

Charity number: 1172481
Company number: 10152838



SAFE PLACES FOR CHILDREN UK

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

SAFE PLACES FOR CHILDREN UK

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SAFE PLACES FOR CHILDREN UK

TRUSTEES AND ADMINISTRATIVE INFORMATION

Trustees

Keith Mason
Christopher Saunders
Maninder Singh

Office address

Safe Places for Children UK
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Triad House
Mountbatten Court
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Congleton
Cheshire
CW12 1DT

Auditors

Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

Bankers

Royal Bank of Scotland
Western Avenue
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Solicitors

Veale Wasbrough Vizards LLP
Narrow Quay House
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BS1 4QA

SAFE PLACES FOR CHILDREN UK

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees' Report

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, are pleased to present their annual trustees' report together with the financial statements for the year to 31 December 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Trustees who served during the year are shown below:

Keith Mason

Peter Kearney (resigned 23 June 2020)

Christopher Saunders

Maninder Singh (appointed 16 July 2020)

Objectives and activities

The charity's objectives are:

- The relief of:
 - a) children, young adults and disabled people in need; and
 - b) the families of children, young adults and disabled people in need in particular but not exclusively by providing residential, therapeutic and rehabilitation services and family support services;
- the relief of those in need by reason of financial hardship, ill health, disability, youth, age or other disadvantage; and
- the advancement of such other objects or purposes in any part of the world which are exclusively charitable according to the law of England and Wales and are in the opinion of the trustees connected with children, young adults or disabled people in need in such manner as the trustees may in their absolute discretion think fit.

The purposes of the charity are:

- To provide therapeutic residential care of high needs children, young adults and disabled people, providing rehabilitation services in addition to the immediate needs of the young people.
- In addition, we seek to use the experiences and knowledge gained working with traumatised young people in other locations to bring about improvements in the efficiency and effectiveness of other organisations working in this sector.
- Working with the local authorities and departments, we aim to raise the standards and the quality of care delivered to all high needs young people by the various agencies and charities.

SAFE PLACES FOR CHILDREN UK

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The objectives for this year are:

- To continue to develop a team of educated, excellent, enthusiastic staff to guide young people along a personal growth journey.
- To select and appropriately fit out houses within the community to provide accommodation for the young people in a way that facilitates their care, safety and rehabilitation.
- To institute training, review and verification programs to ensure the highest possible standard of care is provided.

Funding

We have established working relationships with various Trustees of the Health and Social Care trusts in a range of jurisdictions in Northern Ireland and England. We have broad agreement on the pricing structure and cost recovery models for caring for young people in their custody. We have successfully established England operations and expanded Northern Ireland operations despite the impact of COVID-19.

We have determined that we can provide the appropriate services at the best cost to ensure the viability of Safe Places for Children UK.

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The charity does not actively raise funds or solicit donations directly from the general public at present. The charity does not work directly with commercial sponsors in relation to fundraising. The Trustees are not aware of any complaints made in respect of fundraising during the period.

Public Benefit

In planning the activities for the year to meet the charitable objects, the trustees have complied with their duties in Section 17 of the Charities Act 2011 and have considered the Charity Commission's general guidance on public benefit.

Financial Review

The charity received income of £1,374,990 (2019 – £335,659). There was an increase in income compared to 2019 as the charity took on more contracts to provide services to local authorities.

Expenditure of £1,432,946 (2019 – £1,091,109) was incurred in relation to the charity's operations. The operations included therapeutic residential services and ancillary activities.

Reserves policy

The charity held a deficit on unrestricted funds of £1,020,440 as at 31 December 2020 (2019 – deficit of £962,484). The charity recognises the need to have positive unrestricted funds and is taking steps to achieve this in due course. The charity expects to receive continued support from the connected charity Safe Places for Children Secretariat.

Impact of COVID-19

COVID-19 has a limited impact on operations, but increased costs have adversely impacted profitability and cash flow. Numerous valuable lessons have been learnt and the organisation is stronger as result.

Going Concern

We were supported during start-up by the parent organisation, Safe Places for Children Secretariat, and by the Australian not-for-profit Safe Places Community Services Limited. These organisations continue to provide backup funding, management expertise, emergency staffing requirements and administrative support. With these arrangements in place, we are able to continue establishing our presence in the industry and bring better outcomes for young people. The charity recognises the need to have positive unrestricted funds and is taking steps to achieve this in due course. The charity expects to receive continued support from the connected charity Safe Places for Children Secretariat.

The Trustees have reviewed cash flow forecasts for 2021 and 2022 in order to consider going concern and are confident that the charity will have the resources available to it that it will need for at least the 12 months following the approval of these financial statements. The Trustees have also received confirmation from Safe Places Community Services Limited of their ongoing financial support.

Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Risk management

The trustees have a risk management strategy which comprises:

- monthly review and check to ensure standards are maintained, policies upheld and procedures followed in both practical application and documentation;
- ongoing work by a dedicated Quality and Systems team;
- ongoing work by team reviewing documentation, licencing and other requirements for working in this highly regulated industry;
- an annual review of the principal risks and uncertainties that the charity faces, including financial risks;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that barriers to entry is the major financial risk for the charity. The approach of Safe Places for Children UK is different from those used by other organisations in residential care, and requires changes in thinking in the funding and placement agencies.

Attention has also been focussed on non-financial risks arising from fire, health and safety of staff and young people. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas.

SAFE PLACES FOR CHILDREN UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Future Plans

Since the financial year end, we have made significant progress in continuing to establish the organisation as a premium provider of therapeutic care. Placements have continued in our homes despite the ongoing COVID-19 pandemic and associated restrictions to operations in place.

The offices in Northern Ireland and England are now fully established and the Charity continues to look for opportunities to undertake further work with local authorities and expand the geographical nature of our offering.

Structure, Governance & Management

Constitution

The charity is constituted as a company limited by guarantee and was incorporated on 28 April 2016. It is governed by its Memorandum and Articles of Association. There is currently one member. The charity was registered with the Charity Commission on 7 April 2017.

Appointment of trustees

As set out in the Articles of Association the trustees are nominated by Safe Places for Children Secretariat.

Trustee induction and training

The trustees have undergone orientation to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work as a trustee with the charity. Any connection between a trustee or senior manager of the charity with an employee or contractor must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

The charity has a close relationship with Safe Places Community Services Limited in Australia, a non-profit with extensive experience and successes in the care and rehabilitation of troubled young people, and Safe Places for Children Secretariat (Registered Charity Number 1173449) the UK charity's parent. Safe Places Community Services Limited provides administration support, training and advice, as well as providing funding for the establishment phase of Safe Places for Children UK. The charity has not been asked to repay any of these funds, and we have assurances that repayment will be required only as and when the charity has capacity to repay.

Our view is that Safe Places Communities Services Limited and the charity are connected parties pursuant to the Australian accounting standards and the United Kingdom accounting standards.

Pay policy for senior staff

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings, subject to market comparative review.

SAFE PLACES FOR CHILDREN UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees Responsibilities

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

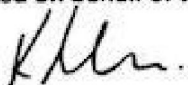
Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 (FRS 102);
- 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 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.

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

Signed on behalf of the Trustees on 16 December 2021.



Keith Mason
Trustee

Company Number 10152838

Registered office: Triad House, Mountbatten Court, Worrall Street, Congleton, Cheshire, CW12 1DT

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SAFE PLACES FOR CHILDREN UK
FOR THE YEAR ENDED 31 DECEMBER 2020**

Opinion

We have audited the financial statements of Safe Places for Children UK for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including 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 charitable company's state of affairs as at 31 December 2020 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 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 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.

SAFE PLACES FOR CHILDREN UK

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SAFE PLACES FOR CHILDREN UK FOR THE YEAR ENDED 31 DECEMBER 2020

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.

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 which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes 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 the 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' Annual Report.

We have nothing to report in respect of the following matters where 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 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 to take advantage of the small companies exemption in preparing the Trustees' Report and the Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also 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 to do so.

SAFE PLACES FOR CHILDREN UK

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SAFE PLACES FOR CHILDREN UK FOR THE YEAR ENDED 31 DECEMBER 2020

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

SAFE PLACES FOR CHILDREN UK

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SAFE PLACES FOR CHILDREN UK FOR THE YEAR ENDED 31 DECEMBER 2020

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Other Matter

The financial statements of the charity for the year ended 31 December 2019 were unaudited as the charity took advantage of relevant exemptions from audit.

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.



Liz Hazell (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: 16 December 2021.

SAFE PLACES FOR CHILDREN UK

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account) FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
	Notes	£	Unaudited £
Income from:			
Charitable activities	2	1,374,990	335,659
Other income		87,416	-
Total income		<u>1,462,406</u>	<u>335,659</u>
Expenditure on:			
Charitable activities	3	1,520,362	1,091,109
Total expenditure		<u>1,520,362</u>	<u>1,091,109</u>
Net deficit for the year		(57,956)	(755,450)
Deficit balance brought forward at 1 January	14	<u>(962,484)</u>	<u>(207,034)</u>
Deficit balance carried forward at 31 December		<u>(1,020,440)</u>	<u>(962,484)</u>

During the above financial period, the charity's activities derived from continuing operations.
The charity has no other recognised gains and losses from those stated above.

All funds are unrestricted.

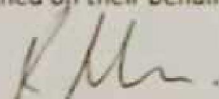
The notes on pages 14 to 20 form an integral part of these financial statements.

SAFE PLACES FOR CHILDREN UK

BALANCE SHEET
AT 31 DECEMBER 2020

	Notes	2020 £	2019 Unaudited £
Fixed assets	8	438,202	422,688
Current assets			
Debtors	9	44,967	44,271
Cash at bank and in hand		<u>126,036</u>	<u>45,008</u>
		171,003	89,279
Creditors: Amounts falling due within one year	10	<u>(95,443)</u>	<u>(66,824)</u>
Net current assets/(liabilities)		75,560	22,455
Total assets less current assets/(liabilities)		513,762	445,143
Creditors: Amounts falling due after one year	11	<u>(1,534,202)</u>	<u>(1,407,627)</u>
Net Assets		<u>(1,020,440)</u>	<u>(962,484)</u>
Represented by			
Unrestricted deficit		<u>(1,020,440)</u>	<u>(962,484)</u>
Total deficit in funds		<u>(1,020,440)</u>	<u>(962,484)</u>

The financial statements were approved and authorised for issue by the Trustees on 16/12/2021 and signed on their behalf by:



Keith Mason
Trustee

The notes on pages 14 to 20 form an integral part of these financial statements.

Company Number 10152838

SAFE PLACES FOR CHILDREN UK

CASH FLOW STATEMENT AT 31 DECEMBER 2020

	Notes	2020 £	2019 Unaudited £
Cash flows from operating activities			
Cash generated from operations	A	(15,733)	(731,565)
Net cash used in operating activities		<u>(15,733)</u>	<u>(731,565)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(29,814)	(113,553)
Net cash used in investing activities		<u>(29,814)</u>	<u>(113,553)</u>
Cash flows from financing activities			
Cash inflows from new borrowings		126,575	888,704
Net cash from financing activities		<u>126,575</u>	<u>888,704</u>
Change in cash and cash equivalents in the reporting period		81,028	43,586
Cash and cash equivalents at the beginning of the year		<u>45,008</u>	<u>1,422</u>
Cash and cash equivalents at the end of the year	B	<u>126,036</u>	<u>45,008</u>

A. Reconciliation of net income to net cash flow

	2020 £	2019 £
Net deficit for the reporting period	(57,956)	(755,450)
Adjustments for:		
Depreciation charges	14,300	9,188
(Increase) in debtors	(696)	(15,279)
Increase/(decrease) in creditors	28,619	29,976
Net cash outflow from operating activities	<u>(15,733)</u>	<u>(731,565)</u>

B. Analysis of cash and cash equivalents

	1 January 2020 £	Movement £	31 December 2020 £
Cash at bank and in hand	45,008	81,028	126,036
Loans payable	(1,407,627)	(126,575)	(1,534,202)
	<u>(1,362,619)</u>	<u>(45,547)</u>	<u>(1,408,166)</u>

The notes on pages 14 to 20 form an integral part of these financial statements.

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. They also comply with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

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

1.2 Accounting exemptions

The charity meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemptions available to it in accordance with paragraph 1.12 of FRS102. Exemptions have been taken in relation to financial instruments.

1.3 Going concern

At the time of approving the financial statements, the trustees are of the view that the relationship between Safe Places Community Services Limited and Safe Places for Children UK, along with the long-term viability and resources of the Australian operation, and the demonstrated willingness of the placement agencies to utilise our services and pay the associated costs, indicate that the charity is a going concern. The Trustees have reviewed cash flow forecasts for 2021 and 2022 in order to consider going concern and are confident that the charity will have the resources available to it that it will need for at least the 12 months following the approval of these financial statements.

Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements. The charity recognises the need to have positive unrestricted funds and is taking steps to achieve this in due course. The charity expects to receive continued support from the connected charity Safe Places for Children Secretariat and has received confirmation of support from Safe Places Community Services Limited.

1.4 Fund accounting

All funds are unrestricted general funds and are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

1.5 Tangible fixed assets

Expenditure on the acquisition of individual fixed assets are capitalised at cost. Depreciation is provided to write off the cost of the asset less estimated residual value in equal instalments over their expected useful economic lives as follows:

- | | |
|------------------------------|----------|
| • Buildings and improvements | 50 years |
| • Motor Vehicles | 4 years |
| • Computer Equipment | 5 years |

Land is estimated to represent 20% of the value of buildings and is not depreciated.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1.6 Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Income from charitable activities represents the delivery of the charity's core services and is recognised as the service is performed.
- Income received by way of donations, legacies and gifts is included in full in the Statement of Financial Activity when receivable.

1.7 Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

1.8 Taxation

The company is a registered charity and is not normally liable to United Kingdom income tax or corporation tax on its charitable activities. The company is unable to recover all of its VAT which is therefore expended through the Statement of Financial Activities.

1.9 Critical accounting judgements

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

No key judgements or assumptions have been made by the Trustees in the preparation of the financial statements.

1.10 Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**2 Income from charitable activities**

	2020 £	2019 £
Residential care	1,336,519	203,143
Outreach care	38,471	132,516
	<u>1,374,990</u>	<u>335,659</u>

3 Charitable activities costs

	Direct costs (Note 4) £	Support costs (Note 5) £	Total 2020 £
Therapeutic residential services	1,136,575	-	1,136,575
Other	-	383,787	383,787
	<u>1,136,575</u>	<u>383,787</u>	<u>1,520,362</u>
	Direct costs (Note 4) £	Support costs (Note 5) £	Total 2019 Restated £
Therapeutic residential services	601,931	-	601,931
Other	-	489,178	489,178
	<u>601,931</u>	<u>489,178</u>	<u>1,091,109</u>

4 Direct costs of charitable activities

	2020 £	2019 £
Staff and related costs	1,008,900	509,065
Residential premises costs	112,007	80,520
Travel costs	15,668	12,346
	<u>1,136,575</u>	<u>601,931</u>

SAFE PLACES FOR CHILDREN UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

5	Support costs	2020	2019
		£	£
	Staff and related costs	182,205	219,759
	Travel	6,395	116,851
	Office costs	67,772	18,906
	Depreciation	14,301	9,188
	Legal and professional	101,207	85,759
	Irrecoverable VAT	6,414	38,715
		<hr/>	<hr/>
		383,787	489,178
		<hr/>	<hr/>
6	Direct staff costs	2020	2019
		£	£
	Wages and salaries	970,696	474,685
	Social security costs	93,066	49,045
	Other pension costs	39,554	20,887
		<hr/>	<hr/>
		1,103,316	544,617
		<hr/>	<hr/>

The average monthly number of employees (based on head count) during the year was 35 (2019: 21).

One employee had emoluments for the year over £60,000 (2019 - 1) in the band of £60,000 - £70,000 (2019 - £60,000 - £70,000)

The key management personnel of the charity currently comprise the Trustees and individuals working for Safe Places Community Services Limited in Australia. There is no charge to the charity for their services at present.

7 Trustees' remuneration and benefits

There was no trustees' remuneration or other benefits for the year ended 31 December 2020 or for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 or for the year ended 31 December 2019.

SAFE PLACES FOR CHILDREN UK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8 Tangible fixed assets

	Computer equipment	Buildings	Motor vehicles	Totals
	£	£	£	£
Cost				
At 1 January 2020	4,185	416,864	11,366	432,415
Additions	5,286	-	24,528	29,814
At 31 December 2020	9,471	416,864	35,894	462,229
Depreciation				
At 1 January 2020	279	6,966	2,482	9,727
Charge for year	1,498	7,138	5,663	14,300
At 31 December 2020	1,777	14,104	8,145	24,027
Net book value				
At 31 December 2020	7,694	402,760	27,749	438,202
At 1 January 2020	3,906	409,898	8,884	422,688

9 Debtors

	2020	2019
	£	£
Trade debtors	13,393	22,263
Prepayments	10,627	4,884
Other debtors	20,947	17,124
	44,967	44,271

SAFE PLACES FOR CHILDREN UK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

10 Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	940	5,812
Tax and social security	41,603	17,136
Accruals and other creditors	52,900	43,876
	<u>95,443</u>	<u>66,824</u>

11 Creditors: Amounts falling after one year

	2020	2019
	£	£
Loan from parent charity	1,534,202	1,407,627
	<u>1,534,202</u>	<u>1,407,627</u>

Creditors greater than one year represent a loan from Safe Places for Children Secretariat (Registered Charity Number 1173449). The loan is interest free and has no fixed repayment date.

12 Operating lease commitments

Minimum lease payments commitment under operating leases due as follows

	2020	2019
	£	£
Expiring:		
Within one year	24,090	6,450
Between one and five years	6,308	11,288
	<u>30,398</u>	<u>17,738</u>

SAFE PLACES FOR CHILDREN UK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13 Company status

The company does not have a share capital and is limited by the guarantee of its member, Safe Places for Children Secretariat (Registered Charity Number 1173449). At 31 December 2020 the total of such guarantees was £1 (2019 - £1).

14 Related Party Transactions

The charity received loans in the year of £178,500 (2019: £700,476) from Safe Places for Children Secretariat.

Safe Places Communities Services Limited is a similar organisation operating in Australia on which this charity has been modelled. The view of the Trustees is that Safe Places Communities Services Limited and this charity are connected parties pursuant to the Australian accounting standards and the United Kingdom accounting standards.

During the year Safe Places Communities Services Limited paid expenses of £51,926 (2019 - £188,228) on behalf of the charity. These amounts are included in the increased loan payable to Safe Places for Children Secretariat at 31 December 2020.

As at 31 December 2020 the balance of loans owing to Safe Places for Children Secretariat is £1,534,202 (2019: £1,407,627).

There are no other related party transactions that require disclosure.