- promote evidence-based, innovative justice policy reforms;
- share lessons between the jurisdictions of the UK and with our sister organisation in New York City, the Center for Court Innovation, who are at the forefront of problem-solving and community justice innovation in the USA.

### Assessing progress

We assess progress through a range of criteria and measures, including:

- Monitoring outcomes data and management information on the functioning and performance of criminal and family justice system including data on courts, on re-offending in both the adult and youth justice systems, on care proceedings and in the number of first time entrants into the justice system;
- Monitoring press coverage (national, trade and local) and citations of our research and policy output;
- Regularly gathering feedback from recipients of our practice development support to refine and improve our service to them.

## The Centre for Justice Innovation UK

(A company limited by guarantee)

Trustees' Annual Report

For the year ended 31 March 2021

### Grant-making

As part of our work, we can make grants to other organisations in pursuit of our objectives. In 2020/21, we made grants to:

- The RCJ Advice Bureau, following satisfactory contractual performance updates, in running the Highbury Community Advice Service;
- The Institute of Criminal Policy Research at Birkbeck university (ICPR) on the youth court research project, funded by the Nuffield Foundation.

### Achievements and performance

#### Operational environment

The environment in which the Centre operates has been dominated by the Covid-19 pandemic and government instructions to limit social contact. For example, evidence from the Office of National Statistics covering England and Wales (which produces the most up to date annual reports on crime patterns in the UK) suggests that levels of crime in the year ending March 2021 were significantly affected by the pandemic— there have been decreases across a range of individual crime types, particularly theft offences, but these were offset by rises in fraud and computer misuse offences, resulting in no change in overall levels of crime. Moreover, the impact of the pandemic and lockdowns has led to reported rises in domestic abuse and has had an impact on the mental health of vulnerable citizens, resulting in additional demand on the justice systems across the UK.

Unsurprisingly, the impact of the pandemic has added to the considerable strains that were already experienced by justice agencies across the UK. Backlogs in courts, in the caseloads of probation, changes in the way justice agencies operate and transact their work have all been exacerbated by the pandemic. In particular, we have seen practitioners confront great challenges in conducting work remotely, especially court cases. However, it is also clear that the impact of the pandemic has revealed new ways of working, and new opportunities to develop better practice.

#### Achievements and performance in 2020/21

In January 2018, the Trustee Board approved a three-year strategy for the Centre which expanded the breadth of the Centre's work. Our mission is to be the 'go-to' organisation for practice innovation and evidence-led policy reform in the justice system by 2021. 2020/21 is the final year of this three-year strategy.

#### ***Aim 1: To increase the use of community sentences, including spreading problem-solving court practice***

Based on our extensive research and policy influencing in the area of community sentencing, the

Centre was invited to work with senior officials in the Ministry of Justice to develop practical policy proposals to improve the effectiveness of community sentences within the Government's White paper, *A Smarter Approach To Sentencing*, and the subsequent legislation. This work saw the inclusion of the following policy proposals, which were directly influenced by our work:

- expanding the availability and usage of Community Sentence Treatment Requirements (CSTRs), to deliver tailored interventions to help support rehabilitation of those with a range of treatment needs so that we are addressing the underlying causes of the offending behaviour;
- legislating to support more flexible use of electronic monitoring curfews and giving probation staff the power to vary EM requirements;
- piloting new ways of delivering timely and high quality Pre-Sentence Reports, in order to improve sentencing outcomes and to increase the chances of successful compliance;
- piloting problem-solving courts, which will incorporate a number of evidenced problem-solving components such as regular judicial monitoring and the use of graduated sanction and incentives;
- exploring options to improve the professionalisation of the probation officer and probation support officer role.

We have worked with Government officials and the new Domestic Abuse Commissioner on how the courts (criminal, public and private family, civil) can respond better to domestic abuse, including discussions on the Government's manifesto commitment to pilot an integrated domestic abuse court.

In the youth system, we published our research project on enhancing problem-solving practice in the youth court. The research project found youth courts should be more problem-solving, in particular improving current practice around the procedural fairness of the court hearings themselves and having a more active role for judges in monitoring court-involved children post-sentence.

### ***Aim 2: Spreading community advice services***

During 2020/21, we took over the Highbury Community Advice service, transferring staff from the previous provider into our team. Due to the pandemic, we worked to keep the service open, in consultation with the court service and while continually monitoring the situation with regards to the safety and well-being of our staff and our clients. We also have transitioned the data on clients of the service into a new database. We have also produced a new suite of supporting materials for the service – a new logo, business cards, signage, handbook, promotional leaflets and web page.

Moreover, following a successful bid, we have expanded our work in this area. Starting in April 2020, this project aims to spread the community advice model, and we have commissioned and produced an interim evaluation of the Community Advice model in Devon and Cornwall and, subject to the restrictions of the pandemic, engaged with a range of practitioners and commissioners to identify three new sites to help them implement a community advice service.

## The Centre for Justice Innovation UK

(A company limited by guarantee)

Trustees' Annual Report

For the year ended 31 March 2021

### ***Aim 3: Increase the use and effectiveness of pre-court diversion***

On pre-court diversion in the youth justice system, we have worked with officials and others to influence Government youth diversion on a more formal financial footing. We published research on racial disparity and diversion, based on a literature review and interviews with practitioners, service users and family members about decision making within the arrest to diversion/prosecution process. We commenced work on adult diversion, to ensure that adult diversion is better understood and, enable practice to be better informed by evidence. We delivered practice-sharing workshops, produced briefings, and are providing enhanced support to two schemes. We also re-engaged with our community of practice (currently 20 of the 43 police forces) and have been advising Government on their Choice to Change diversion pilots, a Lammy review recommendation. We have influenced the Government's White Paper, *A Smarter Approach To Sentencing*, and the subsequent legislation, and worked closely with officials to simplify the Out of Court Disposals (OOCs) framework so very low-level offenders can be dealt with swiftly and proportionately, without coming before a court.

### ***Aim 4: Increase the use of Family Drug and Alcohol Courts (FDAC)***

In April 2019, the Centre took on the role of overseeing and supporting the development of FDAC across the UK. In May 2019, the Department for Education announced it would invest in the expansion and evaluation of FDAC, under the 'Supporting Families; Investing in Practice' programme, under which we became the 'delivery partner' assisting 14 areas to develop and expand FDACs. Six new FDACs are being funded under this programme and an existing eight FDACs will also receive additional funding.

This programme will be evaluated by NatCen via a quasi-experimental study, comparing FDAC to standard proceedings, and we are assisting the evaluators around the design of the study. By April 2021, there were 14 FDAC specialist teams servicing 35 local authorities and 21 family courts, with a further FDAC team opening in Wales in late 2021, likely to serve one family court and at least two local authorities, funded by Welsh Government. To support this growth, we updated and delivered induction training to all of the new sites so far, mentored new sites, and worked with others to increase their capacity and to share best practice.

We have also convened, and provide the secretariat to, a new national advisory board on FDAC, chaired by Baroness Hallett, a retired English judge of the Court of Appeal and a crossbench life peer. Our research team have developed a new data collection tool for FDACs which is currently being tested with them and we are taking forward work to look at costs comparisons between sites.

### ***Aim 5: Promote the best of Britain's innovative justice practice***

Over the summer and autumn of 2020, we published a weekly Covid-19 justice tracker, which compared justice system responses across eight common law jurisdictions. We then pivoted to conducting video interviews with a range of practitioners, including Karyn McCluskey, Chief Executive of Community Justice Scotland (and a trustee), Amanda Berman, Project Director, Red Hook Community Justice Center, Waheed Saleem, West Midlands Deputy Police and Crime Commissioner

and Claire Waxman, London Victim's Commissioner. We held a final seminar on the impact of Covid-19 on justice on 2nd December, with a panel discussion with Karyn McCluskey, Geraldine O'Hare, Deputy Director of the Probation Board of Northern Ireland (and a trustee), Nicole Jacobs, the Domestic Abuse Commissioner and Lisa Harker, Head of the Family Justice Observatory.

During the year, we have refreshed and updated our map of innovative justice practice and have over 35 projects on the map, including case studies from across the UK.

## Financial review

In financial year 2020/21, the charity received £952,771. The total income represents a 9% decrease on the previous year (£1,053,359). In total, we received £530,281 in unrestricted funds and £396,175 in restricted funds. This compares to £480,410 in unrestricted funds and £572,964 in restricted funds we received in 2019/20.

Of the restricted funds received in 2020/21, the funds were used as follows:

Funder	Purpose	Amount
Hadley Trust- Highbury Community Advice Service	Funds for operating the Highbury Community Advice service	£70,000
Barrow Cadbury Trust	Funds to support point-of arrest diversion schemes for vulnerable adults	£27,500
Nuffield Foundation	Funds for youth court research	£1,250
Esmee Fairbairn Foundation	Funds to support point-of arrest diversion schemes for children	£15,000
Porticus Foundation	Funds to support problem-solving courts	£100,000
Bell Foundation	Funds for research into experiences of the justice system for service users with English as an Additional Language	£14,722
Lloyds Bank Foundation	Funds to support community advice projects	£0
FDAC funds (Department for Education and FDAC consortia)	Funds to support Family Drug and Alcohol Courts	£167,653
Total		£396,175

In financial year 2020/21, the charity spent £941,434. The total expenditure represents a 19% increase on the previous year (£788,086).

At year end 2020/21, the charity had £781,501 in funds to carry forward, of which £203,314 are restricted funds carried over for 21/22, and £578,187 is unrestricted and held in reserve.

### Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details

## The Centre for Justice Innovation UK

(A company limited by guarantee)

Trustees' Annual Report

For the year ended 31 March 2021

regarding the adoption of the going concern basis can be found in the Accounting Policies.

### *Risk management*

The principal risks and uncertainties facing the Centre are:

- the organisation's financial reliance on foundations, especially unrestricted funds in light of the end of the Monument legacy grants (see below);
- the ongoing impact of the Covid-19 pandemic on the justice system and on the availability of philanthropic funds;
- the extent of political and Ministerial change in the UK Government, making influencing policy and building networks with key opinion formers challenging;
- additional operational challenges that justice agencies are facing, including the reunification of the probation service.

To manage these risks, we worked closely with funders and others to revise delivery plans on some of our restricted grants. We have also ensured that we have maintained links with officials, devolved administrations and others who have influence over policy formation away from national Government.

### *Reserves policy*

The charity aims to maintain unrestricted reserves sufficient to cover at least six months' total anticipated expenditure. Specific permission from the Trustees is required prior to the use of this reserve.

At the end of 2020/21, the charity has £578,187 in unrestricted funds to carry forward, which constitutes just under seven months of our total anticipated expenditure in 2021/22.

### *Plans for future periods*

In financial year 2021/22, the charity has confirmed income of £1,050,986. The confirmed unrestricted grants are from the Hadley Trust and the Monument Trust legacy grant (provided by the Woolbedding Charity). The Monument Trust legacy confirmed future grants of £150,000 each year for 5 years. 21/22 represents the fifth and final year of this legacy grant.

In financial year 2021/22, the charity anticipates spending £1,008,093, of which the biggest expenditure is on staff costs (£674,804 or 67% of total anticipated expenditure).

The Board, recognising the ongoing uncertainties of the Covid-19 pandemic, will be reviewing the organisation's future strategy during 21/22. However, the Board and the Director have had ongoing discussions about the aims, objectives and activities of the organisation and, until a new strategy is approved, plan to continue the 3-year strategy in place.

## **Structure, management and governance**

### **Constitution**

The charity is registered as a charitable company limited by guarantee and was set up by a Trust deed on 30th October 2012. The charity is registered (charity number 1151939).

### **Method of election of trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees are identified via existing networks and through formal and informal conversations with the Chair and Director of the charity.

### **Induction of trustees**

Induction of Trustees is through conversations with the Director of the charity, the issuance of formal induction materials to the Trustee and their further involvement in the work of the charity.

### **Decision making**

The business of the Charity is managed by the Trustee Board. The Trustees are responsible for the following decisions: (i) approval of the annual budget; (ii) review of finances; (iii) reviewing the performance of the charity against its stated aims and charitable objects.

The chair of the Trustee Board is responsible for the remuneration and performance appraisal of the Director, in consultation with the Trustee Board. The chair gathers feedback on the performance of the Director from the team and other stakeholders as part of the Director's performance appraisal.

### **Remuneration of staff**

Remuneration of all staff is set through the charity's salary policy. We set initial salaries through benchmarking exercises comparing pay scales across the sector. The Centre's pay policy is based on a combination of inflationary and performance-related increases, with the goal of rewarding good performance and team well-being, as far as the Centre's overall financial situation can allow.

### **Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

## The Centre for Justice Innovation UK

(A company limited by guarantee)

Trustees' Annual Report

For the year ended 31 March 2021

### Public benefit

The Trustees are aware of and give due consideration, when setting objectives and planning activities, to the Charity Commission's guidance on public benefit.

The trustees (who are also directors of The Centre for Justice Innovation 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 2019 (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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.

In so far as the trustees are aware:

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

### Auditors

The auditors, Myrus Smith have expressed their willingness to continue in office in accordance with Section 487 of the Companies Act 2006.

**The Centre for Justice Innovation UK**

(A company limited by guarantee)


Trustees' Annual Report

For the year ended 31 march 2021

## Small company exemptions

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

This report was approved by the trustees on 23rd November 2021 and signed on its behalf by:

DocuSigned by:  
  
426FE53A1AB24AA...

Greg Berman

Chair of the Board

## **Independent Auditors Report to the Members of:**

### **The Centre for Justice Innovation UK**

(A company limited by guarantee)

## **Opinion**

We have audited the financial statements of The Centre for Justice Innovation (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

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

**Independent Auditors Report to the Members of:**

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

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## Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

**Independent Auditors Report to the Members of:**  
**The Centre for Justice Innovation UK**  
(A company limited by guarantee)  
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- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

## Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 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:

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

**Independent Auditors Report to the Members of:**  
**The Centre for Justice Innovation UK**  
(A company limited by guarantee)  
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- Professional scepticism in course of the audit and with audit sampling in material audit areas.

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](http://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.

Kevin Fisher BA FCA CTA (Senior Statutory Auditor)

For and on behalf of Myrus Smith  
Chartered Accountants and Statutory Auditor  
Norman House,  
8 Burnell Road,  
Sutton, Surrey.  
SM1 4BW

DocuSigned by:

*K C Fisher*

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Date: 23/11/2021 2021

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Statement of Financial Activities

(Incorporating Income and Expenditure Account)

For the year ended 31 march 2021

		Unrestricted	Restricted	Total Funds	Total Funds
	Notes	Funds	Funds	2021	2020
		£	£	£	£
<b>Income</b>					
Donations and grants	2	530,281	396,175	926,456	1,053,359
Charitable activities	3	26,315	-	26,315	-
Investments	4	-	-	-	15
		=====	=====	=====	=====
<b>Total</b>		<b>556,596</b>	<b>396,175</b>	<b>952,771</b>	<b>1,053,374</b>
		=====	=====	=====	=====
<b>Expenditure</b>					
Raising funds	5	2,016	-	2,016	630
Charitable activities	6	534,645	404,773	939,418	787,456
		=====	=====	=====	=====
<b>Total</b>		<b>536,661</b>	<b>404,773</b>	<b>941,434</b>	<b>788,086</b>
		=====	=====	=====	=====
<b>Net income/(expenditure)</b>	11	<b>19,935</b>	<b>(8,598)</b>	<b>11,337</b>	<b>265,288</b>
<b>Transfers between funds</b>	18	<b>(7,471)</b>	<b>7,471</b>	<b>-</b>	<b>-</b>
		=====	=====	=====	=====
<b>Net movement in funds</b>		<b>12,464</b>	<b>(1,127)</b>	<b>11,337</b>	<b>265,288</b>
		=====	=====	=====	=====
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>	18	<b>565,723</b>	<b>204,441</b>	<b>770,164</b>	<b>504,876</b>
		=====	=====	=====	=====
<b>Total funds carried forward</b>	18	<b>£578,187</b>	<b>£203,314</b>	<b>£781,501</b>	<b>£770,164</b>
		=====	=====	=====	=====

All income and expenditure is derived from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes form part of these Financial Statements.

## The Centre for Justice Innovation UK

(A company limited by guarantee and not having a share capital)

Company Number: 08274430

Charity Number: 1151939

### Balance sheet

As at 31 March 2021

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
<b>Tangible fixed assets</b>	15		21,057		25,526
<b>Current assets</b>					
<b>Debtors</b>	16	109,404		66,477	
<b>Cash at bank</b>		680,515		705,392	
		_____		_____	
		789,919		771,869	
<b>Creditors: Amounts falling due within one year</b>	17	29,475		27,231	
		_____		_____	
<b>Net current assets</b>			760,444		744,638
			_____		_____
<b>Net assets</b>	19		£781,501		£770,164
			=====		=====
<b>Funds</b>					
<b>Unrestricted fund</b>	18		578,187		565,723
<b>Restricted funds</b>	18		203,314		204,441
			_____		_____
			£781,501		£770,164
			=====		=====

The Financial Statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the trustees on 11/23/2021 2021

DocuSigned by:

*Greg Berman*

426PE53\*1AB24A\*.....

Greg Berman

Chair of the Board

The notes form part of these Financial Statements

**The Centre for Justice Innovation UK**

(A company limited by guarantee and not having a share capital)

Company Number: 08274430

Charity Number: 1151939

Cash flow statement

For the year ended 31 March 2021

	2021	2020
	£	£
Net cash (used in) / generated from operating activities (see below)	(16,679)	261,378
Cash flow from investing activities		
Interest received	-	15
Purchase of tangible fixed assets	(8,198)	(35,544)
(Decrease)/Increase in cash in the year	(24,877)	225,849
Cash brought forward	705,392	479,543
Cash carried forward	£680,515	£705,392
Analysis of cash		
Cash at bank	£680,515	£705,392

	2021	2020
	£	£
Reconciliation of net income to net cash flow from operating activities		
Operating surplus on ordinary activities	11,337	265,288
Adjustments for non-cash items:		
Depreciation	12,667	11,756
(Increase) in debtors	(42,927)	(18,751)
Increase in creditors	2,244	3,100
	(16,679)	261,393
Adjustment for investing activities		
Interest receivable	-	(15)
Net cash (used in) / generated from operating activities	£(16,679)	£261,378

The notes form part of these financial statements.

## **The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 march 2021

### **1. Accounting policies**

#### **Basis of preparation**

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015. The financial statements have been prepared on the going concern basis and under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless

#### **Income recognition**

Items of income are recognised in the financial statements when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost can be measured reliably. No income is recognised where there is no financial costs borne by a third party.

The company received government support through the Coronavirus Job Retention Scheme (CJRS) which is accounted for on the accrual basis, and is included under Grants received (Note 2).

#### **Expenditure recognition**

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably. Expenditure includes all irrecoverable VAT which is included as part of the relevant cost. Expenditure is classified under the following activity headings:

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 march 2021

/contd...

- Costs of raising funds comprises those costs associated with attracting voluntary donations and grants
- Expenditure on charitable activities comprises those costs associated with the delivery of the various activities and services for the charity's beneficiaries.

Expenditure includes those costs of a direct nature which can be allocated to a specific activity and also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support those activities. Support costs are apportioned to each activity on the basis of staff time.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the yearend are noted as a commitment, but not accrued as expenditure.

## **Fund accounting**

Unrestricted general funds are freely available for use in furtherance of the objects of the charity and which have not been designated for specific purposes.

Restricted funds are funds which can only be used in accordance with specific restrictions imposed by the donor or which have been raised for a particular purpose.

### **1. Accounting policies/contd....**

#### **Tangible fixed assets and depreciation**

All tangible assets are capitalised and are stated at costs less accumulated depreciation.

Depreciation is provided so as to write off the cost of each asset, less estimated residual value, over its estimated useful life at the following annual rates:

Fixtures and fittings      33% Straight line

Office equipment          33% Straight line

#### **Financial Instruments**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairments are recognised in expenditure.

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 march 2021

/contd...

**Pensions**

The charity operates a defined contribution pension scheme for the benefit of its employees. Contributions are charged to the statement of financial activities in the year to which they relate.

The Centre has no liability beyond making its contributions and paying over the deductions for the employees' contributions.

**Operating leases**

Operating lease rentals are charged to the statement of financial activities on a straight line basis over the period of the lease.

**2. Donations and grants**

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2021	2020
	£	£	£	£
<b>Grants</b>	530,281	396,175	926,456	1,053,359
	=====	=====	=====	=====
	£530,281	£396,175	£926,456	£1,053,359
	=====	=====	=====	=====

Of the £1,053,359 recognised in 2020, £480,395 was unrestricted and £572,964 was restricted funds.

**3. Income from charitable activities**

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2021	2020
<b>Contracts and fees</b>	£26,315	£Nil	£26,315	£Nil
	=====	=====	=====	=====

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 march 2021

/contd...

#### 4. Investment income

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2021	2020
Bank interest	£Nil	£Nil	£Nil	£15
	=====	=====	=====	=====

All of the £15 recognised in 2020 was unrestricted funds.

#### 5. Cost of raising funds

	Direct	Support	Total	Total
	costs	costs	2021	2020
	£	£	£	£
Fundraising activities	£2,016	£Nil	£2,016	£630
	=====	=====	=====	=====

All of the £630 expenditure recognised in 2020 was charged to unrestricted funds.

#### 6. Expenditure on charitable activities

	Grant	Direct	Support	Total	Total
	funding	costs	costs	2021	2020
	£	£	£	£	£
Research and dissemination	£44,101	£647,963	£249,370	£941,434	£787,456
	=====	=====	=====	=====	=====

Of the £787,456 expenditure recognised in 2020, £372,963 was charged to unrestricted funds and £414,493 was charged to restricted funds.

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 march 2021

/contd...

**7. Analysis of grant funding**

	2021	2020
	£	£
Grants to institutions		
RCJ Advice Bureau	35,384	48,022
ICPR	8,717	30,027
	=====	=====
	£44,101	£78,049
	=====	=====

**8. Analysis of direct costs**

	Raising	Charitable	Total	Total
	funds	activities	2021	2020
	£	£	£	£
Wages and salaries	-	504,490	504,490	378,312
Consultancy	-	57,662	57,662	15,071
Other direct costs	-	81,436	81,436	50,291
Training	-	2,359	2,359	1,870
Advertising	2,016	-	2,016	630
	=====	=====	=====	=====
	£2,016	£645,947	£647,963	£446,174
	=====	=====	=====	=====

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 march 2021

/contd...

## 9. Anlysis of support costs

	Raising	Charitable	Total	Total
	funds	activities	2021	2020
	£	£	£	£
Wages and salaries	-	126,123	126,123	94,578
Office costs	-	47,964	47,964	56,910
Bad debts	-	-	-	1,254
Bank charges	-	274	274	223
Insurance	-	335	335	350
Rent	-	47,521	47,521	58,009
Depreciation	-	12,667	12,667	11,756
Governance costs (note 10)	-	6,129	6,129	9,906
Travel and subsistence	-	1,784	1,784	26,651
Sundry expenses	-	1,247	1,247	455
Subscriptions	-	2,791	2,791	1,612
Website development	-	2,535	2,535	2,159
	=====	=====	=====	=====
	£Nil	£249,370	£249,370	£263,863
	=====	=====	=====	=====

## 10. Governance costs

	2021	2020
	£	£
Accountancy fees	1,718	5,312
Audit fees	3,300	3,100
Legal and professional fees	1,111	1,494
	=====	=====
	£6,129	£9,906
	=====	=====

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 march 2021

/contd...

## 11. Net income

Net income for the year is stated after charging:	2021	2020
Auditors remuneration - Audit fees	£3,300	£3,100
Depreciation	£12,667	£11,756
Operating lease rentals	£47,521	£58,009
	<u>          </u>	<u>          </u>

## 12. Staff costs

	2021	2020
	£	£
Wages and salaries	550,926	410,161
Social security costs	55,186	41,589
Pension costs	24,501	21,140
	<u>          </u>	<u>          </u>
	£630,613	£472,890
	<u>          </u>	<u>          </u>

The average monthly number of employees was 14.2 (2020: 10.1), with all employee time involved in providing either direct or support services to the charitable activities.

The number of employees whose total employee benefits (excluding employer pension costs) were in excess of £60,000 was as follows:

	2021	2020
	No.	No.
£70,000 - £80,000	1	1
	<u>          </u>	<u>          </u>

The total amount of employee benefits received by key management personnel was £94,273 (2020: £93,151). Under FRS 102, employee benefits include gross salary, benefits in kind, employer's national insurance and employer pension cost.

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 March 2021

/contd...

### 13. Trustees' remuneration and expenses

The trustees received no remuneration during either year (2020: £Nil) and nor were they reimbursed any expenses (2020: £Nil)

### 14. Taxation and company status

The company is exempt from taxation on its charitable activities.

The charity is also a private company (No. 08274430) limited by guarantee and has no share capital registered in England and Wales. The liability of each member in respect of the guarantee is limited to £1. The registered office is given in the Reference and Administrative Information in the Trustees' Annual Report.

### 15. Tangible fixed assets

	Improvements to Leasehold Property	Fixtures and fittings	Office equipment	Total
	£	£	£	£
<b>Cost:</b>				
<b>At 1 April 2020</b>	8,455	13,901	33,912	56,268
<b>Additions</b>	-	-	8,198	8,198
	=====	=====	=====	=====
<b>At 31 March 2021</b>	8,455	13,901	42,110	64,466
	=====	=====	=====	=====
<b>Depreciation:</b>				
<b>At 1 April 2020</b>	3,523	6,248	20,971	30,742
<b>Charge for year</b>	3,523	2,738	6,406	12,667
	=====	=====	=====	=====
<b>At 31 March 2021</b>	7,046	8,986	27,377	43,409
	=====	=====	=====	=====
<b>Net Book Value:</b>				
<b>At 31 March 2021</b>	£1,409	£4,915	£14,733	£21,057
	=====	=====	=====	=====
<b>At 31 March 2020</b>	£4,932	£7,653	£12,941	£25,526
	=====	=====	=====	=====

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 march 2021

/contd...

**16. Debtors**

	<b>2021</b>	<b>2020</b>
	£	£
Trade debtors	89,659	-
Other debtors	13,749	13,710
Prepayments and accrued income	5,996	52,767
	—————	—————
	<b>£109,404</b>	<b>£66,477</b>
	=====	=====

**17. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	£	£
Trade creditors	1,202	1,202
Other taxation and social security	17,873	18,929
Accruals and deferred income	10,400	7,100
	—————	—————
	<b>£29,475</b>	<b>£27,231</b>
	=====	=====

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 March 2021

/contd...

**18. Movement in funds**

	Balance					Balance
	1 April					31 March
<b>2021</b>	2020	Income	Expenditure	Transfers		2021
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
<b>General funds</b>	565,723	556,596	536,661	(7,471)		578,187
	=====	=====	=====	=====		=====
<b>Restricted funds</b>						
<b>Hadley Trust- Highbury CAS</b>	31,343	70,000	35,438	-		65,905
<b>Barrow Cadbury Trust</b>	15,902	27,500	16,802	-		26,600
<b>Nuffield Foundation</b>	27,515	1,250	28,765	-		-
<b>Esmee Foundation</b>	26,222	15,000	33,620	-		7,602
<b>Porticus</b>	62,482	100,000	57,455	-		105,027
<b>Bell Foundation</b>	-	14,772	7,039	-		7,733
<b>Lloyds Foundation</b>	35,610	-	45,163	-		(9,553)
<b>FDAC</b>	5,367	167,653	180,491	7,471		-
	=====	=====	=====	=====		=====
	204,441	396,175	404,773	7,471		203,314
	=====	=====	=====	=====		=====
<b>Total funds</b>	£770,164	£952,771	£941,434	£Nil		£781,501
	=====	=====	=====	=====		=====

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 march 2021

/contd...

Comparative information for the movement in funds in the previous year is as follows:

	<b>Balance</b>				<b>Balance</b>
	1 April				31 March
<b>2020</b>	2019	Income	Expenditure	Transfers	2020
	£	£	£	£	£
<b>Unrestricted funds</b>					
<b>General funds</b>	458,906	480,410	373,593	-	565,723
	=====	=====	=====	=====	=====
<b>Restricted funds</b>					
<b>Hadley Trust- Highbury CAS</b>	19,791	69,359	57,807	-	31,343
<b>Hadley Trust - Optimity</b>	-	-	-	-	-
<b>Monument Fellowship book</b>	-	-	-	-	-
<b>Barrow Cadbury Trust</b>	1,375	58,200	43,673	-	15,902
<b>Nuffield Foundation</b>	-	141,373	113,858	-	27,515
<b>Esmee Foundation</b>	24,804	30,000	28,582	-	26,222
<b>Porticus</b>	-	100,000	37,518	-	62,482
<b>Bell Foundation</b>	-	5,909	5,909	-	-
<b>Lloyds Foundation</b>	-	48,014	12,404	-	35,610
<b>FDAC</b>	-	120,109	114,742	-	5,367
	=====	=====	=====	=====	=====
	45,970	572,964	414,493	-	204,441
	=====	=====	=====	=====	=====
<b>Total funds</b>	£504,876	£1,053,374	£788,086	£Nil	£770,164
	=====	=====	=====	=====	=====

The purpose of the restricted funds is set out in the Trustees' Annual Report.

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 march 2021

/contd...

**19. Analysis of net assets between funds**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	funds	funds	Funds
<b>2021</b>	2021	2021	2021
	£	£	£
<b>Tangible fixed assets</b>	21,057	-	21,057
<b>Current assets</b>	586,605	203,314	789,919
<b>Current liabilities</b>	(29,475)	-	(29,475)
	=====	=====	=====
	£578,187	£203,314	£781,501
	=====	=====	=====

Comparative information for the analysis of net assets between funds in the previous year is as follows:

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	funds	funds	Funds
<b>2020</b>	2020	2020	2020
	£	£	£
<b>Tangible fixed assets</b>	25,526	-	25,526
<b>Current assets</b>	567,428	204,441	771,869
<b>Current liabilities</b>	(27,231)	-	(27,231)
	=====	=====	=====
	£565,723	£204,441	£770,164
	=====	=====	=====

**The Centre for Justice Innovation UK**

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 march 2021

/contd...

**20. Operating lease commitments**

The total minimum lease payments falling due under non-cancellable operating lease agreements are as follows:

	2021	2020
	£	£
<b>Within one year</b>	20,048	22,258
<b>Within one to two years</b>	-	-
	<b>£20,048</b>	<b>£22,258</b>

**21. Contingent assets**

The charity has been awarded several multi-year grants, however, not all of the funds awarded have been recognised as income due to the policy of recognising income in accordance with agreed budgets and implied time frames. The total grant income awarded but not yet received amounts to £203,000.