

## **Operation Encompass (CIO)**

### **Annual Report and Financial Statements Year Ended 31 March 2023**

Charity registration number: 1169147

## **Operation Encompass (CIO)**

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## **Operation Encompass (CIO)**

### **Reference and Administrative Details**

Trustees:	Richard Marsh
	Camilla Southworth
	Carl Eve
	David Carney-Haworth
	Elisabeth Carney-Haworth
	Melanie James
	Dr Annemarie Millar

<b>Principal Office</b>	Westbourne House Westbourne Terrace Saltash PL12 6BX
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<b>Charity Registration Number</b>	1169147
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<b>Independent Examiner</b>	Francis Clark LLP Melville Building East Unit 18, 23 Royal William Yard Plymouth Devon PL1 3GW
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# Operation Encompass (CIO)

## Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2023.

### Trustees

Richard Marsh  
Camilla Southworth  
Carl Eve  
David Carney-Haworth  
Elisabeth Carney-Haworth  
Melanie James  
Dr Annemarie Millar

### Achievements and performance

For the sake of avoidance of repetition, references made to Operation Encompass (OE) relating to actions carried out below refer to the founders of Operation Encompass, David Carney-Haworth OBE and Elisabeth Carney-Haworth OBE.

'May I begin by thanking you for your hugely important and impactful work with Operation Encompass which ensures that children who experience domestic violence have all the necessary support that they need when they arrive at school the following day.' **Education Minister.**

'We have also seen many good examples of effective information-sharing systems and protocols which make a significant difference to providing timely and effective help, protection and care. A good example of agencies sharing information readily and efficiently is Operation Encompass, which has been well designed and implemented. Under Operation Encompass police contact a school's 'Key Adult' by 9am if a child has been involved in an incident of domestic abuse. Key adults are given training on how to respond effectively. Effective implementation ensures that all professionals are clear about their roles and responsibilities, including information sharing and support to children. Schools ensure that appropriate information is given to parents about the school's involvement with Operation Encompass.' **OFSTED.**

'The OE scheme was also seen as an important channel for involving schools in support for children following DVA, encouraging partnership and joined up working. The OE notification also encouraged schools to have a more proactive role in safeguarding children from DVA'. **Research: Southampton University.**

Having received an Operation Encompass call, the class teacher quietly approached the child when he arrived in school, explained that he knew what had happened at home the night before and asked the child how he was and if was there anything he could do to support. The child said he was tired as he had not slept and hungry as he had had no breakfast. The child's teacher took him to the staffroom, gave him breakfast, a pillow and a blanket. The child, having eaten, then slept for a period of time, woke up, joined his class and had a positive day in school. **School support for child: Head Teacher.**

# Operation Encompass (CIO)

## Trustees' Report (continued)

### The Current Reach of Operation Encompass

- o Operation Encompass is now established in all 43 police forces in England and Wales.
- o Northern Ireland has introduced new legislation to enable them to fully implement Operation Encompass. It is now in place in every school in Northern Ireland.
- o In November 2022 Gibraltar signed Operation Encompass and children as victims of domestic abuse in their own right into their new legislation
- o Operation Encompass is embedded in Armed Forces Overseas schools
- o Operation Encompass is in place in Guernsey
- o Operation Encompass is in place in Jersey
- o Operation Encompass is being relaunched in the Isle of Man
- o Operation Encompass is in place in Portugal

It is now conservatively estimated that **2,000** Operation Encompass notifications are sent from the police to schools each day in England and Wales alone.

We continue to support all police forces and schools engaged in Operation Encompass.

'Recognise the impact first responders may have on children who see, hear or experience the abuse in a domestic abuse incident, ensuring premises are consistently checked for the presence of children (whether or not in the room during an incident) and children are actively listened to. Responders should also be trained to recognise vulnerability and signs of abuse during a call for service for domestic abuse. See the section on 'Education' for more information on Operation Encompass;' **Home Office DA Statutory Guidance 2022.**

'When the Children's Commissioner's Office has discussed this programme (Operation Encompass) with schools, their reaction has been overwhelmingly positive. Operation Encompass has been running throughout Covid-19 and helped ensure schools continue to reach out to the pupils who most need their support. Operation Encompass shows the benefit to children of proactive data-sharing between different parts of the public sector. It also shows what can be done within the rules by thinking creatively' **England's Children Commissioner.**

'Partnership working is central to effective child protection and this includes the use of Operation Encompass by forces to understand the adverse effect on children and young people who experience domestic abuse within the family environment. Inspection activity undertaken by HMICFRS includes consideration of the effectiveness of Operation Encompass as it is an indicator of good working between schools and police forces. It assists schools in understanding a child's behaviour and the opportunity to provide timely support in a way that is best for them.' **Andy Cooke QPM HMICFRS Chief Inspector.**

There is a 12-year **Impact Report** on Operation Encompass, with an **accompanying document** which details some of the ways in which we can enhance the work of Operation Encompass. Both documents are available from [www.operationencompass.org](http://www.operationencompass.org)

### Operation Encompass Advice and Guidance Helpline

In response to Covid-19 in 2020 Operation Encompass created the first National Free Advice and Guidance Line for teachers so that they could have direct access to advice and support from Educational or Clinical Psychologists.

# Operation Encompass (CIO)

## Trustees' Report (continued)

Creation of this Advice and Guidance Line has ensured that teachers feel supported and this in turn enables teachers to better support the children in their care.

We have been successful in obtaining funding for the Advice and Guidance Line for a further 12 months.

There has been an evaluation of the work of the Advice and Guidance Telephone Line.

The overarching findings of that evaluation are:

- o Increase the opening times for the helpline for the full day is requested by those who have used the line
- o The Advice and Guidance line should become a permanent service for schools.
- o All those who called the line responded positively to the usefulness of the helpline with regards to the impact, change over time and direct effect on the child.
- o There have been no negative comments
- o The quality of the Psychologist appeared to be a key component of this impact in terms of their compassion and level of competence rather than having the call answered by a less experienced professional.

### Feedback from Schools

'She now feels she can come and talk to somebody when there's a problem and discuss it, and feels happy about that, which I don't think she would have done before. So, it was kind of like an opening for us to talk, and for her to know .... that it's okay to talk and to ask for help, rather than hide it all and not tell anyone' **Head Teacher**.

'The OE scheme also facilitated further support seeking and discussion from some children, encouraging trust and openness with key members of staff in school' **DSL**.

'Yes, it's a relief. I mean, the older ones particularly, but as I've said, there's a sigh of relief that they can tell me, because they come in and clearly until I've gone to see them, they don't say, they won't say. There's this incredible relief and then they can - it all pours out as if, 'thank goodness I've got that off' you know. Sharing for children these anxieties is hugely beneficial, so it really is a win-win all around in my opinion, and I think it's really an excellent scheme' **School feedback**.

'Just making them feel really safe, that maybe the school is their little haven. So at least that child knows, when they're going home that evening and mum and dad are at it again screaming, I've got school tomorrow, they'll know, they'll look after me, that's my six hours of safety' **School Feedback**.

### Our Vision

That Operation Encompass will be:

**In Every Force . In every school . For every child . No matter where they live**

**Our Mission** is to establish Operation Encompass as a statutory obligation for police so that not a single child experiencing Domestic Abuse will be left without support.

This requirement for a statutory obligation arises from the murder of Arthur Labinjo-Hughes.

## Operation Encompass (CIO)

### Trustees' Report (continued)

On Friday 27th May 2022 a Child Safeguarding Practice Review Panel published their report into the deaths of Star Hobson, 16 months old from Bradford (West Yorkshire Police) and Arthur Labinjo-Hughes, 6 years old from Solihull (West Midlands Police).

The report acknowledges the circumstances of what it refers to as the “unimaginably horrific deaths” of Arthur and Star and highlights a number of chances missed by child protection teams to save the children.

Sadly, for Arthur, one of these missed chances was the lack of an Operation Encompass notification.

We were aware that Operation Encompass was to be mentioned in the report as a member of the panel had contacted Operation Encompass to discuss aspects of their investigation and findings.

The failing refers, not to Operation Encompass but rather to West Midlands Police who took the very strange decision to ‘suspend’ the use of Operation Encompass at the start of the first school closure in April 2020.

Suspending Operation Encompass was against the published advice of Operation Encompass, the Home Secretary and even the Prime Minister.

#### **Quotation from the report:**

Para 2.39; Operation Encompass (the system in which the police notify schools after a recorded domestic abuse incident where a child on the school's roll was present) was not in operation in Solihull in the weeks immediately following lockdown so the domestic abuse incident on April 15th 2020 was not notified to Arthur's school. The school has reflected that if it had been notified about the incident **it would have offered a place** to Arthur because of his increased vulnerability.

Sadly, this proves not only the necessity for Operation Encompass in every force, in every school, for every child but the fact that police and schools using Operation Encompass not only supports children but can save their lives.

It is beyond distressing to think that it took the death of a child in such horrific circumstances to prove what we all knew.

We are heartbroken that the opportunity to save Arthur's life was missed.

### **National Influence and Training**

#### **Awareness Raising and Education about domestic abuse by Operation Encompass**

- o Face to face briefings have resumed to some extent following the pandemic
- o Virtual Briefings or the online National Operation Encompass Training have enabled tens of thousands of Key Adults (School Safeguarding Leads) to develop their understanding of domestic abuse and through this to be able to more appropriately support both adult and child victims as well as challenging their current views about the demographic of and impact for adult victims of Domestic Abuse and the harm caused to children.

## Operation Encompass (CIO)

### Trustees' Report (continued)

#### Training feedback:

'The Gold Standard of training' **(Participant)**

'Excellent. Easy to access, extremely informative and useful. I have learnt a great deal' **(Participant)**

'Very informative course, I have gained so much more knowledge taking part in this course' **(Participant)**

'Outstanding - a really clear and excellent overview of the strategy, partnerships, research, law, literature and vision' **(Participant)**

We continue to engage in a range of virtual meetings, delivering Operation Encompass briefings countrywide and leading briefings in regard to Operation Encompass, Operation Encompass Early Years' Phased Roll Out and our Missing from Home or Care work.

We were invited to share our Missing from Home (MfH) presentation with the team at HMICFRS. The presentation was very positively received and the Chief Inspector commented:

'It was an informative and a good presentation which raised questions and started a healthy debate, I have had positive feedback from the Inspectors and from the Lead's and something we will discuss and look at with forces during our inspections'

Operation Encompass has featured in several high-profile reports including the Centre for Social Justice and once again in KCSIE 2022. The domestic abuse aspect of KCSIE is now even stronger and Operation Encompass has an even greater presence in the document.

We travelled to Leicestershire to present the new Operation Encompass Information Sharing Platform which sees all incidents where details of children experiencing trauma are shared with the school's Key Adults. The training event was attended by over 400 schools and we received excellent feedback from both the schools and the Police. This work has entailed us to create a new presentation and we have spent a great deal of time supporting the police force to create and write the appropriate risk assessment and police guidance documentation plus the creation of the triage checklist. After the launch of the Operation Encompass Information Sharing Platform in Leicester, the Police have reported to us that in the first month they have made 480 Operation Encompass 'other' trauma alerts. We continue to support Leicester Police and have held two virtual meetings with senior managers and we had a further virtual training day scheduled in February.

Our recent trip to Gibraltar was a resounding success. We met with the Chief of Police and the Minister for Justice. We trained members of the police force and every one of Gibraltar's school Key Adults. At the close of their first National Domestic Abuse conference at which we presented; the Minister announced that Operation Encompass would be enshrined in law. This is a huge positive step for the child victims of DA.

A police officer who attended one of the training events said that the Operation Encompass training was 'the best DA training' they had ever had.



## Operation Encompass (CIO)

### Trustees' Report (continued)

#### Online Training

The **free** online Key Adult Training, available from the Operation Encompass website, is CPD accredited and, on completion, a certificate is provided to the participant.

Every Key Adult (DSL and DDSL) should undertake this training prior to receiving OE notifications from Police Forces.

School Safeguarding Governors are encouraged to complete the training.

The course is available to be completed by anyone.

**Feedback received from users of our course is 100% positive and to date we have had over 19,000 users.**

'Fantastic training! I must say the very end video must be released as a tv campaign. It got Me!'

'Very informative and easy to understand, making it accessible to all staff. The resources, especially the videos, were helpful in highlighting the reality and awareness of the prevalence of domestic abuse in our society'

'Clear, concise and interactive, thank you'

'Excellent course - fantastic resources'

'Very informative, learned lots of new, key information that relates to my teaching role'

#### National Association of Headteachers

We are extremely pleased that the National Executive of the NAHT, who have been strong supporters of OE for many years, have passed the following recommendation:

**Primary Council recommends that NAHT supports the work of Operation Encompass to enhance its implementation and reach, through it becoming a statutory obligation for all police forces to work with schools.**

At a time of unprecedented stress in schools it is noteworthy that this support remains firm from the NAHT.

OE has continued to work to achieve real change for children now that they are recognised as victims of domestic abuse in their own right.

We have maintained our support for all sectors encouraging them to make changes to policies, protocols and language, calling out any incidents where agencies refer to 'adult victims and their children' which very clearly does not give children their rightful recognition as victims, but which also means that support will not be seen as a right. This language also places children as an adjunct to the adult victim and does not recognise them as an individual (no matter what their age) that is harmed by the domestic abuse but which has their own agency within that domestic abuse.

# Operation Encompass (CIO)

## Trustees' Report (continued)

After almost 13 years of work, OE created an Impact Report and an accompanying document which details the work yet to achieve for the sake of children experiencing DA. One aspect of this is, following the suspension of OE during the school partial closures in the pandemic, that OE be made a Statutory Obligation for all police forces.

### **Early Years' and MFH Phased Roll out**

The Early Years' Phased roll out continues to be supported by the Home Office, DfE and NHS England.

The phased roll out relies upon police forces understanding the importance of sharing this information in a timely fashion with Health Visitors and, if the force has capacity, with nurseries and Early Years Settings. Feedback from participating forces continues to be excellent.

'At least when I leave that house, I know that the information shared through Operation Encompass will get to the school and they can help those children. That's a game changer for me' **Frontline police officer.**

### **Summary Comment From Chair of Trustees**

I continue each year to be humbled by both the reach and impact that Operation Encompass has achieved. The numbers of children being supported by trained and understanding school staff speaks powerfully to the insidious nature and extent of domestic abuse within our society.

Whilst on their own Operation Encompass cannot achieve the cessation of domestic abuse in our world, nor can they heal the harm caused to every single child who is experiencing domestic abuse, what they do is pivotal to both of these being achieved; their work is simply crucial.

## **Objectives and activities**

### ***Objects and aims***

The Object of Operation Encompass ("OE") is: The relief of children involved in or are exposed to incidents of domestic abuse in their homes who are stressed and suffering as a result. In particular but not exclusively by:

- Acting as the assurance body for OE training and delivery of education to Key Adults and Police Officers.
- Liaising with education establishments, Police Authorities and other agencies.
- Seeking to form partnerships with other charities and organisations which deliver mutual and complimentary benefits.
- Providing support and information and where necessary advocacy, guidance and mentoring to key adults and teaching staff.
- Providing assured education and training to Key Adults with after care support.
- Retaining full accreditation rights to OE in furtherance of the above charitable purpose for the public benefit.

### ***Public benefit***

OE has continued to engage extensively through briefings, media events and Police Force/Key Adult training days to promote the charity across the UK and internationally.

## **Operation Encompass (CIO)**

### **Trustees' Report (continued)**

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

All trustees have reviewed the guidance issued by the Charity Commission (CC) most especially the seven guiding principles. In addition the Chairman provides regular updates to all Trustees on CC policy and lessons from enquiries etc.

#### ***Social investment policies***

Despite the charity's very purpose being a 'social investment' this investment is not directly fiscal.

#### ***Grant making policies***

The Charity is not in a position to make grants and is unlikely to do so in the foreseeable future.

#### ***Use of volunteers***

The Charity does not have a body of volunteers other than the Trustees.

#### **Financial review**

During the year the Charity made a small deficit of £1,664 (2022: surplus £1,465). At the year end the Charity retained £4,993 in the bank account (2022: £10,329).

#### ***Policy on reserves***

The charity has a low level of recurring fixed costs with no staff costs and therefore does not need to hold a high level of reserves. The charity has aimed to maintain a reserve of £1,000 to maintain sufficient funds for the annual insurance premium.

Currently total reserves at year end are £2,209 (2022: £3,873), of which £1,730 is free reserves (2022: £3,625). The Charity has therefore met its reserve policy at year end.

#### ***Principal funding sources***

Income from donations, fundraising and grants totalling £85,985 (2022: £97,187) was received.

All financial risk is currently assessed as low as there is no immediate requirement to directly support beneficiaries financially or through the sale/purchase of goods, services or real estate. To that end where there is funding below the forecast requirement the impact will be translated to a slower delivery rate. Whilst this might be frustrating it does not threaten the existence of the charity providing that there is evidence of progress; which there is. The principal risk facing the charity and delivery of its objects is once the capital outlay for the premium website and supporting database has been set up, the ongoing revenue cost to maintain the progress of the website and the other work of the charity. The charity is always seeking opportunities for additional grant funding.

### **Structure, governance and management**

#### ***Nature of governing document***

Constitution Document.

Charitable Incorporated Organisation (Foundation Structure) - whose only voting members are its Trustees.

## Operation Encompass (CIO)

### Trustees' Report (continued)

#### ***Recruitment and appointment of trustees***

New Trustees may be recruited to the Board at any time by the Trustees. In selecting individuals for appointment as Trustees, the Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the charity.

#### ***Induction and training of trustees***

Each new Trustee must receive, on or before his or her first appointment a copy of the current version of the constitution and a copy of the CIO's latest Trustees' annual report and Statement of Accounts. The new Trustee will also be briefed individually by the CEO or Chair of Trustees.

#### **Going concern**

Operation Encompass is a going concern and will continue in operation for the foreseeable future. There are no concerns about the future needs for the charity nor are there any material uncertainties. The Trustees' annual report is consistent with this conclusion and the Trustees' view is that Operation Encompass is a going concern.

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
Richard Marsh  
Trustee

## Operation Encompass (CIO)

### Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
Richard Marsh  
Trustee

## Operation Encompass (CIO)

### Independent Examiner's Report to the trustees of Operation Encompass (CIO)

I report to the trustees on my examination of the accounts of Operation Encompass (CIO) for the year ended 31 March 2023.

#### Respective responsibilities of trustees and examiner

As the charity trustees of Operation Encompass (CIO) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Operation Encompass (CIO)'s accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### Independent examiner's statement

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

1. accounting records were not kept in respect of Operation Encompass (CIO) as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

.....  
Duncan Leslie  
FCA

Francis Clark LLP  
Melville Building East  
Unit 18, 23 Royal William Yard  
Plymouth  
Devon  
PL1 3GW

Date:.....

## Operation Encompass (CIO)

### Statement of Financial Activities

Year Ended 31 March 2023

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	568	85,417	85,985
<b>Expenditure on:</b>				
Charitable activities	3	<u>(2,463)</u>	<u>(85,186)</u>	<u>(87,649)</u>
Total Expenditure		<u>(2,463)</u>	<u>(85,186)</u>	<u>(87,649)</u>
Net movement in funds		(1,895)	231	(1,664)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>3,625</u>	<u>248</u>	<u>3,873</u>
Total funds carried forward	9	<u>1,730</u>	<u>479</u>	<u>2,209</u>

	Note	Unrestricted £	Restricted £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	505	96,682	97,187
<b>Expenditure on:</b>				
Charitable activities	3	<u>(1,418)</u>	<u>(94,304)</u>	<u>(95,722)</u>
Total Expenditure		<u>(1,418)</u>	<u>(94,304)</u>	<u>(95,722)</u>
Net (expenditure)/income		(913)	2,378	1,465
Gross transfers between funds		<u>2,130</u>	<u>(2,130)</u>	<u>-</u>
Net movement in funds		1,217	248	1,465
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>2,408</u>	<u>-</u>	<u>2,408</u>
Total funds carried forward	9	<u>3,625</u>	<u>248</u>	<u>3,873</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 and 2023 is shown in note 9.

## Operation Encompass (CIO)

### Balance Sheet

31 March 2023

	Note	2023 £	2022 £
<b>Current assets</b>			
Debtors	7	24,161	18,895
Cash at bank and in hand		<u>4,993</u>	<u>10,329</u>
		29,154	29,224
<b>Creditors: Amounts falling due within one year</b>	8	<u>(26,945)</u>	<u>(25,351)</u>
<b>Net assets</b>		<u>2,209</u>	<u>3,873</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	9	479	248
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>1,730</u>	<u>3,625</u>
<b>Total funds</b>	9	<u>2,209</u>	<u>3,873</u>

The financial statements on pages 13 to 20 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:

.....  
Richard Marsh  
Trustee



# **Operation Encompass (CIO)**

## **Notes to the Financial Statements**

**Year Ended 31 March 2023**

### **1 Accounting policies**

#### **Statement of compliance**

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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **Basis of preparation**

Operation Encompass (CIO) meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

#### **Going concern**

Operation Encompass is a going concern and will continue in operation for the foreseeable future. There are no concerns about the future needs for the charity nor are there any material uncertainties. The Trustees' annual report is consistent with this conclusion and the Trustees' view is that Operation Encompass is a going concern.

#### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

#### **Donations and legacies**

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

#### **Grants receivable**

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

# Operation Encompass (CIO)

## Notes to the Financial Statements

### Year Ended 31 March 2023 (continued)

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Governance costs**

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and Trustee's meetings and reimbursed expenses.

#### **Taxation**

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

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Financial instruments**

##### **Classification**

The charity holds the following financial instruments:

Short term debtors

Short term creditors

Cash and bank balances

All financial instruments are classified as basic.

##### **Recognition and measurement**

The charity has chosen to apply the recognition and measurement principles in FRS102. Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of the assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

## Operation Encompass (CIO)

### Notes to the Financial Statements

Year Ended 31 March 2023 (continued)

#### 2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and legacies;				
Donations from individuals	568	-	568	505
Grants, including capital grants;				
Government grants	-	85,417	85,417	96,682
	<u>568</u>	<u>85,417</u>	<u>85,985</u>	<u>97,187</u>

#### 3 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	Total 2023 £	Total 2022 £
Running Operation Encompass	<u>80,015</u>	<u>7,634</u>	<u>87,649</u>	<u>95,722</u>

£2,463 (2022: £1,418) of the above expenditure was attributable to unrestricted funds and £85,186 (2022: £94,304) to restricted funds.

## Operation Encompass (CIO)

### Notes to the Financial Statements

Year Ended 31 March 2023 (continued)

#### 4 Analysis of support costs

##### Support costs allocated to charitable activities

	Basis of allocation	Governance costs £	Admin costs £	Total 2023 £	Total 2022 £
Running Operation Encompass	Actual	<u>2,850</u>	<u>4,784</u>	<u>7,634</u>	<u>4,681</u>

##### Governance costs

	Restricted £	Total 2023 £	Total 2022 £
Independent examiner fees			
Examination of the financial statements	<u>2,850</u>	<u>2,850</u>	<u>2,498</u>
	<u>2,850</u>	<u>2,850</u>	<u>2,498</u>

#### 5 Trustees' remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

One trustee (2022: Nil) was reimbursed for expenses during the year of £137 (2022: £nil). No other trustee received any other expenses or benefits from the charity during the year.

The charity has no employees (2022: none).

#### 6 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 7 Debtors

	2023 £	2022 £
Prepayments and accrued income	<u>24,161</u>	<u>18,895</u>

# Operation Encompass (CIO)

## Notes to the Financial Statements

Year Ended 31 March 2023 (continued)

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

	2023 £	2022 £
Trade creditors	24,095	22,853
Accruals	2,850	2,498
	<u>26,945</u>	<u>25,351</u>

### 9 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>				
<i>General</i>				
Unrestricted	3,625	568	(2,463)	1,730
<b>Restricted funds</b>				
Home Office Grant	<u>248</u>	<u>85,417</u>	<u>(85,186)</u>	<u>479</u>
<b>Total funds</b>	<u>3,873</u>	<u>85,985</u>	<u>(87,649)</u>	<u>2,209</u>

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted	2,408	505	(1,418)	2,130	3,625
<b>Restricted</b>					
Home Office Grant	<u>-</u>	<u>96,682</u>	<u>(94,304)</u>	<u>(2,130)</u>	<u>248</u>
<b>Total funds</b>	<u>2,408</u>	<u>97,187</u>	<u>(95,722)</u>	<u>-</u>	<u>3,873</u>

## Operation Encompass (CIO)

### Notes to the Financial Statements

#### Year Ended 31 March 2023 (continued)

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

Home Office Grant - Grant awarded for the provision of the Operation Encompass Scheme.

#### 10 Analysis of net assets between funds

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2023 £</b>
Current assets	4,580	24,574	29,154
Current liabilities	<u>(2,850)</u>	<u>(24,095)</u>	<u>(26,945)</u>
Total net assets	<u>1,730</u>	<u>479</u>	<u>2,209</u>
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2022 £</b>
Current assets	7,251	21,973	29,224
Current liabilities	<u>(3,626)</u>	<u>(21,725)</u>	<u>(25,351)</u>
Total net assets	<u>3,625</u>	<u>248</u>	<u>3,873</u>

#### 11 Related party transactions

There were no related party transactions in the year.

The charity was under the control of the Trustees during the financial year.