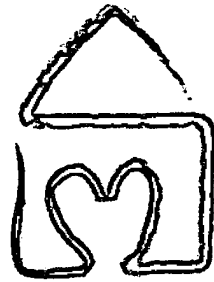


Charity Number: 1173449
Company number: 10147280



**Safe Places
for Children**

professional care, guaranteed outcomes



Safe Places for Children Secretariat

**Report of the Trustee and consolidated financial statements
for the year ended 31 December 2022**

Safe Places for Children Secretariat

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Safe Places for Children Secretariat

Reference and administrative information (continued)

Board of Trustees

Peter Kearney (Chairman)
Anthony Thompson

Office address

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Congleton
Cheshire
CW12 1DT

Independent Auditor

Saffery LLP
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Bankers

Royal Bank of Scotland
Western Avenue
Chatham
ME4 4RT

Solicitors

Veale Wasbrough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

Safe Places for Children Secretariat

Report of the Trustees and strategic report (continued) For the year ended 31 December 2022

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 ended 31 December 2022 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).

Objects and activities

The charity's objects 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;
- the promotion of the efficiency and effectiveness of other charities whose charitable objects are within, the same as, or similar to the objects of the Secretariat, in particular but not exclusively by setting standards which serve to improve the quality of care delivered by those other charities;
- 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.

The objectives for this year are:

- To assist other charities to establish a team of educated, excellent, enthusiastic staff to guide young people along a personal growth journey.
-

Safe Places for Children Secretariat

Report of the Trustees and strategic report (continued)

For the year ended 31 December 2022

- To seek ways of improving the delivery of care to high needs young people.
- To institute training, review and verification programs to ensure the highest possible standard of care is provided.

The charity achieves its objectives by assisting its subsidiary Safes Places for Children UK.

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.

We have increased the pricing structure per young person in Northern Ireland for the financial year 2023 with a base rate of 6,500 per child per week. Safe Places are currently supporting four young people across two houses. As the complex needs of a child or young person reduces due to the intense therapeutic work we deliver, we work alongside the Trusts and Local authorities to secure less-intensive models of care and provide outreach support during the young persons transition out of Safe Places, whilst simultaneously providing outreach support to new young people transitioning into our service, this increases revenue during this period.

Across England and Northern Ireland, we have an average of 25 referrals to our service per day, which reduces the ongoing concern of business/revenue continuity. The Northern Ireland Trusts are under a huge amount of pressure to not only place children and young people but also to bring young people back to their communities as some young people are placed down south in Ireland or other countries. Safe Places have been able to assist with this and now have 4 young people being supported locally.

Safe Places have an exemplary reputation in providing therapeutic residential care and are the only private provider in Northern Ireland. The regulator 'RQIA' and the Trusts continue to provide exceptional feedback regarding the quality of care provided by Safe Places.

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

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 £1,816,895 (2021 – £1,772,491). There was an increase in income compared to 2021 as the charity took on more contracts to provide services to local authorities.

Expenditure in the year totalled £2,074,582 (2021 – £1,884,471). This expenditure was incurred in relation to the charity's operations. The operations included therapeutic residential services and ancillary activities.

Safe Places for Children Secretariat

Report of the Trustees and strategic report (continued)

For the year ended 31 December 2022

Reserves policy

The parent charity held funds of £173,830 as at 31 December 2022 (2021 – £180,667). The trustees continue to develop a reserves policy for the parent charity and are reviewing the charity's anticipated areas of income and expenditure to ensure the policy is appropriate.

The group held a deficit on unrestricted funds of £1,180,981 as at 31 December 2022 (2021 – deficit of £923,294). 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 Community Services Limited.

Going Concern

We were supported during the establishment and initial start-up phase by the Australian not-for-profit Safe Places Community Services Limited. This supporting relationship has continued throughout 2022 enabling the continued provision of finance to connected charities. During this period Secretariat has been actively involved in negotiating a formalised 10 year long term agreement with Safe Places Community Services Australia for continued funding. As a result, the trustees consider that it is appropriate to continue to prepare the financial statements on a going concern basis.

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 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;
- 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 to child safety that the charity is promoting 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.

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their fundraising activities. The Charity does not engage in fundraising activity nor does it petition any donations from members of the general public and does not

Safe Places for Children Secretariat

Report of the Trustees and strategic report (continued) For the year ended 31 December 2022

work with any third-party commercial fundraiser. The Trustees are not aware of any fundraising complaints made in respect of the financial year.

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, this has been acknowledged by the regulator in Northern Ireland and the individual trusts. Placements continue in our homes and we have achieved great outcomes for the children and young people. We have received payments from the South-Eastern Trust of HSC and Belfast Trust in Northern Ireland for these services.

We previously provided therapeutic care to young people via a tendered contract with Cheshire East Council providing services to a significant number of young people. The CEC contracts were mutually terminated in July and August 2023, despite having some great outcomes for young people, including transitioning children and young people back home to their families or to a lessor intensive model of care. CEC was unwilling to increase the pricing structure to ensure the ongoing service was financially viable for Safe Places.

Safe Places have completed all registration documentation with OFSTED for the Nantwich property and we will look to support children and young people from January 2024 and increase our overall revenue, this will be outside of the constraints of a tendered agreement. Nantwich property will be on a fee for service basis under an individual contract for specific young person for a specified period.

Safe Places for Children UK have commenced supporting Safe Places Community Services Ltd in Australia to source additional staffing resources, an agreed pricing schedule is in place this includes cost recovery for fixed costs and various pay points throughout the various stages. Safe Places UK have a well-established training team that will also train prospective staff before they travel to Australia. The international recruitment project is underway and has generated additional revenue.

Trustees

The following directors have held office during the period and to the date of signing the accounts:

- Amanda Dunn (resigned 30 March 2022)
- Kirralee Harris (resigned 30 March 2022)
- Peter Kearney (appointed 21 March 2022)
- Anthony Thompson (appointed 21 March 2022)

Structure, Governance & Management

Constitution

The charity is constituted as a company limited by guarantee and was incorporated on 26 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 16 June 2017.

Appointment of trustees

As set out in the Articles of Association the trustees are nominated by the members.

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

Safe Places for Children Secretariat

Report of the Trustees and strategic report (continued) For the year ended 31 December 2022

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 the trustees receive remuneration or other benefit from their work 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. 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 Secretariat. 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.

**Report of the Trustees and strategic report (continued)
For the year ended 31 December 2022**

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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (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 the group 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.

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 30 October 2023



.....
Trustee
Anthony Thompson

Company Number 10147280

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

Opinion

We have audited the financial statements of Safe Places for Children Secretariat (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2022 which comprise the group statement of financial activities, the group and charity balance sheets, the group 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 state of the affairs of the group and the parent charitable company as at 31 December 2022 and of the group's 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 group and parent 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 group or the parent 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.

Independent auditors' report to the members (continued)
For the year ended 31 December 2022

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.

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 and the Strategic 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 and the Strategic 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and Strategic Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities on page 7, the trustees (who are also the directors of the parent 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 group and parent 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 group and parent 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 group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

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

Further, the group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through material fine, litigation or restrictions on the group's operations. We identified the most significant other laws and regulations to be specific requirements as found in the Education and Skills Act 2008 and the Childcare Act 2006 and guidance issued by Ofsted and the Regulator and Quality Improvement Authority.

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 parent 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 parent 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

Independent auditors' report to the members (continued)
For the year ended 31 December 2022

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.

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.

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sally Appleton (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Chartered Accountants
Statutory Auditors
Mitre House
North Park Road
Harrogate
HG1 5RX

30 October 2023

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Safe Places for Children Secretariat

Consolidated statement of financial activities (incorporating an income and expenditure account) For the year ended 31 December 2022

		2022 Total funds £	2021 Total funds £
Income and endowments from	Notes		
Charitable activities	3	1,816,895	1,772,491
Total		1,816,895	1,772,491
Expenditure on			
Charitable activities	4	2,074,582	1,884,471
Total		2,074,582	1,884,471
Net movement in funds		(257,687)	(111,980)
Reconciliation of funds			
Total funds brought forward		(923,294)	(811,314)
Total funds carried forward		(1,180,981)	(923,294)

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 15 to 23 form part of these financial statements.

Safe Places for Children Secretariat

Consolidated and charity balance sheets As at 31 December 2022

		Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Fixed assets					
Tangible assets	11	402,592	-	420,720	-
		402,592	-	420,720	-
Current assets					
Debtors	12	81,868	1,633,888	29,836	1,518,888
Cash at bank and in hand		23,825	2,592	153,173	17,727
		105,693	1,636,480	183,009	1,536,615
Creditors: amounts falling due within one year	13	(231,651)	(5,035)	(179,741)	(8,666)
Net current assets		(125,958)	1,631,445	3,268	1,527,949
Creditors: amounts falling due after more than one year	14	(1,457,615)	(1,457,615)	(1,347,282)	(1,347,282)
Net (liabilities) / assets		(1,180,981)	173,830	(923,294)	180,667
Funds					
Unrestricted funds		(1,180,981)	173,830	(923,294)	180,667
Total funds		(1,180,981)	173,830	(923,294)	180,667

The total income of the Charity as an individual entity for the year was £nil (2021 - £nil) and its net deficit was £6,837 (2020 – deficit of £28,459). A Statement of Financial Activities for the Charity as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006.

The financial statements were approved by the Board of Trustees on 30 October 2023 and were signed on its behalf by Anthony Thompson.



Trustee

Anthony Thompson

The notes on pages 15 to 23 form part of these financial statements.

Company number 10147280

Safe Places for Children Secretariat

**Consolidated cash flow statement
For the year ended 31 December 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash (used in)/generated from operations	A	(239,681)	8,269
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(606)
Net cash used in investing activities		-	(606)
Cash flows from financing activities			
Cash inflows from borrowing		110,333	16,644
Net cash used in financing activities		110,333	16,644
Change in cash and cash equivalents in the reporting period	B	(129,348)	24,307
Cash and cash equivalents at the beginning of the reporting period		153,173	128,866
Cash and cash equivalents at the end of the reporting period	B	23,825	153,173

The notes on pages 15 to 23 form part of these financial statements.

Safe Places for Children Secretariat

**Notes to the cash flow statement
For the year ended 31 December 2022**

A. Reconciliation of net income to net cash flow

	2022	2021
	£	£
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(257,687)	(111,980)
Adjustments for:		
Depreciation charges	18,128	18,087
Decrease/(increase) in debtors	(52,032)	17,864
Increase in creditors	51,910	84,298
Net cash (outflow)/inflow from operating activities	(239,681)	8,269

B. Analysis of changes in net debt

	At 1		At 31
	January 2022	Movement	December 2022
	£	£	£
Cash at bank and in hand	153,173	(129,348)	23,825
Loans payable	(1,347,282)	(110,333)	(1,457,615)
	(1,194,109)	(239,681)	(1,433,790)

Safe Places for Children Secretariat

Notes to the financial statements (continued)

For the year ended 31 December 2022

1. Company information

Safe Places for Children Secretariat is a registered charity and a company limited by guarantee. It was incorporated on 26 April 2016. Its Articles of Association were last revised and agreed on 4 July 2018.

2. Accounting policies

2.1 Basis of preparation

The financial statements of the charitable company, which is a public benefit entity under FRS 102, and group have been prepared in accordance with the second edition of 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)" Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006 as applicable to companies subject to the small companies regime. The financial statements have been prepared under the historical cost convention.

2.2 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, Safe Places for Children UK and the charity, along with the long term viability and resources of the Australian operation, and the demonstrated willingness of the placement agencies to pay the costs of utilising the services of Safe Places for Children UK, indicate that the charity is a going concern.

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

2.3 Income

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.

2.4 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure it relates to.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

2.5 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.

2. Accounting policies

2.6 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.

2.7 Leasing commitments

Operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

2.8 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.

2.9 Financial instruments

The Charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially in the accounts at transaction price, including any transaction costs. At the end of each accounting period, basic financial instruments are recognised at amortised cost. For debt instruments this is calculated using the effective interest rate method.

2.10 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.

Safe Places for Children Secretariat

Notes to the financial statements (continued)

For the year ended 31 December 2022

3. Income from charitable activities

	2022	2021
	£	£
Residential care	1,615,658	1,688,010
Outreach care	86,360	82,951
Other income	115,877	1,530
	<u>1,816,895</u>	<u>1,772,491</u>

4. Expenditure on charitable activities

	Direct costs (Note 5)	Support costs (Note 6)	Total 2022
	£	£	£
Therapeutic residential services	1,556,750	-	1,556,750
Other	-	517,832	517,832
	<u>1,556,750</u>	<u>517,832</u>	<u>2,074,582</u>

	Direct costs (Note 5)	Support costs (Note 6)	Total 2021
	£	£	£
Therapeutic residential services	1,411,220	-	1,411,220
Other	-	473,251	473,251
	<u>1,411,220</u>	<u>473,251</u>	<u>1,884,471</u>

5. Direct costs of charitable activities

	2022	2021
	£	£
Staff and related costs	1,332,352	1,261,475
Residential premises costs	201,910	125,056
Travel costs	32,488	24,689
	<u>1,556,750</u>	<u>1,411,220</u>

Safe Places for Children Secretariat

Notes to the financial statements (continued)
For the year ended 31 December 2022

6. Support costs

	2022	2021
	£	£
Staff and related costs	200,361	196,288
Travel	10,676	7,244
Office costs	110,413	98,898
Depreciation	18,128	18,087
Insurance	64,317	54,478
Service fees	34,963	-
Governance costs (note 7)	78,974	95,523
Irrecoverable VAT	-	2,733
	<u>517,832</u>	<u>473,251</u>

7. Governance costs

	2022	2021
	£	£
Audit/Independent Examination Fees		
- Current Year	23,064	18,772
- Prior Year	-	24,170
Accounting and Tax Fees	7,285	7,764
Legal and Professional fees	48,625	44,817
	<u>78,974</u>	<u>95,523</u>

8. Net income/expenditure

	2022	2021
	£	£
Auditors' remuneration for Charity audit		
Current year	23,064	18,772
Prior year	-	24,710
Auditors' remuneration in respect of accountancy and other services	7,285	7,764
Depreciation	18,128	18,087

Safe Places for Children Secretariat

Notes to the financial statements (continued)

For the year ended 31 December 2022

9. Staff costs

	2022 £	2021 £
Wages and salaries	1,296,371	1,233,815
Social security costs	136,924	121,208
Other pension costs	47,127	44,635
Other staff costs	42,290	58,106
	<u>1,522,712</u>	<u>1,457,764</u>

The average monthly number of employees (based on head count) during the year was 47 (2021: 45).

The number of employees with emoluments for the year over £60,000 are as shown below:

	2022 £	2021 £
£60,000 - £69,999	-	1
£70,000 - £79,999	1	-
£80,000 - £89,999	1	-

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

10. Trustees' remuneration, benefits and expenses

There was no trustees' remuneration or other benefits for the year ended 31 December 2022 or for the year ended 31 December 2021.

There were no trustees' expenses paid for the year ended 31 December 2022 or for the year ended 31 December 2021.

Safe Places for Children Secretariat

Notes to the financial statements (continued)

For the year ended 31 December 2022

11. Tangible fixed assets

Group and Charity	Computer equipment £	Buildings £	Motor Vehicles £	Total £
Cost				
At 1 January 2022	10,077	416,863	35,893	462,833
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2022	10,077	416,863	35,893	462,833
Depreciation				
At 1 January 2022	3,752	21,243	17,118	42,113
Charge for year	2,015	7,139	8,973	18,128
Eliminated on disposal				
At 31 December 2022	5,767	28,383	26,092	60,242
Net book value				
At 31 December 2022	4,310	388,480	9,802	402,592
At 31 December 2021	6,325	395,620	18,775	420,720

Included in freehold property is land of £59,900 which is not depreciated.

Safe Places for Children Secretariat

Notes to the financial statements (continued)

For the year ended 31 December 2022

12. Debtors

Group: Amounts falling due within one year

	2022	2021
	£	£
Trade debtors	59,035	9,245
Prepayments	11,744	8,487
Accrued income receivable	5,400	6,415
Other debtors	5,689	5,689
	<u>81,868</u>	<u>29,836</u>

Charity: Amounts falling due within one year

	2022	2021
	£	£
Loans	1,663,888	1,518,888
	<u>1,663,888</u>	<u>1,518,888</u>

During the year, Safe Places for Children Secretariat charity provided a loan to Safe Places for Children UK in line with its objective of assisting other charities to establish a team of educated, excellent, enthusiastic staff to guide young people along a personal growth journey. The loan is interest free and has no fixed repayment period.

13. Creditors

Amounts falling due within one year

Group	2022	2021
	£	£
Trade creditors	23,667	1,747
Tax and Social Security	33,178	33,353
Wages creditor	24,093	16,873
Pension creditor	12,050	10,256
Accruals and deferred income	117,276	116,021
Deferred income	20,000	-
Other creditors	1,387	1,491
	<u>231,651</u>	<u>179,741</u>

Charity	2022	2021
	£	£
Accruals and deferred income	5,035	8,666
	<u>5,035</u>	<u>8,666</u>

Safe Places for Children Secretariat

Notes to the financial statements (continued)

For the year ended 31 December 2022

14. Creditors Amounts falling due after more than one year

Group and Charity	2022 £	2021 £
Working Capital Loan	1,104,651	994,318
Property Loan	352,964	352,964
	<u>1,457,615</u>	<u>1,347,282</u>

The working capital loan is due to Safe Places Community Services Limited, an Australian registered company. The property loan is due to Sichere Orte Limited, a Seychelles incorporated company.

In prior years both loanees provided funding to Safe Places for Children Secretariat to allow the charity to continue its set up phase and provide onward finance to Safe Places for Children UK (Registered Charity Number 1172481) for general expenditure and property acquisition.

At 31 December 2022 the loan balances are interest free and have no fixed repayment period. The balance owing to Sichere Orte is secured by a deed of guarantee and indemnity between Sichere Orte and Safe Places for Children UK.

15. Operating lease commitments

Minimum lease payments under non-cancellable operating leases fall due as follows:

Group and Charity	2022 £	2021 £
Expiring:		
Within one year	17,640	6,308
Between two and five years	1,470	-
	<u>19,110</u>	<u>6,308</u>

Safe Places for Children Secretariat

Notes to the financial statements (continued)

For the year ended 31 December 2022

16. Related party transactions

Anthony Thompson and Peter Kearney are both Directors of Safe Places Community Services Limited. Anthony Thompson serves as Chairman. Safe Places Communities Services Limited is an organisation operating in Australia. There were no transactions between the Charity and Safe Places Community Services Limited during the year ended 31 December 2022. The Charity owes £1,104,651 to Safe Places Community Services Limited as at 31 December 2022 (2021 - £994,318). The trustees consider that Safe Places Communities Services Limited and the charity are connected parties pursuant to the Australian accounting standards and the United Kingdom accounting standards.

During the year, Anthony Thompson was also a trustee of Safe Places for Children UK. The Charity is owed £1,633,888 by Safe Places for Children UK as at 31 December 2022 (2021 - £1,518,888). Anthony Thompson resigned as a Trustee of Safe Places for Children UK on 25 August 2022.

There are no other related party transactions that require disclosure.

17. Subsidiary Charity

The charity controls Safe Places for Children UK by virtue of being its only member. Safe Places for Children UK provides residential therapeutic care of high needs children, young adults and disabled people, providing rehabilitation services in addition to the immediate needs of the young people.

A summary of the result of the Charity is set out below:

	2022	2021
	£	£
Income from Charitable Activities	1,816,895	1,787,805
Expenditure on Charitable Activities	(2,067,745)	(1,871,326)
Net expenditure for the year	(250,850)	(83,521)
Assets – fixed and current	505,693	586,002
Liabilities	(1,860,504)	(1,689,964)
	(1,354,811)	(1,103,962)

18. Post Balance Sheet Events

Following the year end, on 30 June 2023, the Charity was informed by Safe Places Community Services Limited that the loan provided to the Charity (see note 14) was forgiven.