

SHIFT ORGANISATION LTD

England & Wales · Charity number 1191125

Details

Other names	THE WHATEVER IT TAKES ORGANISATION, WHATEVER IT TAKES
Status	Registered
Legal form	Charitable company
Company number	11928188
Registered	2020-09-03
Register	View on the Charity Commission register

Contact

Address	Coram Campus 41 Brunswick Square London
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Activities

Objects: TO PREVENT AND RELIEVE THE SUFFERING AND HARDSHIP OF YOUNG PEOPLE PARTICULARLY, BUT NOT EXCLUSIVELY, IN CIRCUMSTANCES WHERE THAT YOUNG PERSON IS DISPLAYING, OR AT RISK OF DISPLAYING, CRIMINAL BEHAVIOURS IN SUCH WAYS AS THE CHARITY TRUSTEES FROM TIME TO TIME THINK FIT, IN PARTICULAR, BUT NOT EXCLUSIVELY, THROUGH SUPPORTING THE PROVISION OF A THERAPEUTIC RELATIONSHIP WITH A SKILLED PRACTITIONER PROVIDING ADVICE, COUNSELLING AND INTENSE SUPPORT TO THOSE WHO ARE INVOLVED IN OR ARE AT RISK OF BECOMING INVOLVED IN CRIMINAL BEHAVIOURS, AND BY FACILITATING CONSTRUCTIVE RELATIONSHIPS WITHIN THEIR SYSTEM INCLUDING FAMILY, FRIENDS AND PROFESSIONALS.

Activities: SHiFT will break the destructive cycle of children and young people committing crimes so that, instead, they make a positive contribution to our society and build better lives for themselves.

Classification

- **How:** Provides Services
- **What:** Education/training, The Prevention Or Relief Of Poverty, Economic/community Development/employment
- **Who:** Children/young People

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,816,963	£2,052,332	£2,500,256	12
2024-03-31	£2,074,821	£1,181,014	£1,735,625	9
2023-03-31	£697,118	£753,987	£841,819	5
2022-03-31	£1,037,576	£919,419	£898,688	9
2021-03-31	£918,750	£485,868	£780,531	6

Trustees

Name	Role	Appointed
Dr Luke Roberts		2024-01-22
Dr Martin Griffiths		2024-09-26
Keir Monteith KC		2024-09-22
Pamela Parkes		2020-09-23
Rasheed Pendry		2020-09-23
Rebecca Louise Cramer		2020-09-23
SOPHIE HUMPHREYS		2019-05-05
Sarah Hazzledine		2024-01-22

SHIFT ORGANISATION LTD

England & Wales - Charity number 1191125

Accounts

Charity registration number 1191125 (England and Wales)

Company registration number 11928188

SHIFT ORGANISATION LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

SHIFT ORGANISATION LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M B Clark S Humphreys R J Pendry R L Cramer P V Parkes Dr L Roberts S Hazzledine K Monteith Dr M P Griffiths	(Appointed 22 September 2024) (Appointed 26 September 2024)
Chief executive officer	A Flowers	
Charity number (England and Wales)	1191125	
Company number	11928188	
Registered office	Coram Campus 41 Brunswisk Square London United Kingdom WC1N 1AZ	
Auditor	Sedulo Audit Limited Office 605 Albert House 256 - 260 Old Street London United Kingdom EC1V 9DD	
Bankers	Lloyds Bank 399 Oxford Street London W1C 2BB	

SHIFT ORGANISATION LTD

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SHIFT ORGANISATION LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

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

CONTEXT, PURPOSES AND MEASURES OF SUCCESS

Context to our charitable mission

Growing up is risky business. If, during this critical period of transition, children and young people do not have the right foundations and support, they can become caught up in worsening cycles of harmful behaviour - becoming exploited or exploiting others, and causing serious, sometimes devastating damage, to themselves or others. Lives are lost to criminal and sexual exploitation and the criminal justice system.

Tragically, thousands of children and young people in the UK are growing up vulnerable in such circumstances. Some are causing serious harm and violence, some are victims of serious harm and violence, and most are both. Most are boys and Black, Brown, Mixed Heritage children and young people, and children from Gypsy, Roma and Traveller communities are over-represented within both Youth Justice and the Care System. An increasing number of girls are involved in criminal exploitation, and many are victims of criminal sexual exploitation.

Offending behaviours often mask underlying vulnerabilities, from early childhood trauma and school exclusion to poor health and growing up in poverty. A joint Department for Education and Ministry of Justice report from March 2022, found that 60% of children whose offending had been prolific had been assessed as Children in Need on the 31st March in any given year when aged between 12 and 16. This compared with 38% of children who had been cautioned or sentenced for a serious violence offence, 32% of children who had been cautioned or sentenced for any offence, and only 6% of the all-pupil cohort.

Absence from school is both an indicator that things are going wrong and a catalyst for further problems. According to Department for Education and Ministry of Justice data: "81% of children who had been cautioned or sentenced for an offence had ever been persistently absent, compared to 85% of children who had been cautioned or sentenced for a serious violence offence. Children whose offending had been prolific had the highest proportion recorded as persistently absent at 94%. This compares to 44% of the whole pupil cohort."

SHiFT exists to break the destructive cycle of children and young people caught up in, or at risk of, crime. We seek to transform policy and practice in how young people in these circumstances are seen and supported.

Despite the best efforts of dedicated professionals, many young people and their families are not getting the support they need to move to a place of safety and strength. Too often, current responses to harm and offending exacerbate crisis, compound disadvantage, and deepen harmful cycles. Services and systems are experienced as piecemeal and uncoordinated, with artificial thresholds that create damaging cracks, gaps, and cliff edges. The system has been designed through the lens of disconnected problems rather than the interconnected needs of people and their communities.

This is especially true for teenagers, who are the fastest growing group in both child protection and care. As the Independent Review of Children's Social Care puts it: "Government departments and safeguarding partners have failed to have an effective response to the risks that teenagers face. Different parts of the children's social care, police, education, justice, and health systems are responding differently to the same teenagers. Accountability for keeping these teenagers safe is lacking."

It doesn't need to be like this, and SHiFT is determined to change things - with and for the children we work alongside and with and for the systems that currently work with them.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Charity purposes

SHiFT's purposes, as set out within our Memorandum and Articles of Association are:

'To prevent and relieve the suffering and hardship of young people, particularly, but not exclusively, in circumstances where the young person is displaying, or at risk of displaying, criminal behaviours in such ways as the charity Trustees from time to time think fit, in particular, but not exclusively, through supporting the provision of a therapeutic relationship with a skilled practitioner providing advice, counselling and intense support to those who are involved in or at risk of becoming involved in criminal behaviours, and by facilitating constructive relationships within their system including family, friends and professionals.'

The Trustees have paid due regard to Charity Commission guidance in deciding what activities the charity should undertake and are confident that we are acting within our charity's purposes.

Measures of success

We seek to understand the experience of children and young people being supported by SHiFT and the progress they are making through a ongoing cycle of quality assurance and quality improvement activities, that includes:

- Interviews and focus groups with children and young people.
- Interviews and focus groups with family members of children and young people, and/or professionals from other services who are supporting them.
- The monthly completion and analysis of administrative and practitioner assessment data measuring progress against SHiFT's four outcome domains.

We aim to show progress for the children we are working with against the following outcomes:

All children have equal access to consistently high-quality support and services. Local, regional and national systems are purposed and structured to properly meet even the most complex needs.

POWER AND PURPOSE SHiFT wants children to have the tools and confidence to make choices in their lives, and the skills to cope with setbacks and advocate for themselves to ensure their voices are heard.	LOVED AND CARED FOR SHiFT wants children to know that they matter, to ensure that they are loved and cared for and that there are people there for them when they need it most.
SAFE AND STABLE SHiFT wants children to feel safe where they live - both in the community and with their friends and family - and have stable foundations on which to build positive, crime-free futures	HEALTHY AND HAPPY SHiFT wants children to feel physically and emotionally well, able to access the right wellbeing support, and find opportunities for the things they enjoy doing and that bring them joy.

And through our work with statutory services, key desired outcomes are:

- To demonstrate the practical viability and effectiveness for improving outcomes for children and families of statutory responsibilities being met by using SHiFT's Breaking Cycles practice model.
- To evidence substantial savings and costs avoided by public services investing in SHiFT and working differently, using SHiFT's practice model, with the children and young people in a local area with highest levels of unmet need who have experienced greatest cumulative disadvantage.
- To influence Organisations that host SHiFT Practices in light of the above to sustain their SHiFT Practice, adopting it as business as usual, and to evolve other existing services to grow the influence of SHiFT's approach to the benefit of a wider group of children and families.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

SHIFT is supporting some of the most vulnerable children in our society, most of whom have suffered devastating experiences of trauma, neglect, abuse or poor attachment. Through our work, we will demonstrate that trauma informed, relational and identity forming approaches are both effective and necessary to break entrenched, destructive and sometimes multi-generational cycles of offending. On the basis of our experience and results, we aim to create system change to transform the way that our society collectively guides, educates, diverts and rehabilitates our nation's children who are caught in a complex and destructive cycle of offending and related behaviour.

OBJECTIVES AND ACTIVITIES

SHIFT was set up in 2019, with an objective to demonstrate and embed opportunities for more impactful and cost-effective approaches to breaking the destructive cycle of crime and driving wholesale system change in how society perceives and supports the children and young people we work with.

The SHiFT Programme is based on the Breaking Cycles ingredients, devised by Sophie Humphreys OBE, one of SHiFT's Founders, Trustees and the organisation's former Chair. Instead of defining people by issues such as addictions or criminality, applying the Breaking Cycles ingredients practitioners understand that this behaviour often occurs as a result of previous experiences of trauma, neglect, abuse and poor attachment, and practice focuses first on working with each child or young person as an individual: getting to know them, understanding their hopes and fears, and helping them develop the strong foundations needed to achieve their aspirations.

Using the Breaking Cycles approach, SHiFT wants every child and young person caught up in, or at risk of, crime, to have one intensive, high-quality, trusting, and persistent professional relationship through which most of their needs are met: a flexible, tailored, and tenacious relationship through which professionals do whatever it takes to set children and young people up for safe and bright futures.

SHiFT:

- Start with aspiration, and together we set that bar high. We do not define children by their problems or behaviour. Where children have caused harm we support them to take accountability, while also building their self-worth.
- Support children and young people to change their perceptions of themselves and to challenge others' perceptions of them. We believe in children so that they may believe in themselves.
- Reach children and young people and stay with them wherever they are and wherever they go. We are not constrained by artificial barriers such as age limits, service thresholds or Host Organisation borders.
- Support each child and young person through points of transition from childhood to adulthood, custody to community, from being out of education to getting back to school or work. There is no cliff edge at 18.
- See children and young people as part of families and communities and work with everyone in their world, including especially other professionals, seeking to understand and create sustainable positive change in relationships.
- Work with professionals across boundaries to ensure all children have equal access to consistently high-quality support and services. We support practitioners, managers and funders across agencies and services to ensure local, regional and national systems are purposed and structured to properly meet even the most complex needs.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

SHIFT uses the Breaking Cycles ingredients to inform all aspects of its systemic, anti-racist, and anti-oppressive practice, which is guided by the following five practice principles:

Practice Principle	What this means
Do the rights thing by the child	Holding the child's interests uppermost and at the forefront of everything we do, how and why we do it.
Go for gold	Insisting on exceptional over good; believing that change is possible; taking a hopeful, appreciative, problem-solving approach that opens spaces of possibility.
Hold and pull for help	Staying alongside the child and family no matter what; knowing when to draw on help when needed but staying accountable to make and drive progress for children and families.
Stay in the complexity	Holding multiple stories and ideas about what might be happening; staying curious and uncertain; taking both/and positions.
Step in to step back	Holding clear purpose for everything we're doing, stepping in and out flexibly as children need but always with the goal of children and families flourishing without the need for professional involvement.

SHiFT is scaling high-impact Practices across the UK.

SHiFT Practices are 'insider-outsiders' - working from within existing services (children's services, public health, policing and criminal justice, education, housing) as well as working outside, as part of the national SHiFT community.

A SHiFT Practice typically consists of five SHiFT Guides and a Practice Coordinator. SHiFT Guides are highly skilled practitioners, who have significant experience of working with children and young people who have high levels of unmet need and who have experienced significant cumulative disadvantage. Guides come from a range of professional backgrounds, including social work, youth offending, education, the probation service, and healthcare. Each Practice supports around 27 children. They work alongside and across the statutory system, ensuring duplication is avoided and scarce resources are directed and purposeful. Colleagues who form SHiFT Practices are all employed by Host Organisations (often Local Authorities) in which they are based, and Partnership Agreements make clear that it is the responsibility of each Host Organisation to ensure that safeguarding risks are being properly managed within their own safeguarding procedures.

SHiFT Practices change policy and practice one conversation at a time, infiltrating existing systems and modelling a different threshold-free and aspiration-led way of working alongside children and families. When skilled practitioners see, do, and talk differently, they surface new possibilities and approaches which have powerful, positive domino effects in systems and the lives of children and young people.

Scaling SHiFT Practices across the UK will transform policy and practice - influencing by delivering and demonstrating outstanding outcomes for children and young people, as part of a national community that is building the evidence and practice for change and contributing to new public conversation.

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

FOR THE YEAR ENDED 31 MARCH 2025

Significant activities

SHiFT's continued focus during the financial year 2024/25 has been on delivering and evidencing outstanding outcomes for children to support the scale and spread of SHiFT Practices and to strengthen the organisation's credibility and insights to support influencing and systems change.

Work in SHiFT Bexley (which began in September 2022) and SHiFT Manchester (in December 2023) is ongoing, benefitting 52 children and young people.

In Summer 2024, we launched our first two Department for Levelling Up, Housing & Communities (now MHCLG) funded Practices in Middlesbrough and Redcar & Cleveland, benefitting 104 children and young people across the South Tees region with agreed arrangements for at least two SHiFT Programmes across 3-year initial partnerships. The key objectives of these Practices are:

SHiFT Middlesbrough:

1. Safely return children to Middlesbrough, who are currently cared for and placed outside of the area, to live with their families or to live in a suitable setting closer to their family and community.
2. Building trusting professional relationships with children with whom services have previously struggled to engage, but for whom risks are escalating, placing them at a heightened risk of becoming entrenched in criminal activity/exploitation and increased risk of requiring high-cost placements in the future, without intensive support.

SHiFT Redcar & Cleveland will work with children and young people who:

1. Are already at high risk of harm through crime and might be cared for children in high-cost placements.
2. May be coming up through the system and where the indicators suggest they are likely to become involved in crime or harmed in the future.

In Autumn 2024 we launched SHiFT Kingston & Richmond, building on work that was started through SHiFT's first pilot Practice in 2020. SHiFT Kingston & Richmond is completely self-funded by the Local Authority with two key strategic objectives:

1. Testing systemic ways of working and the Breaking Cycles ingredients in a statutory context.
2. Evidencing Anti-Racist and Anti-Oppressive approaches in our work.

Scoping for the two further Department for Levelling Up, Housing & Communities (now MHCLG) supported Practices in Tendring, Essex and Croydon is underway. This will see new SHiFT Practice launch in Tendring, Essex in the April of 2025 and in Croydon in Autumn 2025.

The national SHiFT team has grown modestly to meet need across our growing number of Practices and their varied geographies, welcoming a Director of Programmes & Policy, a Learning & Insights Lead, an External Affairs & Communications Lead and a Digital Media and Events Coordinator.

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

FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance

Significant activities and achievements against objectives

Since SHiFT was founded in 2019, we have worked with a total of 229 children and their families, 69 of whom had completed work with SHiFT by April 2024.

Between April 2024 and March 2025, work alongside 160 children, young people and their families took place across six SHiFT Practices – SHiFT Bexley, Kingston and Richmond, Middlesbrough, Redcar and Cleveland, Manchester and Tameside.

Before the end of the 2025 calendar year, SHiFT will welcome an additional 201 children and young people to work with a SHiFT Guide in Essex, Croydon, Middlesbrough, Redcar & Cleveland, Bexley, Manchester and Kingston & Richmond. **This means that SHiFT will have reached 430 children and young people by the end of 2025.**

The children and young people SHiFT works with are caught in the destructive cycle of crime. They have high levels of unmet need and are among the most vulnerable and cumulatively disadvantaged in the country.

- 89% are boys and 11% girls.
- 37% are Black, Asian or Mixed Heritage.
- Ages when selected for SHiFT range from 11 to 19, with an average age of 15 years old.

When children and young people started to work with their SHiFT Guide:

- 80% had criminal or sexual exploitation concerns.
- 83% were open to Children's Social Care.
- 39% had a history of domestic abuse.
- 48% had mental health concerns.

In the year prior to SHiFT:

- 82% had been arrested.
- 63% had been reported missing.
- 55% had committed a proven offence.
- 20% had been a victim of serious youth violence.

SHiFT is making substantial positive impacts in the lives of the children and young people it works with, through consistent intensive relational work alongside a highly experienced professional who works with everyone important to a child or young person. Recent analysis of progress data* shows that compared to the year prior to SHiFT:

- Fewer children were arrested, and all Practices saw a decrease in the total number of arrests with a 24% reduction overall.
- The total number of proven offences committed by children has decreased, with a 28% reduction.
- Fewer children were reported missing overall compared to the year prior to SHiFT (23% reduction).
- Children's Social Care involvement for under 18s has ended for 21 children during their time with SHiFT, demonstrating a reduction of risk and fewer professionals involved in children's and families' lives.

*for the 84 children who were working with a Guide as of April 2025 and have been working with SHiFT for at least 11 months

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

FOR THE YEAR ENDED 31 MARCH 2025

Qualitative data also evidence substantial positive impact:

“So I was just in a bad place and [my SHiFT Guide] brought me back to life [...] If I didn't choose to keep [my SHiFT Guide], then look where I would've been [...] I'd probably be dead or something. Hundred percent.” (Kyle, child/young person, SHiFT Redcar and Cleveland)

“There was a part of me at one point that I felt like I'd lost the [child] that I knew and I'm slowly but surely seeing him come back now going and getting involved with doing the things that he's done with [Guide], like going to the marathon, and the amount of respect that he actually shows her and stuff. That's the old [child] before he was getting all this bother.” (Charlotte, family member/carer, SHiFT Manchester)

“It didn't feel like I was with someone who was a worker, it just felt like I was with someone I could trust.” (Lee, child/young person, SHiFT Tameside)

Doing the right thing and making ‘the SHiFT difference’ for children, young people and families also realises savings to the public purse. Economic analysis conducted by Cornish & Grey found that for every £1 spent on SHiFT, £8 is saved over five years, and £33 is saved over 20 years. Recent economic analysis related to the Manchester Practice also found that over 12 months, SHiFT has avoided costs of up to £1.07 million by preventing arrests, new offences, and children being accommodated in secure settings or other placements. Similar analysis for SHiFT Middlesbrough at 12 months into Programme evidenced in year cost savings against Budget of £880k and an additional £100k in cost avoidance to the police through reduced arrests and missing episodes.

This evidence gives us confidence that the work with children and young people is having the positive impacts intended, enabling them to rebuild the foundations of their lives and break cycles of crime. Evaluation activities have generated learning that has already been implemented to strengthen the processes of mobilising new SHiFT Practices.

As a result of sustained work over this last year to develop SHiFT's strategic relationships and to communicate the nature and impacts of SHiFT's work, interest in SHiFT from the public sector and from central government is high. We are in active dialogue with the Ministry of Justice, Department for Culture, Media, and Sport, and Department for Education. We now have the approach, the staff team, experience, strategic relationships and evidence to support accelerated growth towards systems change.

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

FOR THE YEAR ENDED 31 MARCH 2025

Balanced picture of achievements against objectives set

Having secured grant funding from the Department for Levelling Up, Housing & Communities (now MHCLG), alongside sustained philanthropic support, SHiFT has grown a high performing national team. We are sustaining Practices and mobilising new Practices that are evidenced to be providing outstanding support for children and families and breaking the destructive cycle of crime. As Practices begin to mature, they are making a growing contribution to influencing systems change within and beyond their Host Organisations.

SHiFT has grown and achieved outcomes largely in the context of the many operational and public health challenges of the Covid-19 pandemic, the cost-of-living crisis thereafter, and ongoing significant pressures on Local Authority funding. Though we might have hoped to have launched more Practices faster, SHiFT Middlesbrough, SHiFT Redcar & Cleveland and SHiFT Kingston & Richmond launched this year and SHiFT Essex and SHiFT Croydon have been scoped, ready for mobilisation and launch in the next financial year. SHiFT is in a strong position to move ahead and has performed well against its aspirations and objectives.

Performance of material fundraising activities against fundraising objectives

SHiFT secured funding from the Department for Levelling Up, Housing & Communities (now MHCLG) to support the creation of four new SHiFT Practices, two of which have now launched and which will deliver two 18-month Programmes. An initial three-year commitment to partnership working between SHiFT and the Host Organisations – rather than just one 18-month programme - provides a more realistic and helpful basis for realising and evidencing the benefits of SHiFT within each local system, including identifying and leveraging opportunities for systems influencing. SHiFT has also continued to enjoy strong philanthropic support, which has enabled the organisation to meet core running costs for the national team.

Positive and negative factors outside of charity control

SHiFT has garnered strong attention from policymakers and senior practitioners, partly as a result of opportune increased focus on the needs and experiences of adolescents (e.g., the Independent Review of Children's Social Care), and the unfortunate ongoing rise in the vulnerabilities and unmet needs of this group, especially since Covid. The highest proven reoffending rate across the youth justice system in England and Wales is for children leaving custody - 64% within 12 months after release. Interest in doing things differently is, therefore, high and the case for change increasingly well understood and considered urgent.

Covid-19, the cost-of-living crisis, and the war in Ukraine have all been negative factors outside of SHiFT's control that have impacted our work. Covid-19 and the cost-of-living crisis have impacted labour markets - people's expectations of work, levels of competition, and increased salary expectations - and, together with the knock-on impacts arising from the war in Ukraine, these factors have added financial pressures to us, and our public sector partners. In this context, government has been pulled in many competing directions and general political instability has been high. The current national political climate is more stable, albeit with ongoing financial challenges and increasing broader social polarisation, including racism and rioting this year and growing traction of far-right groups in some parts of England.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Financial review

During 2024/25, our principal funding sources were the Department for Levelling Up, Housing & Communities (now MHCLG), along with continued strong support from philanthropic donors, trusts and foundations. Increased levels of Local Authority investment (50% rather than 25%) for new SHiFT Practices, and Violence Reduction Unit investment in Greater Manchester, mean that the proportionate need for philanthropic funds to support our growing activities has reduced somewhat.

Moving forward into 2025/26, our key priority is to continue to scale Practices and to deliver on the grant from the Department for Levelling Up, Housing & Communities (now MHCLG), and thereafter reflect on progress and priorities to shape our next organisational strategy.

Total income for period was £2,816,963 (2024: £2,074,821) and total expenditure was £2,052,332 (2024: £1,181,014).

At the end of the financial year, we held a cash balance of £3,848,691 (2024: £3,264,701).

The costs for each 36-month Programme at a new Practice are approximately £1.2 million. SHiFT is now funding 50% of these costs and public sector partners (Local Authorities, Violence Reduction Units and similar partners) are funding the remaining 50%.

The cost of SHiFT's national team (encompassing both staff and non-staff expenditure) has increased in line with Practice growth and is approximately £1,120,000 per year.

Key fundraising needs going forward are:

- Ongoing core costs for the national SHiFT team.
- Funding to support SHiFT's system change ambitions.

Reserves policy

At the end of March 2025, we held total funds of £2,500,256 (2024: £1,735,625) of which:

- £2,058,468 (2024: £991,693) are restricted funds carried over to the following financial year; and
- £441,788 (2024: £743,932) were unrestricted, of which £0 (2024: £152,500) were assigned to the delivery of Programmes in existing Practices, giving an unrestricted and unassigned balance at the end of March 2025 of £441,788.

The organisation's reserves policy is to ensure that, over and above any funds restricted or assigned to each Programme, we maintain between three and six months of reserves to ensure that we can meet our obligations regarding staffing and overheads for the national SHiFT team.

Our central operating costs are approximately £900,000 per annum. As of March 2025, we are operating with approximately six months of free reserves, and within the requirements of our reserves policy.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Principal risks and uncertainties

Risk is carefully identified and managed at all levels of the organisation, with a register of principal risks and activities to mitigate them brought to SHiFT Committees and Board of Trustee meetings. We consider our principal risks to be as follows:

Safeguarding: we are working with a very vulnerable group of children and their families; therefore, safeguarding is one of our principal risks and one that we take incredibly seriously. As our SHiFT Practices are all employed by the Host Organisation in which they are based, Partnership Agreements make clear that it is the responsibility of each Host Organisation to ensure that safeguarding risks are being properly managed within their own safeguarding procedure. Nevertheless, our safeguarding policy sets out our fundamental safeguarding principles which we would expect all of our partners to adhere to, and our quality assurance processes have been developed to ensure that we can check that effective safeguarding is happening in practice. All SHiFT staff receive bi-annual safeguarding training and all national SHiFT staff and Trustees are DBS vetted.

Financial: we are a relatively new charity, relying on, at present, a relatively small number of donors alongside partnership investment from Host Organisations. We have been fortunate to secure funding from the Department for Levelling Up, Housing & Communities, which has meant that we can create four new Practices and use philanthropy to secure extensions across all existing Practices. As we grow the number of Practices, there is also a requirement to grow our national team, to ensure that we are able to provide the level of support needed to each of our existing and new Practices. With this brings additional pressure on our central overheads, which means that we will need to continue to fundraise for this over the coming financial year.

Team recruitment, development and retention: Covid-19 and the cost-of-living crisis have impacted labour markets - people's expectations of work, levels of competition, and increased salary expectations. Together with previous high levels of inflation, this is a real challenge for us, as with others in the sector. Recruiting and retaining outstanding staff is critical to our success. We are investing thoughtfully in learning and development and strengthening our culture and recruitment processes to place us in the best position to attract and retain talent.

Demonstration of impact: while we have made significant progress in the evidencing of impact, we understand that it is fundamental that we are able to show a clear cost-benefit to Host Organisations, and a significant and sustainable impact of the Programme on our beneficiaries compared with traditional management of young people who are in conflict with the law. With that in mind, we are committed to continued detailed evaluation, building towards external impact evaluation that can evidence causation.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Plans for future periods

Our long-term goal is to create and support SHiFT Practices across the UK that will break cycles of crime through the work they do directly with children and young people and through system change leveraged through a new and evidenced approach to practice. We want to change the way in which statutory services are delivered, specifically, so that these achieve stronger and more sustainable outcomes for the children and young people subject to them through their coming into conflict with the law.

Between 2022 and 2025, SHiFT has committed to strengthening its foundations in four key areas:

1. More young people out of crime, safe and thriving

- Launch five new Practices with at least three out of London. New Practices will be targeted in areas of greatest need and where SHiFT can make greatest impact, including by innovating in SHiFT's system entry point and partnership design (e.g. educational partnerships).
- Deepen partnerships with host organisation's, increasing our existing Practices or launching new Practices.
- Testing the SHiFT model within statutory services.
- Support 125 children through its new and existing Practices.
- Continue to develop an ambitious, creative, inclusive practice and learning model that delivers outstanding outcomes for young people and positive domino effects to transform systems.

2. Compelling evidence and organisational learning

- Develop comprehensive and thoroughly theoretically and empirically evidenced theories of individual, community and system change and outcomes frameworks.
- Implement ongoing robust cycle of qualitative and administrative data collection to understand experiences of SHiFT and enrich practice, including through comparative insights across different Practice contexts.
- Gather evidence of outcomes for young people (including emergent longitudinal impacts) and progress towards system change.
- Develop a strong learning culture, centring on reflective practice, and supported by our governance and learning and development programme, thoroughly integrating learning from evaluation to support practice and organisational development.

3. A community of committed changemakers

- Provide sector-leading learning and development opportunities that develop talent and aspiration within SHiFT and develop relationships and share opportunities within our networks.
- Build strategic partnerships with organisations that share our vision for young people and system change.
- Leverage SHiFT's convening power - hosting events and activities that bring together people across policy, practice, research to share their insights and perspectives and influence through collaboration towards a shared vision.
- Develop opportunities for young people with lived experience of SHiFT to use their voice and experiences to influence and contribute, both within and beyond SHiFT.

4. New public conversation

- Committed engagement in relevant commissions, enquiries and calls for evidence.
- High impact, and creative communication of SHiFT's work, including proactive engagement with the media.
- Learning and development opportunities that are open to public.

Structure, governance and management

The charity is controlled by its governing document, Memorandum and Articles, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

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

M B Clark

S Humphreys

R J Pendry

R L Cramer

P V Parkes

Dr L Roberts

S Hazzledine

K Monteith

(Appointed 22 September 2024)

Dr M P Griffiths

(Appointed 26 September 2024)

J Macalister

(Resigned 23 May 2024)

Recruitment and appointment of trustees

SHIFT's four Founders (Sophie Humphreys OBE, Josh MacAlister OBE, Rebecca Cramer and Michael Clark) set up SHIFT through a common interest in identifying more effective ways of breaking the destructive cycle of offending behaviours in children, enabling them to enjoy lives of choice and opportunity.

A subsequent review of skills, knowledge, professional backgrounds and diversity, and Josh MacAlister stepping down to lead a government review in January 2021, led to the engagement of two new Trustees (Rasheed Pendry and Pam Parkes) in September 2020 and one further Trustee (Joe Calouri) in July 2021.

Josh MacAlister re-joined the Board after he completed work on the government review, picking up the baton as Chair from Sophie Humphreys in September 2022.

Following another review of skills, knowledge, professional backgrounds and diversity, and Joe Calouri stepping down due to commitments of a new role, two new Trustees (Dr Luke Roberts and Sarah Hazzeldine) joined the Board in January 2024.

Josh MacAlister stepped down as Chair in February 2024 to focus on his campaign to become an MP, which led to Pam Parkes stepping in as Chair until the Autumn of 2024. In Autumn 2024, the recruitment process for a new Chair concluded and Dr Martin Griffiths was appointed as the new Chair of the Board of Trustees, joined by Keir Monteith KC as a new Trustee.

Organisational structure

We have a small, national team comprising 12 staff. Our central team supports each Host Organisation to create a SHiFT Practice, mobilise the Programme, recruit and train the staff, provide ongoing development and support for operationalising the SHiFT Framework and quality assuring and improving practice, evaluating activities, developing strategic relationships and partners, hosting events and communicating SHiFT's work to a wide range of audiences, as well as fundraising and management/governance of the charity.

SHiFT Bexley, SHiFT Manchester, SHiFT Middlesbrough and SHiFT Redcar & Cleveland all have six staff, comprising one Lead Guide, four Guides and one Practice Coordinator. SHiFT Kingston & Richmond has seven staff, comprising one Team Manager, one Lead Guide, four Guides and one Practice Coordinator. All Practice staff are employed by the Host Organisation (typically, the Local Authority that is partnering with SHiFT).

SHiFT's Board of Trustees is responsible for all governance and strategic decision making. Day-to-day management is delegated to SHiFT's Chief Executive, while the management of each local SHiFT Practice is delegated to the Host Organisation through the Local SHiFT Management Board. Members of the national SHiFT team are standing members of all Local SHiFT Boards. Responsibility for delivery sits clearly with the Host Organisation, underpinned by Memorandum of Understanding/Partnership Agreements that are agreed between SHiFT and the Host Organisation before Practices are created.

We have developed three Committees to the SHiFT Board of Trustees: Finance Committee (chaired by Trustee Michael Clark), Practice Committee (chaired by Trustee Rasheed Pendry), and Research & Evaluation Committee (chaired by Trustee Dr Luke Roberts). All Committees involve a combination of Trustees and some include external, co-opted representation.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Induction and training of trustees

Trustees are provided with a comprehensive induction pack as part of their induction, which includes:

- SHIFT's vision, mission, values and strategic aims
- Previous annual reports, risk register and current year budget
- Guidance on the role of a trustee, the Charity Governance Code and available Charity Commission good practice guidance
- Background research and literature relevant to SHIFT's work

Meetings with the Chair, existing Trustees and the Chief Executive are arranged as part of the induction so that new Trustees can gain a deeper working knowledge of the charity. Visits to existing SHIFT Practices are included as appropriate.

Remuneration policy

Our policy is to benchmark any new roles against comparable roles within the sector. Staff are subsequently offered a salary that considers the skills and experience they bring to the role, pay equality and affordability.

Pay is reviewed annually in March, where we aim to offer a cost-of-living and inflationary environment increases. Any pay review is recommended by the Chief Executive and subject to the approval of the Board. The Chief Executive's salary is reviewed annually by the Board of Trustees. We subscribe to the London Living Wage. We also have a defined contribution pension for all staff after their probation period passed through NEST.


Auditor

In accordance with the company's articles, at the November 2025 AGM a decision will be made on which auditor will be appointed.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

DocuSigned by:

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Dr M P Griffiths

Trustee

Date: 18th December 2025

SHIFT ORGANISATION LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of Shift Organisation Ltd for the purpose 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 year.

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 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SHIFT ORGANISATION LTD

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SHIFT ORGANISATION LTD

Opinion

We have audited the financial statements of Shift Organisation Ltd (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

SHIFT ORGANISATION LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SHIFT ORGANISATION LTD

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The primary responsibility for the prevention and detection of fraud rested with Trustees and management, and we cannot be expected to detect non-compliance with all laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our knowledge of the organisation and sector, enquiries of Trustees and management, and review of regulatory information and correspondence.

We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

We discussed with trustees and management the policies and procedures in place to ensure compliance with laws and regulations and otherwise prevent, deter and detect fraud.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations identified as potentially having a material effect on the financial statements.

Our procedures included review of financial statement information and testing of that information, enquiry of management and examination of relevant documentation, analytical procedures to identify unusual or unexpected relations that may indicate fraud, and procedures to address the risk of fraud through trustee or management override of controls.

SHIFT ORGANISATION LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SHIFT ORGANISATION LTD

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

Sedulo Audit Limited

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Ross Preston CA (Senior Statutory Auditor)

For and on behalf of Sedulo Audit Limited, Statutory Auditor

Chartered Accountants

Office 605 Albert House

256 - 260 Old Street

London

EC1V 9DD

United Kingdom

Date: 18th December 2025

Sedulo Audit Limited is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SHIFT ORGANISATION LTD**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2025**

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	665,853	1,985,975	2,651,828	988,408	1,056,413	2,044,821
Charitable activities	4	150,000	-	150,000	30,000	-	30,000
Investments	5	15,135	-	15,135	-	-	-
Total income		830,988	1,985,975	2,816,963	1,018,408	1,056,413	2,074,821
Expenditure on:							
Charitable activities	6	1,474,145	578,187	2,052,332	905,836	275,178	1,181,014
Total expenditure		1,474,145	578,187	2,052,332	905,836	275,178	1,181,014
Net income/(expenditure)		(643,157)	1,407,788	764,631	112,572	781,235	893,807
Transfers between funds		341,013	(341,013)	-	-	-	-
Net movement in funds	8	(302,144)	1,066,775	764,631	112,572	781,235	893,807
Reconciliation of funds:							
Fund balances at 1 April 2024		743,932	991,693	1,735,625	631,360	210,458	841,818
Fund balances at 31 March 2025		441,788	2,058,468	2,500,256	743,932	991,693	1,735,625

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

The notes on pages 21 to 32 form part of these financial statements.

SHIFT ORGANISATION LTD**BALANCE SHEET****AS AT 31 MARCH 2025**

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Intangible assets	12		12,485		-
Tangible assets	13		12,228		13,512
			<u>24,713</u>		<u>13,512</u>
Current assets					
Debtors	14	191,643		9,725	
Cash at bank and in hand		3,848,691		3,264,701	
		<u>4,040,334</u>		<u>3,274,426</u>	
Creditors: amounts falling due within one year	15	<u>(1,564,791)</u>		<u>(1,552,313)</u>	
Net current assets			<u>2,475,543</u>		<u>1,722,113</u>
Total assets less current liabilities			<u>2,500,256</u>		<u>1,735,625</u>
The funds of the charitable company					
Restricted income funds	18		2,058,468		991,693
Unrestricted funds	19		441,788		743,932
			<u>2,500,256</u>		<u>1,735,625</u>

The notes on pages 21 to 32 form part of these financial statements.

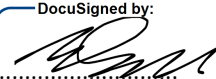
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025, although an audit has been carried out under section 144 of the Charities Act 2011.

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

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 18th December 2025.

DocuSigned by:

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 Dr M P Griffiths
 Trustee

Company registration number 11928188 (England and Wales)

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

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	22		585,717		2,229,604
Investing activities					
Purchase of intangible assets		(14,499)		-	
Purchase of tangible fixed assets		(2,363)		(8,302)	
Investment income received		15,135		-	
Net cash used in investing activities			(1,727)		(8,302)
Net cash generated from financing activities			-		-
Net increase in cash and cash equivalents			583,990		2,221,302
Cash and cash equivalents at beginning of year			3,264,701		1,043,399
Cash and cash equivalents at end of year			3,848,691		3,264,701

The notes on pages 21 to 32 form part of these financial statements.

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Shift Organisation Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Coram Campus, 41 Brunswick Square, London, WC1N 1AZ, United Kingdom.

1.1 Basis of preparation

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

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

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

1.2 Going concern

In making their assessment in relation to going concern, the Trustees have reviewed budgets and forecasts which cover a period of greater than twelve months into the future from the date of approval of these financial statements.

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

1.3 Charitable funds

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

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

1.4 Income

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

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

Income from team fees are recognised in the period to which they relate.

Interest income is recognised in the accounts when receivable.

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Website	Over 3 years
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1.7 Tangible fixed assets

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

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

Computers	20% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

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

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.10 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.11 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.

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (Continued)

1.12 Employee benefits

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

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

1.13 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

There are no material judgements made or critical estimates entailing a high degree of complexity,

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	6,853	-	6,853	200,108	150,000	350,108
Government grants	-	1,800,000	1,800,000	-	791,013	791,013
Trusts and foundations	659,000	185,975	844,975	788,300	115,400	903,700
	<u>665,853</u>	<u>1,985,975</u>	<u>2,651,828</u>	<u>988,408</u>	<u>1,056,413</u>	<u>2,044,821</u>

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Practices		
Team fees	<u>150,000</u>	<u>30,000</u>

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****5 Income from investments**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	15,135	-

6 Expenditure on charitable activities

	Practices 2025 £	Practices 2024 £
Direct costs		
Staff costs	465,649	254,545
Payments to Practices	782,021	457,681
Team training	147,042	20,886
	<u>1,394,712</u>	<u>733,112</u>
Share of support and governance costs (see note 7)		
Support	632,857	430,741
Governance	24,763	17,161
	<u>2,052,332</u>	<u>1,181,014</u>
Analysis by fund		
Unrestricted funds	1,474,145	905,836
Restricted funds	578,187	275,178
	<u>2,052,332</u>	<u>1,181,014</u>

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****7 Support costs allocated to activities**

	2025	2024
	£	£
Staff costs	204,634	185,867
Depreciation	5,661	3,799
Operating lease charges	18,902	18,005
Office costs	10,083	4,697
Insurance	3,821	3,581
Telephone	3,554	776
IT and website	3,925	1,932
Consultancy	271,809	143,220
HR, recruitment and training	29,563	25,336
Bank charges	252	222
Subscriptions	5,960	2,437
Travel costs	74,693	40,869
Governance costs	24,763	17,161
	<u>657,620</u>	<u>447,902</u>

Analysed between:

Practices	657,620	447,902
	<u>657,620</u>	<u>447,902</u>

	2025	2024
	£	£
Governance costs comprise:		
Audit fees	13,860	13,200
Accountancy	10,868	3,913
Legal and professional	35	48
	<u>24,763</u>	<u>17,161</u>

8 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	13,860	13,200
Depreciation of owned tangible fixed assets	3,647	3,799
Amortisation of intangible assets	2,014	-
Operating lease charges	18,902	18,005
	<u>38,423</u>	<u>35,004</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the current and previous year.

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****10 Employees**

The average monthly number of employees during the year was:

2025	2024
Number	Number
12	9
<u> </u>	<u> </u>

Employment costs

	2025	2024
	£	£
Wages and salaries	588,273	386,597
Social security costs	61,118	38,738
Other pension costs	20,892	15,077
	<u>670,283</u>	<u>440,412</u>

During the year, the charity paid £Nil (2023: £20,500) in respect of severance pay to 1 member of staff.

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

	2025	2024
	Number	Number
£60,001 - £70,000	1	-
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	<u> </u>	<u> </u>

Remuneration of key management personnel

Key Management Personnel are considered to be the Chief Executive Officer, the Chief Operating Officer and the Head of Practice. The remuneration of key management personnel was as follows:

	2025	2024
	£	£
Aggregate compensation	280,581	221,769
	<u> </u>	<u> </u>

11 Taxation

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

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****12 Intangible fixed assets**

	Website £
Cost	
At 1 April 2024	-
Additions	14,499
	<u> </u>
At 31 March 2025	14,499
	<u> </u>
Amortisation and impairment	
At 1 April 2024	-
Amortisation charged for the year	2,014
	<u> </u>
At 31 March 2025	2,014
	<u> </u>
Carrying amount	
At 31 March 2025	12,485
	<u> </u>
At 31 March 2024	-
	<u> </u>

13 Tangible fixed assets

	Computers £
Cost	
At 1 April 2024	24,862
Additions	2,363
	<u> </u>
At 31 March 2025	27,225
	<u> </u>
Depreciation and impairment	
At 1 April 2024	11,350
Depreciation charged in the year	3,647
	<u> </u>
At 31 March 2025	14,997
	<u> </u>
Carrying amount	
At 31 March 2025	12,228
	<u> </u>
At 31 March 2024	13,512
	<u> </u>

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****14 Debtors**

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	107,975	-
Other debtors	50,000	-
Prepayments and accrued income	33,668	9,725
	<u>191,643</u>	<u>9,725</u>

15 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Other taxation and social security		25,785	20,870
Deferred income	16	1,350,000	1,350,000
Trade creditors		135,156	73,804
Other creditors		4,123	3,366
Accruals		49,727	104,273
		<u>1,564,791</u>	<u>1,552,313</u>

16 Deferred income

	2025	2024
	£	£
Arising from Deferred grant income	<u>1,350,000</u>	<u>1,350,000</u>

Deferred income relates to amounts received from grants which relate to projects commencing in the next financial year and therefore, not entitled to at the year end.

Deferred income is included in the financial statements as follows:

	2025	2024
	£	£
Deferred income is included within:		
Current liabilities	<u>1,350,000</u>	<u>1,350,000</u>
Movements in the year:		
Deferred income at 1 April 2024	1,350,000	200,000
Released from previous periods	(1,350,000)	(200,000)
Resources deferred in the year	<u>1,350,000</u>	<u>1,350,000</u>
Deferred income at 31 March 2025	<u>1,350,000</u>	<u>1,350,000</u>

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

17 Retirement benefit schemes

	2025	2024
	£	£
Defined contribution schemes		
Charge to statement of financial activities in respect of defined contribution schemes	20,892	15,077

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

18 Restricted funds

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

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Awards for All	6,283	-	(2,688)	-	3,595
Dulverton	30,000	-	(30,000)	-	-
Rayne Foundation	25,000	-	(25,000)	-	-
Bruno Schroder Trust	18,978	185,975	(18,978)	-	185,975
Fidelity UK Foundation	111,419	-	(101,521)	-	9,898
Department for Levelling Up, Housing and Communities	791,013	1,800,000	(400,000)	(341,013)	1,850,000
Million Hours Fund	9,000	-	-	-	9,000
	<u>991,693</u>	<u>1,985,975</u>	<u>(578,187)</u>	<u>(341,013)</u>	<u>2,058,468</u>

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Awards for All	6,517	-	(234)	-	6,283
Dulverton	30,000	-	-	-	30,000
Rayne Foundation	3,744	25,000	(3,744)	-	25,000
Bruno Schroder Trust	100,000	150,000	(231,022)	-	18,978
Fidelity UK Foundation	70,197	81,400	(40,178)	-	111,419
Department for Levelling Up, Housing and Communities	-	791,013	-	-	791,013
Million Hours Fund	-	9,000	-	-	9,000
	<u>210,458</u>	<u>1,056,413</u>	<u>(275,178)</u>	<u>-</u>	<u>991,693</u>

To date we have launched 7 SHiFT Practices in partnership with different local authorities across the country. Each restricted funds covers either 1 Practice or a combination of Practices.

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

19 Unrestricted funds

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

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
General funds	743,932	830,988	(1,474,145)	341,013	441,788
	<u>743,932</u>	<u>830,988</u>	<u>(1,474,145)</u>	<u>341,013</u>	<u>441,788</u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	631,360	1,018,408	(905,836)	-	743,932
	<u>631,360</u>	<u>1,018,408</u>	<u>(905,836)</u>	<u>-</u>	<u>743,932</u>

The Transfer between funds relates to mobilisation costs which are covered by the DLUHC programme.

20 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	2025	2025	2025
	£	£	£
At 31 March 2025:			
Intangible fixed assets	12,485	-	12,485
Tangible assets	12,228	-	12,228
Current assets/(liabilities)	417,075	2,058,468	2,475,543
	<u>441,788</u>	<u>2,058,468</u>	<u>2,500,256</u>
	<u>441,788</u>	<u>2,058,468</u>	<u>2,500,256</u>
	Unrestricted funds	Restricted funds	Total
	2024	2024	2024
	£	£	£
At 31 March 2024:			
Tangible assets	13,512	-	13,512
Current assets/(liabilities)	730,420	991,693	1,722,113
	<u>743,932</u>	<u>991,693</u>	<u>1,735,625</u>
	<u>743,932</u>	<u>991,693</u>	<u>1,735,625</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025**

22 Cash generated from operations	2025	2024
	£	£
Surplus for the year	764,631	893,807
Adjustments for:		
Investment income recognised in statement of financial activities	(15,135)	-
Amortisation and impairment of intangible assets	2,014	-
Depreciation and impairment of tangible fixed assets	3,647	3,799
Movements in working capital:		
(Increase) in debtors	(181,918)	(5,447)
Increase in creditors	12,478	187,445
(Decrease)/increase in deferred income	-	1,150,000
	<hr/>	<hr/>
Cash generated from operations	585,717	2,229,604
	<hr/> <hr/>	<hr/> <hr/>

Charity registration number 1191125 (England and Wales)

Company registration number 11928188

SHIFT ORGANISATION LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

SHIFT ORGANISATION LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M B Clark S Humphreys R J Pendry R L Cramer P V Parkes Dr L Roberts S Hazzledine K Monteith Dr M P Griffiths	(Appointed 22 September 2024) (Appointed 26 September 2024)
Chief executive officer	A Flowers	
Charity number (England and Wales)	1191125	
Company number	11928188	
Registered office	Coram Campus 41 Brunswisk Square London United Kingdom WC1N 1AZ	
Auditor	Sedulo Audit Limited Office 605 Albert House 256 - 260 Old Street London United Kingdom EC1V 9DD	
Bankers	Lloyds Bank 399 Oxford Street London W1C 2BB	

SHIFT ORGANISATION LTD

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SHIFT ORGANISATION LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

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

CONTEXT, PURPOSES AND MEASURES OF SUCCESS

Context to our charitable mission

Growing up is risky business. If, during this critical period of transition, children and young people do not have the right foundations and support, they can become caught up in worsening cycles of harmful behaviour - becoming exploited or exploiting others, and causing serious, sometimes devastating damage, to themselves or others. Lives are lost to criminal and sexual exploitation and the criminal justice system.

Tragically, thousands of children and young people in the UK are growing up vulnerable in such circumstances. Some are causing serious harm and violence, some are victims of serious harm and violence, and most are both. Most are boys and Black, Brown, Mixed Heritage children and young people, and children from Gypsy, Roma and Traveller communities are over-represented within both Youth Justice and the Care System. An increasing number of girls are involved in criminal exploitation, and many are victims of criminal sexual exploitation.

Offending behaviours often mask underlying vulnerabilities, from early childhood trauma and school exclusion to poor health and growing up in poverty. A joint Department for Education and Ministry of Justice report from March 2022, found that 60% of children whose offending had been prolific had been assessed as Children in Need on the 31st March in any given year when aged between 12 and 16. This compared with 38% of children who had been cautioned or sentenced for a serious violence offence, 32% of children who had been cautioned or sentenced for any offence, and only 6% of the all-pupil cohort.

Absence from school is both an indicator that things are going wrong and a catalyst for further problems. According to Department for Education and Ministry of Justice data: "81% of children who had been cautioned or sentenced for an offence had ever been persistently absent, compared to 85% of children who had been cautioned or sentenced for a serious violence offence. Children whose offending had been prolific had the highest proportion recorded as persistently absent at 94%. This compares to 44% of the whole pupil cohort."

SHiFT exists to break the destructive cycle of children and young people caught up in, or at risk of, crime. We seek to transform policy and practice in how young people in these circumstances are seen and supported.

Despite the best efforts of dedicated professionals, many young people and their families are not getting the support they need to move to a place of safety and strength. Too often, current responses to harm and offending exacerbate crisis, compound disadvantage, and deepen harmful cycles. Services and systems are experienced as piecemeal and uncoordinated, with artificial thresholds that create damaging cracks, gaps, and cliff edges. The system has been designed through the lens of disconnected problems rather than the interconnected needs of people and their communities.

This is especially true for teenagers, who are the fastest growing group in both child protection and care. As the Independent Review of Children's Social Care puts it: "Government departments and safeguarding partners have failed to have an effective response to the risks that teenagers face. Different parts of the children's social care, police, education, justice, and health systems are responding differently to the same teenagers. Accountability for keeping these teenagers safe is lacking."

It doesn't need to be like this, and SHiFT is determined to change things - with and for the children we work alongside and with and for the systems that currently work with them.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Charity purposes

SHiFT's purposes, as set out within our Memorandum and Articles of Association are:

'To prevent and relieve the suffering and hardship of young people, particularly, but not exclusively, in circumstances where the young person is displaying, or at risk of displaying, criminal behaviours in such ways as the charity Trustees from time to time think fit, in particular, but not exclusively, through supporting the provision of a therapeutic relationship with a skilled practitioner providing advice, counselling and intense support to those who are involved in or at risk of becoming involved in criminal behaviours, and by facilitating constructive relationships within their system including family, friends and professionals.'

The Trustees have paid due regard to Charity Commission guidance in deciding what activities the charity should undertake and are confident that we are acting within our charity's purposes.

Measures of success

We seek to understand the experience of children and young people being supported by SHiFT and the progress they are making through a ongoing cycle of quality assurance and quality improvement activities, that includes:

- Interviews and focus groups with children and young people.
- Interviews and focus groups with family members of children and young people, and/or professionals from other services who are supporting them.
- The monthly completion and analysis of administrative and practitioner assessment data measuring progress against SHiFT's four outcome domains.

We aim to show progress for the children we are working with against the following outcomes:

All children have equal access to consistently high-quality support and services. Local, regional and national systems are purposed and structured to properly meet even the most complex needs.

POWER AND PURPOSE SHiFT wants children to have the tools and confidence to make choices in their lives, and the skills to cope with setbacks and advocate for themselves to ensure their voices are heard.	LOVED AND CARED FOR SHiFT wants children to know that they matter, to ensure that they are loved and cared for and that there are people there for them when they need it most.
SAFE AND STABLE SHiFT wants children to feel safe where they live - both in the community and with their friends and family - and have stable foundations on which to build positive, crime-free futures	HEALTHY AND HAPPY SHiFT wants children to feel physically and emotionally well, able to access the right wellbeing support, and find opportunities for the things they enjoy doing and that bring them joy.

And through our work with statutory services, key desired outcomes are:

- To demonstrate the practical viability and effectiveness for improving outcomes for children and families of statutory responsibilities being met by using SHiFT's Breaking Cycles practice model.
- To evidence substantial savings and costs avoided by public services investing in SHiFT and working differently, using SHiFT's practice model, with the children and young people in a local area with highest levels of unmet need who have experienced greatest cumulative disadvantage.
- To influence Organisations that host SHiFT Practices in light of the above to sustain their SHiFT Practice, adopting it as business as usual, and to evolve other existing services to grow the influence of SHiFT's approach to the benefit of a wider group of children and families.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

SHIFT is supporting some of the most vulnerable children in our society, most of whom have suffered devastating experiences of trauma, neglect, abuse or poor attachment. Through our work, we will demonstrate that trauma informed, relational and identity forming approaches are both effective and necessary to break entrenched, destructive and sometimes multi-generational cycles of offending. On the basis of our experience and results, we aim to create system change to transform the way that our society collectively guides, educates, diverts and rehabilitates our nation's children who are caught in a complex and destructive cycle of offending and related behaviour.

OBJECTIVES AND ACTIVITIES

SHIFT was set up in 2019, with an objective to demonstrate and embed opportunities for more impactful and cost-effective approaches to breaking the destructive cycle of crime and driving wholesale system change in how society perceives and supports the children and young people we work with.

The SHiFT Programme is based on the Breaking Cycles ingredients, devised by Sophie Humphreys OBE, one of SHiFT's Founders, Trustees and the organisation's former Chair. Instead of defining people by issues such as addictions or criminality, applying the Breaking Cycles ingredients practitioners understand that this behaviour often occurs as a result of previous experiences of trauma, neglect, abuse and poor attachment, and practice focuses first on working with each child or young person as an individual: getting to know them, understanding their hopes and fears, and helping them develop the strong foundations needed to achieve their aspirations.

Using the Breaking Cycles approach, SHiFT wants every child and young person caught up in, or at risk of, crime, to have one intensive, high-quality, trusting, and persistent professional relationship through which most of their needs are met: a flexible, tailored, and tenacious relationship through which professionals do whatever it takes to set children and young people up for safe and bright futures.

SHiFT:

- Start with aspiration, and together we set that bar high. We do not define children by their problems or behaviour. Where children have caused harm we support them to take accountability, while also building their self-worth.
- Support children and young people to change their perceptions of themselves and to challenge others' perceptions of them. We believe in children so that they may believe in themselves.
- Reach children and young people and stay with them wherever they are and wherever they go. We are not constrained by artificial barriers such as age limits, service thresholds or Host Organisation borders.
- Support each child and young person through points of transition from childhood to adulthood, custody to community, from being out of education to getting back to school or work. There is no cliff edge at 18.
- See children and young people as part of families and communities and work with everyone in their world, including especially other professionals, seeking to understand and create sustainable positive change in relationships.
- Work with professionals across boundaries to ensure all children have equal access to consistently high-quality support and services. We support practitioners, managers and funders across agencies and services to ensure local, regional and national systems are purposed and structured to properly meet even the most complex needs.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

SHIFT uses the Breaking Cycles ingredients to inform all aspects of its systemic, anti-racist, and anti-oppressive practice, which is guided by the following five practice principles:

Practice Principle	What this means
Do the rights thing by the child	Holding the child's interests uppermost and at the forefront of everything we do, how and why we do it.
Go for gold	Insisting on exceptional over good; believing that change is possible; taking a hopeful, appreciative, problem-solving approach that opens spaces of possibility.
Hold and pull for help	Staying alongside the child and family no matter what; knowing when to draw on help when needed but staying accountable to make and drive progress for children and families.
Stay in the complexity	Holding multiple stories and ideas about what might be happening; staying curious and uncertain; taking both/and positions.
Step in to step back	Holding clear purpose for everything we're doing, stepping in and out flexibly as children need but always with the goal of children and families flourishing without the need for professional involvement.

SHiFT is scaling high-impact Practices across the UK.

SHiFT Practices are 'insider-outsiders' - working from within existing services (children's services, public health, policing and criminal justice, education, housing) as well as working outside, as part of the national SHiFT community.

A SHiFT Practice typically consists of five SHiFT Guides and a Practice Coordinator. SHiFT Guides are highly skilled practitioners, who have significant experience of working with children and young people who have high levels of unmet need and who have experienced significant cumulative disadvantage. Guides come from a range of professional backgrounds, including social work, youth offending, education, the probation service, and healthcare. Each Practice supports around 27 children. They work alongside and across the statutory system, ensuring duplication is avoided and scarce resources are directed and purposeful. Colleagues who form SHiFT Practices are all employed by Host Organisations (often Local Authorities) in which they are based, and Partnership Agreements make clear that it is the responsibility of each Host Organisation to ensure that safeguarding risks are being properly managed within their own safeguarding procedures.

SHiFT Practices change policy and practice one conversation at a time, infiltrating existing systems and modelling a different threshold-free and aspiration-led way of working alongside children and families. When skilled practitioners see, do, and talk differently, they surface new possibilities and approaches which have powerful, positive domino effects in systems and the lives of children and young people.

Scaling SHiFT Practices across the UK will transform policy and practice - influencing by delivering and demonstrating outstanding outcomes for children and young people, as part of a national community that is building the evidence and practice for change and contributing to new public conversation.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Significant activities

SHiFT's continued focus during the financial year 2024/25 has been on delivering and evidencing outstanding outcomes for children to support the scale and spread of SHiFT Practices and to strengthen the organisation's credibility and insights to support influencing and systems change.

Work in SHiFT Bexley (which began in September 2022) and SHiFT Manchester (in December 2023) is ongoing, benefitting 52 children and young people.

In Summer 2024, we launched our first two Department for Levelling Up, Housing & Communities (now MHCLG) funded Practices in Middlesbrough and Redcar & Cleveland, benefitting 104 children and young people across the South Tees region with agreed arrangements for at least two SHiFT Programmes across 3-year initial partnerships. The key objectives of these Practices are:

SHiFT Middlesbrough:

1. Safely return children to Middlesbrough, who are currently cared for and placed outside of the area, to live with their families or to live in a suitable setting closer to their family and community.
2. Building trusting professional relationships with children with whom services have previously struggled to engage, but for whom risks are escalating, placing them at a heightened risk of becoming entrenched in criminal activity/exploitation and increased risk of requiring high-cost placements in the future, without intensive support.

SHiFT Redcar & Cleveland will work with children and young people who:

1. Are already at high risk of harm through crime and might be cared for children in high-cost placements.
2. May be coming up through the system and where the indicators suggest they are likely to become involved in crime or harmed in the future.

In Autumn 2024 we launched SHiFT Kingston & Richmond, building on work that was started through SHiFT's first pilot Practice in 2020. SHiFT Kingston & Richmond is completely self-funded by the Local Authority with two key strategic objectives:

1. Testing systemic ways of working and the Breaking Cycles ingredients in a statutory context.
2. Evidencing Anti-Racist and Anti-Oppressive approaches in our work.

Scoping for the two further Department for Levelling Up, Housing & Communities (now MHCLG) supported Practices in Tendring, Essex and Croydon is underway. This will see new SHiFT Practice launch in Tendring, Essex in the April of 2025 and in Croydon in Autumn 2025.

The national SHiFT team has grown modestly to meet need across our growing number of Practices and their varied geographies, welcoming a Director of Programmes & Policy, a Learning & Insights Lead, an External Affairs & Communications Lead and a Digital Media and Events Coordinator.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance

Significant activities and achievements against objectives

Since SHiFT was founded in 2019, we have worked with a total of 229 children and their families, 69 of whom had completed work with SHiFT by April 2024.

Between April 2024 and March 2025, work alongside 160 children, young people and their families took place across six SHiFT Practices – SHiFT Bexley, Kingston and Richmond, Middlesbrough, Redcar and Cleveland, Manchester and Tameside.

Before the end of the 2025 calendar year, SHiFT will welcome an additional 201 children and young people to work with a SHiFT Guide in Essex, Croydon, Middlesbrough, Redcar & Cleveland, Bexley, Manchester and Kingston & Richmond. **This means that SHiFT will have reached 430 children and young people by the end of 2025.**

The children and young people SHiFT works with are caught in the destructive cycle of crime. They have high levels of unmet need and are among the most vulnerable and cumulatively disadvantaged in the country.

- 89% are boys and 11% girls.
- 37% are Black, Asian or Mixed Heritage.
- Ages when selected for SHiFT range from 11 to 19, with an average age of 15 years old.

When children and young people started to work with their SHiFT Guide:

- 80% had criminal or sexual exploitation concerns.
- 83% were open to Children's Social Care.
- 39% had a history of domestic abuse.
- 48% had mental health concerns.

In the year prior to SHiFT:

- 82% had been arrested.
- 63% had been reported missing.
- 55% had committed a proven offence.
- 20% had been a victim of serious youth violence.

SHiFT is making substantial positive impacts in the lives of the children and young people it works with, through consistent intensive relational work alongside a highly experienced professional who works with everyone important to a child or young person. Recent analysis of progress data* shows that compared to the year prior to SHiFT:

- Fewer children were arrested, and all Practices saw a decrease in the total number of arrests with a 24% reduction overall.
- The total number of proven offences committed by children has decreased, with a 28% reduction.
- Fewer children were reported missing overall compared to the year prior to SHiFT (23% reduction).
- Children's Social Care involvement for under 18s has ended for 21 children during their time with SHiFT, demonstrating a reduction of risk and fewer professionals involved in children's and families' lives.

*for the 84 children who were working with a Guide as of April 2025 and have been working with SHiFT for at least 11 months

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Qualitative data also evidence substantial positive impact:

"So I was just in a bad place and [my SHiFT Guide] brought me back to life [...] If I didn't choose to keep [my SHiFT Guide], then look where I would've been [...] I'd probably be dead or something. Hundred percent." (Kyle, child/young person, SHiFT Redcar and Cleveland)

"There was a part of me at one point that I felt like I'd lost the [child] that I knew and I'm slowly but surely seeing him come back now going and getting involved with doing the things that he's done with [Guide], like going to the marathon, and the amount of respect that he actually shows her and stuff. That's the old [child] before he was getting all this bother." (Charlotte, family member/carer, SHiFT Manchester)

"It didn't feel like I was with someone who was a worker, it just felt like I was with someone I could trust." (Lee, child/young person, SHiFT Tameside)

Doing the right thing and making 'the SHiFT difference' for children, young people and families also realises savings to the public purse. Economic analysis conducted by Cornish & Grey found that for every £1 spent on SHiFT, £8 is saved over five years, and £33 is saved over 20 years. Recent economic analysis related to the Manchester Practice also found that over 12 months, SHiFT has avoided costs of up to £1.07 million by preventing arrests, new offences, and children being accommodated in secure settings or other placements. Similar analysis for SHiFT Middlesbrough at 12 months into Programme evidenced in year cost savings against Budget of £880k and an additional £100k in cost avoidance to the police through reduced arrests and missing episodes.

This evidence gives us confidence that the work with children and young people is having the positive impacts intended, enabling them to rebuild the foundations of their lives and break cycles of crime. Evaluation activities have generated learning that has already been implemented to strengthen the processes of mobilising new SHiFT Practices.

As a result of sustained work over this last year to develop SHiFT's strategic relationships and to communicate the nature and impacts of SHiFT's work, interest in SHiFT from the public sector and from central government is high. We are in active dialogue with the Ministry of Justice, Department for Culture, Media, and Sport, and Department for Education. We now have the approach, the staff team, experience, strategic relationships and evidence to support accelerated growth towards systems change.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Balanced picture of achievements against objectives set

Having secured grant funding from the Department for Levelling Up, Housing & Communities (now MHCLG), alongside sustained philanthropic support, SHiFT has grown a high performing national team. We are sustaining Practices and mobilising new Practices that are evidenced to be providing outstanding support for children and families and breaking the destructive cycle of crime. As Practices begin to mature, they are making a growing contribution to influencing systems change within and beyond their Host Organisations.

SHiFT has grown and achieved outcomes largely in the context of the many operational and public health challenges of the Covid-19 pandemic, the cost-of-living crisis thereafter, and ongoing significant pressures on Local Authority funding. Though we might have hoped to have launched more Practices faster, SHiFT Middlesbrough, SHiFT Redcar & Cleveland and SHiFT Kingston & Richmond launched this year and SHiFT Essex and SHiFT Croydon have been scoped, ready for mobilisation and launch in the next financial year. SHiFT is in a strong position to move ahead and has performed well against its aspirations and objectives.

Performance of material fundraising activities against fundraising objectives

SHiFT secured funding from the Department for Levelling Up, Housing & Communities (now MHCLG) to support the creation of four new SHiFT Practices, two of which have now launched and which will deliver two 18-month Programmes. An initial three-year commitment to partnership working between SHiFT and the Host Organisations – rather than just one 18-month programme - provides a more realistic and helpful basis for realising and evidencing the benefits of SHiFT within each local system, including identifying and leveraging opportunities for systems influencing. SHiFT has also continued to enjoy strong philanthropic support, which has enabled the organisation to meet core running costs for the national team.

Positive and negative factors outside of charity control

SHiFT has garnered strong attention from policymakers and senior practitioners, partly as a result of opportune increased focus on the needs and experiences of adolescents (e.g., the Independent Review of Children's Social Care), and the unfortunate ongoing rise in the vulnerabilities and unmet needs of this group, especially since Covid. The highest proven reoffending rate across the youth justice system in England and Wales is for children leaving custody - 64% within 12 months after release. Interest in doing things differently is, therefore, high and the case for change increasingly well understood and considered urgent.

Covid-19, the cost-of-living crisis, and the war in Ukraine have all been negative factors outside of SHiFT's control that have impacted our work. Covid-19 and the cost-of-living crisis have impacted labour markets - people's expectations of work, levels of competition, and increased salary expectations - and, together with the knock-on impacts arising from the war in Ukraine, these factors have added financial pressures to us, and our public sector partners. In this context, government has been pulled in many competing directions and general political instability has been high. The current national political climate is more stable, albeit with ongoing financial challenges and increasing broader social polarisation, including racism and rioting this year and growing traction of far-right groups in some parts of England.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Financial review

During 2024/25, our principal funding sources were the Department for Levelling Up, Housing & Communities (now MHCLG), along with continued strong support from philanthropic donors, trusts and foundations. Increased levels of Local Authority investment (50% rather than 25%) for new SHiFT Practices, and Violence Reduction Unit investment in Greater Manchester, mean that the proportionate need for philanthropic funds to support our growing activities has reduced somewhat.

Moving forward into 2025/26, our key priority is to continue to scale Practices and to deliver on the grant from the Department for Levelling Up, Housing & Communities (now MHCLG), and thereafter reflect on progress and priorities to shape our next organisational strategy.

Total income for period was £2,816,963 (2024: £2,074,821) and total expenditure was £2,052,332 (2024: £1,181,014).

At the end of the financial year, we held a cash balance of £3,848,691 (2024: £3,264,701).

The costs for each 36-month Programme at a new Practice are approximately £1.2 million. SHiFT is now funding 50% of these costs and public sector partners (Local Authorities, Violence Reduction Units and similar partners) are funding the remaining 50%.

The cost of SHiFT's national team (encompassing both staff and non-staff expenditure) has increased in line with Practice growth and is approximately £1,120,000 per year.

Key fundraising needs going forward are:

- Ongoing core costs for the national SHiFT team.
- Funding to support SHiFT's system change ambitions.

Reserves policy

At the end of March 2025, we held total funds of £2,500,256 (2024: £1,735,625) of which:

- £2,058,468 (2024: £991,693) are restricted funds carried over to the following financial year; and
- £441,788 (2024: £743,932) were unrestricted, of which £0 (2024: £152,500) were assigned to the delivery of Programmes in existing Practices, giving an unrestricted and unassigned balance at the end of March 2025 of £441,788.

The organisation's reserves policy is to ensure that, over and above any funds restricted or assigned to each Programme, we maintain between three and six months of reserves to ensure that we can meet our obligations regarding staffing and overheads for the national SHiFT team.

Our central operating costs are approximately £900,000 per annum. As of March 2025, we are operating with approximately six months of free reserves, and within the requirements of our reserves policy.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Principal risks and uncertainties

Risk is carefully identified and managed at all levels of the organisation, with a register of principal risks and activities to mitigate them brought to SHiFT Committees and Board of Trustee meetings. We consider our principal risks to be as follows:

Safeguarding: we are working with a very vulnerable group of children and their families; therefore, safeguarding is one of our principal risks and one that we take incredibly seriously. As our SHiFT Practices are all employed by the Host Organisation in which they are based, Partnership Agreements make clear that it is the responsibility of each Host Organisation to ensure that safeguarding risks are being properly managed within their own safeguarding procedure. Nevertheless, our safeguarding policy sets out our fundamental safeguarding principles which we would expect all of our partners to adhere to, and our quality assurance processes have been developed to ensure that we can check that effective safeguarding is happening in practice. All SHiFT staff receive bi-annual safeguarding training and all national SHiFT staff and Trustees are DBS vetted.

Financial: we are a relatively new charity, relying on, at present, a relatively small number of donors alongside partnership investment from Host Organisations. We have been fortunate to secure funding from the Department for Levelling Up, Housing & Communities, which has meant that we can create four new Practices and use philanthropy to secure extensions across all existing Practices. As we grow the number of Practices, there is also a requirement to grow our national team, to ensure that we are able to provide the level of support needed to each of our existing and new Practices. With this brings additional pressure on our central overheads, which means that we will need to continue to fundraise for this over the coming financial year.

Team recruitment, development and retention: Covid-19 and the cost-of-living crisis have impacted labour markets - people's expectations of work, levels of competition, and increased salary expectations. Together with previous high levels of inflation, this is a real challenge for us, as with others in the sector. Recruiting and retaining outstanding staff is critical to our success. We are investing thoughtfully in learning and development and strengthening our culture and recruitment processes to place us in the best position to attract and retain talent.

Demonstration of impact: while we have made significant progress in the evidencing of impact, we understand that it is fundamental that we are able to show a clear cost-benefit to Host Organisations, and a significant and sustainable impact of the Programme on our beneficiaries compared with traditional management of young people who are in conflict with the law. With that in mind, we are committed to continued detailed evaluation, building towards external impact evaluation that can evidence causation.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Plans for future periods

Our long-term goal is to create and support SHiFT Practices across the UK that will break cycles of crime through the work they do directly with children and young people and through system change leveraged through a new and evidenced approach to practice. We want to change the way in which statutory services are delivered, specifically, so that these achieve stronger and more sustainable outcomes for the children and young people subject to them through their coming into conflict with the law.

Between 2022 and 2025, SHiFT has committed to strengthening its foundations in four key areas:

1. More young people out of crime, safe and thriving

- Launch five new Practices with at least three out of London. New Practices will be targeted in areas of greatest need and where SHiFT can make greatest impact, including by innovating in SHiFT's system entry point and partnership design (e.g. educational partnerships).
- Deepen partnerships with host organisation's, increasing our existing Practices or launching new Practices.
- Testing the SHiFT model within statutory services.
- Support 125 children through its new and existing Practices.
- Continue to develop an ambitious, creative, inclusive practice and learning model that delivers outstanding outcomes for young people and positive domino effects to transform systems.

2. Compelling evidence and organisational learning

- Develop comprehensive and thoroughly theoretically and empirically evidenced theories of individual, community and system change and outcomes frameworks.
- Implement ongoing robust cycle of qualitative and administrative data collection to understand experiences of SHiFT and enrich practice, including through comparative insights across different Practice contexts.
- Gather evidence of outcomes for young people (including emergent longitudinal impacts) and progress towards system change.
- Develop a strong learning culture, centring on reflective practice, and supported by our governance and learning and development programme, thoroughly integrating learning from evaluation to support practice and organisational development.

3. A community of committed changemakers

- Provide sector-leading learning and development opportunities that develop talent and aspiration within SHiFT and develop relationships and share opportunities within our networks.
- Build strategic partnerships with organisations that share our vision for young people and system change.
- Leverage SHiFT's convening power - hosting events and activities that bring together people across policy, practice, research to share their insights and perspectives and influence through collaboration towards a shared vision.
- Develop opportunities for young people with lived experience of SHiFT to use their voice and experiences to influence and contribute, both within and beyond SHiFT.

4. New public conversation

- Committed engagement in relevant commissions, enquiries and calls for evidence.
- High impact, and creative communication of SHiFT's work, including proactive engagement with the media.
- Learning and development opportunities that are open to public.

Structure, governance and management

The charity is controlled by its governing document, Memorandum and Articles, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

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

M B Clark

S Humphreys

R J Pendry

R L Cramer

P V Parkes

Dr L Roberts

S Hazzledine

K Monteith

(Appointed 22 September 2024)

Dr M P Griffiths

(Appointed 26 September 2024)

J Macalister

(Resigned 23 May 2024)

Recruitment and appointment of trustees

SHIFT's four Founders (Sophie Humphreys OBE, Josh MacAlister OBE, Rebecca Cramer and Michael Clark) set up SHIFT through a common interest in identifying more effective ways of breaking the destructive cycle of offending behaviours in children, enabling them to enjoy lives of choice and opportunity.

A subsequent review of skills, knowledge, professional backgrounds and diversity, and Josh MacAlister stepping down to lead a government review in January 2021, led to the engagement of two new Trustees (Rasheed Pendry and Pam Parkes) in September 2020 and one further Trustee (Joe Calouri) in July 2021.

Josh MacAlister re-joined the Board after he completed work on the government review, picking up the baton as Chair from Sophie Humphreys in September 2022.

Following another review of skills, knowledge, professional backgrounds and diversity, and Joe Calouri stepping down due to commitments of a new role, two new Trustees (Dr Luke Roberts and Sarah Hazzeldine) joined the Board in January 2024.

Josh MacAlister stepped down as Chair in February 2024 to focus on his campaign to become an MP, which led to Pam Parkes stepping in as Chair until the Autumn of 2024. In Autumn 2024, the recruitment process for a new Chair concluded and Dr Martin Griffiths was appointed as the new Chair of the Board of Trustees, joined by Keir Monteith KC as a new Trustee.

Organisational structure

We have a small, national team comprising 12 staff. Our central team supports each Host Organisation to create a SHiFT Practice, mobilise the Programme, recruit and train the staff, provide ongoing development and support for operationalising the SHiFT Framework and quality assuring and improving practice, evaluating activities, developing strategic relationships and partners, hosting events and communicating SHiFT's work to a wide range of audiences, as well as fundraising and management/governance of the charity.

SHiFT Bexley, SHiFT Manchester, SHiFT Middlesbrough and SHiFT Redcar & Cleveland all have six staff, comprising one Lead Guide, four Guides and one Practice Coordinator. SHiFT Kingston & Richmond has seven staff, comprising one Team Manager, one Lead Guide, four Guides and one Practice Coordinator. All Practice staff are employed by the Host Organisation (typically, the Local Authority that is partnering with SHiFT).

SHiFT's Board of Trustees is responsible for all governance and strategic decision making. Day-to-day management is delegated to SHiFT's Chief Executive, while the management of each local SHiFT Practice is delegated to the Host Organisation through the Local SHiFT Management Board. Members of the national SHiFT team are standing members of all Local SHiFT Boards. Responsibility for delivery sits clearly with the Host Organisation, underpinned by Memorandum of Understanding/Partnership Agreements that are agreed between SHiFT and the Host Organisation before Practices are created.

We have developed three Committees to the SHiFT Board of Trustees: Finance Committee (chaired by Trustee Michael Clark), Practice Committee (chaired by Trustee Rasheed Pendry), and Research & Evaluation Committee (chaired by Trustee Dr Luke Roberts). All Committees involve a combination of Trustees and some include external, co-opted representation.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2025

Induction and training of trustees

Trustees are provided with a comprehensive induction pack as part of their induction, which includes:

- SHIFT's vision, mission, values and strategic aims
- Previous annual reports, risk register and current year budget
- Guidance on the role of a trustee, the Charity Governance Code and available Charity Commission good practice guidance
- Background research and literature relevant to SHIFT's work

Meetings with the Chair, existing Trustees and the Chief Executive are arranged as part of the induction so that new Trustees can gain a deeper working knowledge of the charity. Visits to existing SHIFT Practices are included as appropriate.

Remuneration policy

Our policy is to benchmark any new roles against comparable roles within the sector. Staff are subsequently offered a salary that considers the skills and experience they bring to the role, pay equality and affordability.

Pay is reviewed annually in March, where we aim to offer a cost-of-living and inflationary environment increases. Any pay review is recommended by the Chief Executive and subject to the approval of the Board. The Chief Executive's salary is reviewed annually by the Board of Trustees. We subscribe to the London Living Wage. We also have a defined contribution pension for all staff after their probation period passed through NEST.


Auditor

In accordance with the company's articles, at the November 2025 AGM a decision will be made on which auditor will be appointed.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

DocuSigned by:

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Dr M P Griffiths

Trustee

Date: 18th December 2025

SHIFT ORGANISATION LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of Shift Organisation Ltd for the purpose 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 year.

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 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SHIFT ORGANISATION LTD

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SHIFT ORGANISATION LTD

Opinion

We have audited the financial statements of Shift Organisation Ltd (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

SHIFT ORGANISATION LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SHIFT ORGANISATION LTD

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The primary responsibility for the prevention and detection of fraud rested with Trustees and management, and we cannot be expected to detect non-compliance with all laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our knowledge of the organisation and sector, enquiries of Trustees and management, and review of regulatory information and correspondence.

We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

We discussed with trustees and management the policies and procedures in place to ensure compliance with laws and regulations and otherwise prevent, deter and detect fraud.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations identified as potentially having a material effect on the financial statements.

Our procedures included review of financial statement information and testing of that information, enquiry of management and examination of relevant documentation, analytical procedures to identify unusual or unexpected relations that may indicate fraud, and procedures to address the risk of fraud through trustee or management override of controls.

SHIFT ORGANISATION LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SHIFT ORGANISATION LTD

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

Sedulo Audit Limited

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Ross Preston CA (Senior Statutory Auditor)

For and on behalf of Sedulo Audit Limited, Statutory Auditor

Chartered Accountants

Office 605 Albert House

256 - 260 Old Street

London

EC1V 9DD

United Kingdom

Date: 18th December 2025

Sedulo Audit Limited is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SHIFT ORGANISATION LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	665,853	1,985,975	2,651,828	988,408	1,056,413	2,044,821
Charitable activities	4	150,000	-	150,000	30,000	-	30,000
Investments	5	15,135	-	15,135	-	-	-
Total income		830,988	1,985,975	2,816,963	1,018,408	1,056,413	2,074,821
Expenditure on:							
Charitable activities	6	1,474,145	578,187	2,052,332	905,836	275,178	1,181,014
Total expenditure		1,474,145	578,187	2,052,332	905,836	275,178	1,181,014
Net income/(expenditure)		(643,157)	1,407,788	764,631	112,572	781,235	893,807
Transfers between funds		341,013	(341,013)	-	-	-	-
Net movement in funds	8	(302,144)	1,066,775	764,631	112,572	781,235	893,807
Reconciliation of funds:							
Fund balances at 1 April 2024		743,932	991,693	1,735,625	631,360	210,458	841,818
Fund balances at 31 March 2025		441,788	2,058,468	2,500,256	743,932	991,693	1,735,625

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

The notes on pages 21 to 32 form part of these financial statements.

SHIFT ORGANISATION LTD**BALANCE SHEET****AS AT 31 MARCH 2025**

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Intangible assets	12		12,485		-
Tangible assets	13		12,228		13,512
			24,713		13,512
Current assets					
Debtors	14	191,643		9,725	
Cash at bank and in hand		3,848,691		3,264,701	
		4,040,334		3,274,426	
Creditors: amounts falling due within one year	15	(1,564,791)		(1,552,313)	
Net current assets			2,475,543		1,722,113
Total assets less current liabilities			2,500,256		1,735,625
The funds of the charitable company					
Restricted income funds	18		2,058,468		991,693
Unrestricted funds	19		441,788		743,932
			2,500,256		1,735,625

The notes on pages 21 to 32 form part of these financial statements.

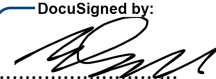
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025, although an audit has been carried out under section 144 of the Charities Act 2011.

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

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 18th December 2025.

DocuSigned by:

 0A4E9BD3B66F48C...
 Dr M P Griffiths
 Trustee

Company registration number 11928188 (England and Wales)

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

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	22		585,717		2,229,604
Investing activities					
Purchase of intangible assets		(14,499)		-	
Purchase of tangible fixed assets		(2,363)		(8,302)	
Investment income received		15,135		-	
Net cash used in investing activities			(1,727)		(8,302)
Net cash generated from financing activities			-		-
Net increase in cash and cash equivalents			583,990		2,221,302
Cash and cash equivalents at beginning of year			3,264,701		1,043,399
Cash and cash equivalents at end of year			3,848,691		3,264,701

The notes on pages 21 to 32 form part of these financial statements.

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Shift Organisation Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Coram Campus, 41 Brunswick Square, London, WC1N 1AZ, United Kingdom.

1.1 Basis of preparation

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

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

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

1.2 Going concern

In making their assessment in relation to going concern, the Trustees have reviewed budgets and forecasts which cover a period of greater than twelve months into the future from the date of approval of these financial statements.

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

1.3 Charitable funds

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

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

1.4 Income

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

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

Income from team fees are recognised in the period to which they relate.

Interest income is recognised in the accounts when receivable.

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Website	Over 3 years
---------	--------------

1.7 Tangible fixed assets

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

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

Computers	20% straight line
-----------	-------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

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

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.10 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.11 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.

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (Continued)

1.12 Employee benefits

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

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

1.13 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

There are no material judgements made or critical estimates entailing a high degree of complexity,

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	6,853	-	6,853	200,108	150,000	350,108
Government grants	-	1,800,000	1,800,000	-	791,013	791,013
Trusts and foundations	659,000	185,975	844,975	788,300	115,400	903,700
	<u>665,853</u>	<u>1,985,975</u>	<u>2,651,828</u>	<u>988,408</u>	<u>1,056,413</u>	<u>2,044,821</u>

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Practices		
Team fees	<u>150,000</u>	<u>30,000</u>

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****5 Income from investments**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	15,135	-

6 Expenditure on charitable activities

	Practices 2025 £	Practices 2024 £
Direct costs		
Staff costs	465,649	254,545
Payments to Practices	782,021	457,681
Team training	147,042	20,886
	<u>1,394,712</u>	<u>733,112</u>
Share of support and governance costs (see note 7)		
Support	632,857	430,741
Governance	24,763	17,161
	<u>2,052,332</u>	<u>1,181,014</u>
Analysis by fund		
Unrestricted funds	1,474,145	905,836
Restricted funds	578,187	275,178
	<u>2,052,332</u>	<u>1,181,014</u>

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 Support costs allocated to activities

	2025	2024
	£	£
Staff costs	204,634	185,867
Depreciation	5,661	3,799
Operating lease charges	18,902	18,005
Office costs	10,083	4,697
Insurance	3,821	3,581
Telephone	3,554	776
IT and website	3,925	1,932
Consultancy	271,809	143,220
HR, recruitment and training	29,563	25,336
Bank charges	252	222
Subscriptions	5,960	2,437
Travel costs	74,693	40,869
Governance costs	24,763	17,161
	<u>657,620</u>	<u>447,902</u>

Analysed between:

Practices	<u>657,620</u>	<u>447,902</u>
-----------	----------------	----------------

	2025	2024
	£	£
Governance costs comprise:		
Audit fees	13,860	13,200
Accountancy	10,868	3,913
Legal and professional	35	48
	<u>24,763</u>	<u>17,161</u>

8 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	13,860	13,200
Depreciation of owned tangible fixed assets	3,647	3,799
Amortisation of intangible assets	2,014	-
Operating lease charges	18,902	18,005
	<u>38,423</u>	<u>35,804</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the current and previous year.

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****10 Employees**

The average monthly number of employees during the year was:

2025	2024
Number	Number
12	9
<u> </u>	<u> </u>

Employment costs

	2025	2024
	£	£
Wages and salaries	588,273	386,597
Social security costs	61,118	38,738
Other pension costs	20,892	15,077
	<u>670,283</u>	<u>440,412</u>

During the year, the charity paid £Nil (2023: £20,500) in respect of severance pay to 1 member of staff.

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

	2025	2024
	Number	Number
£60,001 - £70,000	1	-
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	<u> </u>	<u> </u>

Remuneration of key management personnel

Key Management Personnel are considered to be the Chief Executive Officer, the Chief Operating Officer and the Head of Practice. The remuneration of key management personnel was as follows:

	2025	2024
	£	£
Aggregate compensation	280,581	221,769
	<u> </u>	<u> </u>

11 Taxation

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

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****12 Intangible fixed assets**

	Website £
Cost	
At 1 April 2024	-
Additions	14,499
	<u> </u>
At 31 March 2025	14,499
	<u> </u>
Amortisation and impairment	
At 1 April 2024	-
Amortisation charged for the year	2,014
	<u> </u>
At 31 March 2025	2,014
	<u> </u>
Carrying amount	
At 31 March 2025	12,485
	<u> </u>
At 31 March 2024	-
	<u> </u>

13 Tangible fixed assets

	Computers £
Cost	
At 1 April 2024	24,862
Additions	2,363
	<u> </u>
At 31 March 2025	27,225
	<u> </u>
Depreciation and impairment	
At 1 April 2024	11,350
Depreciation charged in the year	3,647
	<u> </u>
At 31 March 2025	14,997
	<u> </u>
Carrying amount	
At 31 March 2025	12,228
	<u> </u>
At 31 March 2024	13,512
	<u> </u>

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****14 Debtors**

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	107,975	-
Other debtors	50,000	-
Prepayments and accrued income	33,668	9,725
	<u>191,643</u>	<u>9,725</u>

15 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Other taxation and social security		25,785	20,870
Deferred income	16	1,350,000	1,350,000
Trade creditors		135,156	73,804
Other creditors		4,123	3,366
Accruals		49,727	104,273
		<u>1,564,791</u>	<u>1,552,313</u>

16 Deferred income

	2025	2024
	£	£
Arising from Deferred grant income	<u>1,350,000</u>	<u>1,350,000</u>

Deferred income relates to amounts received from grants which relate to projects commencing in the next financial year and therefore, not entitled to at the year end.

Deferred income is included in the financial statements as follows:

	2025	2024
	£	£
Deferred income is included within:		
Current liabilities	<u>1,350,000</u>	<u>1,350,000</u>
Movements in the year:		
Deferred income at 1 April 2024	1,350,000	200,000
Released from previous periods	(1,350,000)	(200,000)
Resources deferred in the year	<u>1,350,000</u>	<u>1,350,000</u>
Deferred income at 31 March 2025	<u>1,350,000</u>	<u>1,350,000</u>

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

17 Retirement benefit schemes

	2025	2024
	£	£
Defined contribution schemes		
Charge to statement of financial activities in respect of defined contribution schemes	20,892	15,077

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

18 Restricted funds

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

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Awards for All	6,283	-	(2,688)	-	3,595
Dulverton	30,000	-	(30,000)	-	-
Rayne Foundation	25,000	-	(25,000)	-	-
Bruno Schroder Trust	18,978	185,975	(18,978)	-	185,975
Fidelity UK Foundation	111,419	-	(101,521)	-	9,898
Department for Levelling Up, Housing and Communities	791,013	1,800,000	(400,000)	(341,013)	1,850,000
Million Hours Fund	9,000	-	-	-	9,000
	<u>991,693</u>	<u>1,985,975</u>	<u>(578,187)</u>	<u>(341,013)</u>	<u>2,058,468</u>

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Awards for All	6,517	-	(234)	-	6,283
Dulverton	30,000	-	-	-	30,000
Rayne Foundation	3,744	25,000	(3,744)	-	25,000
Bruno Schroder Trust	100,000	150,000	(231,022)	-	18,978
Fidelity UK Foundation	70,197	81,400	(40,178)	-	111,419
Department for Levelling Up, Housing and Communities	-	791,013	-	-	791,013
Million Hours Fund	-	9,000	-	-	9,000
	<u>210,458</u>	<u>1,056,413</u>	<u>(275,178)</u>	<u>-</u>	<u>991,693</u>

To date we have launched 7 SHiFT Practices in partnership with different local authorities across the country. Each restricted funds covers either 1 Practice or a combination of Practices.

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

19 Unrestricted funds

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

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
General funds	743,932	830,988	(1,474,145)	341,013	441,788
	<u>743,932</u>	<u>830,988</u>	<u>(1,474,145)</u>	<u>341,013</u>	<u>441,788</u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	631,360	1,018,408	(905,836)	-	743,932
	<u>631,360</u>	<u>1,018,408</u>	<u>(905,836)</u>	<u>-</u>	<u>743,932</u>

The Transfer between funds relates to mobilisation costs which are covered by the DLUHC programme.

20 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	2025	2025	2025
	£	£	£
At 31 March 2025:			
Intangible fixed assets	12,485	-	12,485
Tangible assets	12,228	-	12,228
Current assets/(liabilities)	417,075	2,058,468	2,475,543
	<u>441,788</u>	<u>2,058,468</u>	<u>2,500,256</u>
	<u>441,788</u>	<u>2,058,468</u>	<u>2,500,256</u>
	Unrestricted funds	Restricted funds	Total
	2024	2024	2024
	£	£	£
At 31 March 2024:			
Tangible assets	13,512	-	13,512
Current assets/(liabilities)	730,420	991,693	1,722,113
	<u>743,932</u>	<u>991,693</u>	<u>1,735,625</u>
	<u>743,932</u>	<u>991,693</u>	<u>1,735,625</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025**

22 Cash generated from operations	2025	2024
	£	£
Surplus for the year	764,631	893,807
Adjustments for:		
Investment income recognised in statement of financial activities	(15,135)	-
Amortisation and impairment of intangible assets	2,014	-
Depreciation and impairment of tangible fixed assets	3,647	3,799
Movements in working capital:		
(Increase) in debtors	(181,918)	(5,447)
Increase in creditors	12,478	187,445
(Decrease)/increase in deferred income	-	1,150,000
	<hr/>	<hr/>
Cash generated from operations	585,717	2,229,604
	<hr/> <hr/>	<hr/> <hr/>

SEDULO

Shift Organisation Ltd ('SHiFT') Audit Findings Report

Year ended 31 March 2025

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Engagement Lead

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Dave Wallis
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Shift Organisation Ltd ('SHiFT')
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WC1N 1AZ

Dear Trustees and Management,

Audit Findings Report for SHiFT for the year ended 31 March 2025.

As auditor we were responsible for performing an audit of the financial statements of SHiFT for the year ended 31 March 2025, in accordance with International Standards on Auditing (ISAs) (UK), which was directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of financial statements which give a true and fair view.

This Audit Findings Report sets out the status of our audit and our findings to date, as required by ISA (UK) 260. Its contents have been discussed with SHiFT's management and members of the Board of Trustees. We have issued this report prior to approval of the financial statements; it presents our observations arising from the audit that are significant and relevant to the responsibility of those charged with governance to oversee the financial reporting process. In this report we have communicated any deficiencies in internal control identified during the audit to those charged with governance, and have set out other relevant findings as required by ISA (UK) 260, including misstatements identified during the audit.

The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit completion process. It is not a comprehensive record of all the relevant matters and may be subject to change up to the date of signature of our independent auditor's report. In particular, we cannot be held responsible to you for reporting all of the risks which may affect your business or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted or copied in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

We'd like to take this opportunity to thank all of SHiFT's management team who assisted with the provision of deliverables and response to our queries, that were necessary to complete our audit work. Notably, we express our gratitude to the hard work and dedication of Rebecca Tankard.

Ross Preston CA
Audit Responsible Individual

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Observations in respect of significant risks.

Significant risk	Commentary
<p>The revenue cycle includes fraudulent transactions.</p> <p>Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue.</p>	<p>Total income, for the year ended 31 March 2025: £2,816,963 (2024: £2,074,821).</p> <p>Sedulo has performed substantive procedures to address the risks surrounding revenue recognition for each of the revenue streams.</p> <p>Fraud – Ensured revenue transactions had the correct supporting documents to verify they are bona fide transactions and not indicative of fraud.</p> <p>Income recognition – We have reviewed the income recognition policies for reasonableness, consistency with the prior period and compliance with FRS102 and principles of the Charities SORP. We discussed and documented income procedures with management to aid our understanding of the procedures in place. We also performed walkthroughs over income cycles to test the design effectiveness of controls relevant to the audit.</p> <p>We performed tests of detail on the revenue population across the various revenue streams which included:</p> <ul style="list-style-type: none">▪ Substantive testing on a sample basis on each of the main revenue streams:<ul style="list-style-type: none">○ Trusts and foundations○ Government grants○ Individual donations○ Team fees.▪ Review of any items identified as large or unusual within income. <p>Conclusion</p> <p>Following the work performed, no issues were noted and therefore no indication of material misstatement. Reasonable assurance obtained from work performed.</p>

Observations in respect of significant risks.

Significant risk	Commentary
<p>Management override of controls.</p> <p>Under ISA (UK) 240 there is a rebuttable presumed risk that management has the ability to override controls.</p>	<p>We note that this risk is pervasive to the financial statements and as such we have not identified specific accounts or financial statement line items, rather all transactions in the ledger are considered to carry the risk of management override. As part of our response to the significant risk, the engagement team performed the following:</p> <ul style="list-style-type: none">▪ We performed an assessment of key estimates and judgements made by management, understanding which carried risks of potential misstatement. We assessed these key items and the level of complexity and management judgement involved, testing the assumptions made and the reasonableness of these.▪ We discussed with management and documented a comprehensive assessment of the process for posting transactions to the ledger, understanding authorisations, frequency and access rights. To test the design effectiveness of controls relevant to the process, the audit team performed a walkthrough of a transaction in the period and agreed the posting to supporting documentation. Utilisation of Inflo Detect to identify postings to the ledger in the period that are considered to carry an element of risk through defined characteristics. These characteristics were assessed by the audit team based on our journals process understanding and walkthrough and given an assigned risk. We also assessed the inherent risk of the business by identifying external and internal factors that were pervasive to the business. These “high-risk” transactions were extracted and tested by the audit team, who agreed to supporting documentation to:<ul style="list-style-type: none">○ Understand the reason for the entry and if this was in line with the normal course of charity’s business○ Ensure that the transaction posted was accurate, could be traced to the supporting documentation and was correctly classified○ Assess if there were any control of process issues identified from the posting of the journal and if these could have a wider impact on the transaction process. <p>Conclusion</p> <p>From the above procedures performed, we identified no issues with items tested and reviewed and have gained reasonable assurance over the risk of management override of controls.</p>

Observations in respect of going concern.

Description	Work commentary
<p>Going concern is a fundamental accounting concept that underpins the preparation of the financial statements. Under the going concern concept, it is assumed that an entity will continue in operation and that there is neither the intention nor the need to liquidate the entity.</p> <p>The Trustees/ Directors have a responsibility to assess the completeness and adequacy of the going concern disclosures in the financial statements.</p> <p>Management have prepared forecasts covering a period in excess of the going concern period (up to 2029/30).</p>	<p>We have:</p> <ul style="list-style-type: none">• Reviewed the procedures adopted by management and directors in their consideration of the appropriateness of the going concern basis.• Obtained management’s assessment of the going concern status including financial forecasts and management accounts for at least 12 months following approval of the financial statements.• Compared these forecasts in line with our understanding of the entity and challenged management with regards to the assumptions made within these and ensure that any strategic plans have been considered and included in the forecasts.• Gained an understanding of the future strategy released by Shift and consider whether key aspects of this strategy have been incorporated into the forecasts and management accounts.• Reviewed the funding requirements and confirm sufficient resources are in place to cover cash flow requirements during the going concern assessment period.• Reviewed the disclosures made in the financial statements in respect of going concern and the inherent risks and consider whether these disclosures are adequate and meet the disclosure requirements. <p>Conclusion</p> <p>From the work performed, no issues have been identified with the current forecasts or assessment relating to going concern. In addition, appropriate disclosures are included in the final accounts.</p>

Observations in respect of other areas of focus.

Area of focus	Commentary
Trustees' remuneration & expenses, and staff costs disclosures	<p>We obtained management's workings and supporting information behind the note in the financial statements. We tested individuals disclosed by agreeing amounts through to payroll or other appropriate supporting information to confirm disclosures are accurate. We compared the disclosures with the requirements of the standards to ensure all necessary disclosures have been made.</p> <p>Conclusion</p> <p>We noted no issues in the performance of the above procedures, and review of the associated disclosures in the staff costs note in the financial statements. Reasonable assurance obtained from work performed.</p>
Restricted vs. unrestricted fund activity & presentation	<p>We reviewed the systems and processes in place supporting the preparation of fund disclosures. We performed tests of detail of a sample of expenses to ensure allocation is correct and appropriate. We obtained management's workings and supporting information behind the note in the financial statements. We tested the information included in the disclosure through to supporting schedules and work performed elsewhere. We discussed any judgements made by management in preparing the disclosure and determine whether these are appropriate and in line with other information obtained as part of the audit.</p> <p>Conclusion</p> <p>We noted no issues in the performance of the above procedures, and review of funds related presentation and disclosure in the financial statements. Reasonable assurance obtained from work performed.</p>

Other matters.

	Issue	Commentary
1	Matters in relation to fraud	We have not been made aware of any suspected or actual fraud committed or any areas of the charity where it could likely be committed.
2	Matters in relation to related parties	We are not aware of any related party transactions which have not been disclosed.
3	Matters in relation to laws and regulations	We have not been made aware of any matters that would impact the audit or charity in relation to laws and regulations.
4	Written representations	Representations have been drafted for the Trustees to make to us.
5	Confirmation requests from third parties	We requested third party confirmation in respect of SHiFT's Flagstone accounts. We observed via live screen-share of the charity's online banking, SHiFT's current account bank balances.
6	Disclosures	Our review of the financial statements has not led to any major issues of non-disclosure or inconsistency.
7	Audit evidence and explanations	All information and explanations received have been satisfactory.

Internal controls.

We noted the following observations and recommendation relating to internal control during our audit work. These have been shared with management.

We've allocated a priority rating to each point (High, Medium, Low), with High indicating a significant deficiency warranting relatively urgent attention, and Medium and Low indicating other deficiencies to be considered or attended to in the near future.

Observation & Implication	Recommendation & Management Comment
<p>1 Journals Review & Authorisation (Medium)</p> <p>We noted there was no process for the formal review and approval of journals posted to the accounting system. We also note that these were relatively few in number each month and related to routine items for example accruals, prepayments etc.</p> <p><i>Without evidence and an audit trail around journal review and approval, there could be perceived to be a greater risk in respect of journal accuracy and management override of controls.</i></p>	<p>Recommendation:</p> <p>That SHiFT considers implementing a process whereby a second senior individual (perhaps a Trustee) evidences their review of journals posted to the accounting system each month.</p> <p>Management Comment:</p> <p><i>Shift acknowledges that the segregation of duties for the posting of journals is best practice however, within a small organisation like Shift it is not practical due to the low number of journals posted through the year. Shift does have mitigating controls in place where the monthly accounts reporting pack is reviewed by COO as well as periodically by the Treasurer.</i></p>
<p>2 Overpayment of £50k to Redcar & Cleveland Council (Medium/ Advisory)</p> <p>We note there was an over-payment of £50k to Redcar & Cleveland City Council in respect of the financial year ended 31 March 2025 (a total of £250k was paid instead of £200k), with the £50k overpayment sitting as a debtor on the balance sheet at 31 March 2025.</p> <p>We note that this issue in part arose due to a lack of clarity around the sums due and respective timeframes in the partner agreements.</p> <p><i>The charity paid a £50k sum to Redcar & Cleveland Council earlier than was intended.</i></p>	<p>Recommendation:</p> <p>That care is taken to ensure the correct sums are paid to beneficiaries and partners at the correct point in time, and clarity is achieved with respect to these arrangements in partner agreements.</p> <p>Management Comment:</p> <p><i>Shift recognises the requirement to ensure clearer wording is provided around billing amounts and intervals within agreements with partners.</i></p>
<p>3 Donor Documentation – IHY Foundation (Low/ Advisory)</p> <p>We noted there was a lack of formal written documentation to support the income received from the IHY Foundation.</p> <p><i>Without written terms surrounding this income stream, there could be a lack of clarity around the income recognition/ accounting adopted.</i></p>	<p>Recommendation:</p> <p>That written documentation is obtained and kept on file, to support all material voluntary income arrangements with donors.</p> <p>Management Comment:</p> <p><i>Noted.</i></p>

Misstatements.

Adjusted Misstatements.

The below adjustments were identified during the audit work which have been processed through the financial statements having been agreed with management.

Trustees will confirm via the letter of representation their agreement to the below adjustments.

	Detail	Statement of financial activities		Balance sheet		'Bottom line' effect
		Debit	Credit	Debit	Credit	
1	Dr Expenditure Cr Accruals <i>Being an accrual of the final two months' worth of expenditure payable in relation to Practice 5, Manchester Council activity.</i>	£31,667			(£31,667)	(£31,667)
2	Dr Expenditure Cr Accruals <i>Being a correction to the audit fee accrual.</i>	£660			(£660)	(£660)

Unadjusted Misstatements.

There were no misstatements identified which have been left as unadjusted on the grounds of materiality.

Independence and ethics.

The FRC's Ethical Standard and ISA (UK) 260 require us to give you timely disclosure of all significant facts and matters that may bear upon the integrity, objectivity and independence of the firm or covered persons, relating to our independence. We encourage you to contact us to discuss these or any other independence issues with us.

We have complied the Financial reporting Council's Ethical Standards and as we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

We discuss with you if we make additional significant judgements surrounding independence matters, in the case this may occur. We confirm that there are no significant facts or matters that impact our independence as auditors that we are required, or wish to draw to your attention. Please see detail overleaf of non-audit services provided which do not give rise to any significant threat to our objectivity or independence, through the implantation of appropriate safeguards including the use of separate teams within Sedulo (for the accounts preparation and audit).

For the purposes of our audit, we have made enquiries with of Sedulo Group teams to identify any providing services to Shift Organisation Ltd (see overleaf). We continue to review this through use of our internal systems, which prevent any non-audit services being performed without the knowledge of the Engagement Lead. The audit team have appropriately documented their considerations in respect of independence.

We consult our central Ethics department for further consideration if there is uncertainty or if levels of non-audit fees surpass the audit fee (which is not relevant in this case).

Fees and non-audit services.

The table below sets out the total fees for audit and non-audit services charged from the beginning of the financial year to date, as well as the threats to our independence and safeguards have been applied to mitigate these threats.

	Fees £	Threat identified	Safeguards
		N/A	N/A
Audit Fees	11,550		
Year end accounts fees	3,500	Self-review, Self-interest, Management	Aggregate for non-audit fees deemed reasonable per FRC guidance. Audit and non-audit engagement team are separate. Correspondence with management has been documented.
Payroll	250		
Corporation tax fees	375		
Total non-audit services	4,125		

- The above non-audit services are consistent with the group's policy on the allotment of non-audit work to your auditor including where the services are provided by Sedulo Audit Limited.
- None of the above services were provided on a contingent fee basis.
- The table summarises all non-audit services which were identified. We have adequate safeguards in place to mitigate the perceived self-interest threat from these fees.
- The fees reconcile to the financial statements.

This covers all services provided by us and our network to the group/company, its directors and senior management and its affiliates, and other services provided to other known connected parties that may reasonably be thought to bear on our integrity, objectivity or independence. (ES 1.69)

Communication of audit matters with those charged with governance.

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	●	
Overview of the planned scope and timing of the audit, form, timing and expected general content of communications including significant risks and Key Audit Matters	●	
Confirmation of independence and objectivity of the firm, the engagement team members and all other indirectly covered persons	●	●
A statement that we have complied with relevant ethical requirements regarding independence. Relationships and other matters which might be thought to bear on independence.		
Details of non-audit work performed by the Sedulo Group, together with fees charged. Details of safeguards applied to threats to independence	●	●
Significant matters in relation to going concern	●	●
Matters in relation to the group audit, including:		
Scope of work on components, involvement of group auditors in component audits, concerns over quality of component auditors' work, limitations of scope on the group audit, fraud or suspected fraud	●	●
Views about the qualitative aspects of the Group's accounting and financial reporting practices including accounting policies, accounting estimates and financial statement disclosures		●
Significant findings from the audit		●
Significant matters and issue arising during the audit and written representations that have been sought		●
Significant difficulties encountered during the audit		●
Significant deficiencies in internal control identified during the audit		●
Significant matters arising in connection with related parties		●
Identification or suspicion of fraud involving management and/or which results in material misstatement of the financial statements		●
Non-compliance with laws and regulations		●
Unadjusted misstatements and material disclosure omissions		●
Expected modifications to the auditor's report, or emphasis of matter		●

ISA (UK) 260, as well as other ISAs (UK), prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here.

Sector developments – Introduction of Charities SORP 2026.

S

THE NEW CHARITIES SORP HAS FINALLY LANDED. WAS IT WORTH THE WAIT?

sedulo.co.uk/clients/not-for-profit

After years of consultation, collaboration, and anticipation, the updated Charities Statement of Recommended Practice (SORP 2026) has been released. It's been a long journey – with sector-wide input, evolving accounting standards, and a growing need for more proportionate and transparent reporting.

This is a pivotal moment for charity finance leaders, trustees, and advisors to start preparing. If you're thinking about what this means for your organisation, please reach out to our expert Not-for-Profit team here at Sedulo – charities@sedulo.co.uk

Key highlights...

Updated filing thresholds aimed at reducing the burden on smaller charities, effective for accounting periods ending on or after 30 September 2026.

- Income audit threshold: £1.5 million (up from £1 million).
- Balance sheet audit threshold: £5 million in assets (up from £3.28 million).
- Independent examination income threshold: £40,000 (up from £25,000).

New three-tier reporting structure which offers a more streamlined approach and proportionate reporting.

Enhanced guidance on Trustees' Annual Reports, including reserves, ESG, and impact reporting.

Lease accounting overhaul resulting in an entirely new module introduced, setting out revised requirements for the recognition, measurement, and disclosure of lease arrangements.

Revenue recognition for exchange contracts adopting the revised FRS 102 approach using the 5-step model.

Feedback from the sector has been mixed with many appreciating the focus on proportionality and simplified disclosures, but others are concerned about the increased compliance burden around the new lease accounting standard.

This is particularly important to be aware of as this may mean some charities will fall within a higher bracket for reporting purposes despite the increased audit thresholds.

SHIFT ORGANISATION LTD

England & Wales - Charity number 1191125

Accounts

Charity registration number 1191125

Company registration number 11928188 (England and Wales)

SHIFT ORGANISATION LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

SHIFT ORGANISATION LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr MB Clark Ms S Humphreys Mr NJ Pendry Ms R Cramer Mrs PV Parkes Mr K Monteith Dr M Griffiths Dr L Roberts Mrs S Hazzledine	(Appointed 26 September 2024) (Appointed 26 September 2024) (Appointed 12 March 2024) (Appointed 12 March 2024)
Charity number	1191125	
Company number	11928188	
Registered office	Coram Campus 41 Brunswisk Square London United Kingdom WC1N 1AZ	
Auditor	Sedulo Audit Limited Office 605 Albert House 256 - 260 Old Street London United Kingdom EC1V 9DD	

SHIFT ORGANISATION LTD

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SHIFT ORGANISATION LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

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

CONTEXT, PURPOSES AND MEASURES OF SUCCESS

Context to our charitable mission

Growing up is risky business. If, during this critical period of transition, children and young people do not have the right foundations and support, they can become caught up in worsening cycles of harmful behaviour - becoming exploited or exploiting others, and causing serious, sometimes devastating damage, to themselves or others. Lives are lost to criminal and sexual exploitation and the criminal justice system.

Tragically, thousands of children and young people in the UK are growing up vulnerable in such circumstances. Some are causing serious harm and violence, some are victims of serious harm and violence, and most are both. Most are boys and Black, Brown and Mixed Heritage children and young people are over-represented within both Youth Justice and the Care System. An increasing number of girls are involved in criminal exploitation, and many are victims of criminal sexual exploitation.

Offending behaviours often mask underlying vulnerabilities, from early childhood trauma and school exclusion to poor health and growing up in poverty.

A joint Department for Education and Ministry of Justice report from March 2022, found that 60% of children whose offending had been prolific had been assessed as Children in Need on the 31st March in any given year when aged between 12 and 16. This compared with 38% of children who had been cautioned or sentenced for a serious violence offence, 32% of children who had been cautioned or sentenced for any offence, and only 6% of the all-pupil cohort.

Absence from school is both an indicator that things are going wrong and a catalyst for further problems. According to Department for Education and Ministry of Justice data:

'81% of children who had been cautioned or sentenced for an offence had ever been persistently absent, compared to 85% of children who had been cautioned or sentenced for a serious violence offence. Children whose offending had been prolific had the highest proportion recorded as persistently absent at 94%. This compares to 44% of the whole pupil cohort.'

SHIFT exists to break the destructive cycle of children and young people caught up in, or at risk of, crime. We seek to transform policy and practice in how young people in these circumstances are seen and supported.

Despite the best efforts of dedicated professionals, many young people and their families are not getting the support they need to move to a place of safety and strength. Too often, current responses to harm and offending exacerbate crisis, compound disadvantage, and deepen harmful cycles. Services and systems are experienced as piecemeal and uncoordinated, with artificial thresholds that create damaging cracks, gaps, and cliff edges. The system has been designed through the lens of disconnected problems rather than the interconnected needs of people and their communities.

This is especially true for teenagers, who are the fastest growing group in both child protection and care. As the Independent Review of Children's Social Care put it:

'Government departments and safeguarding partners have failed to have an effective response to the risks that teenagers face. Different parts of the children's social care, police, education, justice, and health systems are responding differently to the same teenagers. Accountability for keeping these teenagers safe is lacking.'

It doesn't need to be like this, and SHIFT is determined to change things - with and for the children we work alongside and with and for the systems that currently work with them.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2024

Charity purposes

SHiFT's purposes, as set out within our Memorandum and Articles of Association are:

'To prevent and relieve the suffering and hardship of young people, particularly, but not exclusively, in circumstances where the young person is displaying, or at risk of displaying, criminal behaviours in such ways as the charity Trustees from time to time think fit, in particular, but not exclusively, through supporting the provision of a therapeutic relationship with a skilled practitioner providing advice, counselling and intense support to those who are involved in or at risk of becoming involved in criminal behaviours, and by facilitating constructive relationships within their system including family, friends and professionals.'

The Trustees have paid due regard to Charity Commission guidance in deciding what activities the charity should undertake and are confident that we are acting within our charity's purposes.

Measures of success

We seek to understand the experience of children and young people being supported by SHiFT and the progress they are making through an ongoing cycle of quality assurance and quality improvement activities, that includes:

- Interviews and focus groups with children and young people.
- Interviews and focus groups with family members of children and young people, and/or professionals from other services who are supporting them.
- The monthly completion and analysis of administrative and practitioner assessment data measuring progress against SHiFT's four outcome domains.

We aim to show progress for the children we are working with against the following outcomes:

All children have equal access to consistently high-quality support and services. Local, regional and national systems are purposed and structured to properly meet even the most complex needs.	
POWER AND PURPOSE SHiFT wants children to have the tools and confidence to make choices in their lives, and the skills to cope with setbacks and advocate for themselves to ensure their voices are heard.	LOVED AND CARED FOR SHiFT wants children to know that they matter, to ensure that they are loved and cared for and that there are people there for them when they need it most.
SAFE AND STABLE SHiFT wants children to feel safe where they live - both in the community and with their friends and family - and have stable foundations on which to build positive, crime-free futures	HEALTHY AND HAPPY SHiFT wants children to feel physically and emotionally well, able to access the right wellbeing support, and find opportunities for the things they enjoy doing and that bring them joy.

And through our work with statutory services, key desired outcomes are:

- To demonstrate the practical viability and effectiveness for improving outcomes for children and missing by statutory responsibilities being met by using SHiFT's Breaking Cycles practice model.
- To evidence substantial savings and costs avoided by public services investing in SHiFT and working differently, using SHiFT's practice model, with the children and young people in a local area with highest levels of unmet need who have experienced greatest cumulative disadvantage.
- To influence organisations that host SHiFT Practices in light of the above to sustain their SHiFT Practice, adopting it as business as usual, and to evolve other existing services to grow the influence of SHiFT's approach to the benefit of a wider group of children and families.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2024

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

SHIFT is supporting some of the most vulnerable children in our society, most of whom have suffered devastating experiences of trauma, neglect, abuse or poor attachment. Through our work, we will demonstrate that trauma informed, relational and identity forming approaches are both effective and necessary to break entrenched, destructive and sometimes multi-generational cycles of offending. On the basis of our experience and results, we aim to create system change to transform the way that our society collectively guides, educates, diverts and rehabilitates our nation's children who are caught in a complex and destructive cycle of offending and related behaviour.

OBJECTIVES AND ACTIVITIES

SHiFT was set up in 2019, with an objective to demonstrate and embed opportunities for more impactful and cost-effective approaches to breaking the destructive cycle of crime and driving wholesale system change in how society perceives and supports the children and young people we work with.

The SHiFT Programme is based on the Breaking Cycles ingredients, devised by Sophie Humphreys OBE, one of SHiFT's Founders and the organisation's former Chair. Instead of defining people by issues such as addictions or criminality, Breaking Cycles understands that this behaviour often occurs as a result of previous experiences of trauma, neglect, abuse and poor attachment, and therefore focuses first on working with each child or young person as an individual: getting to know them, understanding their hopes and fears, and helping them develop the strong foundations needed to achieve their aspirations.

Using the Breaking Cycles approach, SHiFT wants every child and young person caught up in, or at risk of, crime, to have one intensive, high-quality, trusting, and persistent professional relationship through which most of their needs are met: a flexible, tailored, and tenacious relationship through which professionals do whatever it takes to set children and young people up for safe and bright futures.

SHiFT:

- Starts with aspiration, and together we set that bar high. We do not define children by their problems or behaviour. Where children have caused harm we support them to take accountability, while also building their self-worth.
- Supports children and young people to change their perceptions of themselves and to challenge others' perceptions of them. We believe in children so that they may believe in themselves.
- Reaches children and young people and stay with them wherever they are and wherever they go. We are not constrained by artificial barriers such as age limits, service thresholds or Host Organisation borders.
- Supports each child and young person through points of transition from childhood to adulthood, custody to community, from being out of education to getting back to school or work. There is no cliff edge at 18.
- Sees children and young people as part of families and communities and work with everyone in their world, including especially other professionals, seeking to understand and create sustainable positive change in relationships.
- Works with professionals across boundaries to ensure all children have equal access to consistently high-quality support and services. We support practitioners, managers and funders across agencies and services to ensure local, regional and national systems are purposed and structured to properly meet even the most complex needs.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2024

SHIFT uses the Breaking Cycles ingredients to inform all aspects of its systemic, anti-racist, and anti-oppressive practice, which is guided by the following five practice principles:

Practice Principle	What this means
Do the rights thing by the child	Holding the child's interests uppermost and at the forefront of everything we do, how and why we do it.
Go for gold	Insisting on exceptional over good; believing that change is possible; taking a hopeful, appreciative, problem-solving approach that opens spaces of possibility.
Hold and pull for help	Staying alongside the child and family no matter what; knowing when to draw on help when needed, but staying accountable to make and drive progress for children and families.
Stay in the complexity	Holding multiple stories and ideas about what might be happening; staying curious and uncertain; taking both/and positions.
Step in to step back	Holding clear purpose for everything we're doing, stepping in and out flexibly as children need but always with the goal of children and families flourishing without the need for professional involvement.

SHIFT is scaling high-impact Practices across the UK.

SHiFT Practices are 'insider-outsiders' - working from within existing services (children's services, public health, policing and criminal justice, education, housing) as well as working outside, as part of the national SHiFT community.

A SHiFT Practice consists of five SHiFT Guides and a Practice Coordinator. SHiFT Guides are highly skilled practitioners, who have significant experience of working with children and young people who have high levels of unmet need and who have experienced significant cumulative disadvantage. Guides come from a range of professional backgrounds, including social work, youth offending, education, the probation service, and healthcare. Each Practice supports around 27 children. They work alongside and across the statutory system, ensuring duplication is avoided and scarce resources are directed and purposeful. Colleagues who form SHiFT Practices are all employed by Host Organisations (often Local Authorities) in which they are based, and Partnership Agreements makes clear that it is the responsibility of each Host Organisation to ensure that safeguarding risks are being properly managed within their own safeguarding procedures.

SHiFT Practices change policy and practice one conversation at a time, infiltrating existing systems and modelling a different threshold-free and aspiration-led way of working alongside children and families. When skilled practitioners see, do, and talk differently, they surface new possibilities and approaches which have powerful, positive domino effects in systems and the lives of children and young people.

Scaling SHiFT Practices across the UK will transform policy and practice - influencing by delivering and demonstrating outstanding outcomes for children and young people, as part of a national community that is building the evidence and practice for change and contributing to new public conversation.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2024

Significant activities

SHiFT's continued focus during the financial year 2023/24 has been on delivering and evidencing outstanding outcomes for children to support the scale and spread of SHiFT Practices and strengthen the organisation's credibility and insights to support influencing and system change.

With additional investment from the Greater London Violence Reduction Unit, SHiFT Greenwich grew to support an additional 12 children with SHiFT Guides embedded within two local partner schools. Following completion of the first 18-month Programme, the Practice became wholly public sector funded, working with a new group of the Borough's most vulnerable children and young people. Unfortunately, owing to unforeseen significant financial pressures within the host organisation, in March 2024 the SHiFT Greenwich Practice was paused, though learning from its work continues to be taken forward locally.

Work in SHiFT Bexley (started working with children in September 2022) and SHiFT Tameside (in January 2023) is ongoing, benefitting 45 children and young people. In March 2024, we agreed a further two years' partnership working with the London Borough of Bexley, with the Bexley Practice doubling in size and becoming embedded in the Council's operating model.

In December 2023 we launched SHiFT Manchester, a Practice to focus particularly on preventing children and young people (who are disproportionately Black, Bowen and Mixed Heritage children and young people) being remanded to custody. As with SHiFT Tameside, SHiFT Manchester is supported strategically and by shared investment from the Greater Manchester Violence Reduction Unit. SHiFT Manchester's work is strategically linked to pilot innovation led by the Ministry of Justice in regional allocation of remand funding.

Scoping for a further two new Practices in the South Tees is underway, with funding from the Department for Levelling Up, Housing and Communities (DLUHC). This will see new SHiFT Practices launch in Middlesbrough and Redcar & Cleveland in the Summer of 2024. DLUHC funding confirmed in this period will also support two further Practice, envisaged to launch in Autumn 2024.

The national SHiFT team has grown to meet need in light of growth in both the number of SHiFT Practices and their geographical locations, welcoming a Director of Practice & Learning, three Practice Development Leads, a Partnerships Manager, a Data & Insights Analyst and a Creative Communications Lead during this financial year. We have also invested in data collection systems to strengthen data collection and analysis and its ongoing use in practice to support practice development and learning.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

Significant activities and achievements against objectives

Since SHiFT was founded in 2020, we have worked with a total of 141 children and their families. Between April 2023-March 2024, work alongside 108 children, young people and their families took place across four SHiFT Practices – SHiFT Bexley, Greenwich, Manchester and Tameside. Before the end of 2024, SHiFT will welcome an additional 94 children and young people to work with a SHiFT Guide in Middlesbrough, Redcar & Cleveland, Bexley and Kingston & Richmond. **This means that SHiFT will have reached 235 children and young people by the end of the 2024 calendar year.**

The children and young people SHiFT work with are caught in the destructive cycle of crime. They have high levels of unmet need and are among the most vulnerable and cumulatively disadvantaged in the country.

88% are boys and 12% girls

56% are Black, Asian or Mixed Heritage

Ages range from 12 to 21, with an average age of 16 years old

When children and young people started to work with their SHiFT Guide:

- 85% had criminal or sexual exploitation concerns
- 68% were open to Children's Social Care
- 55% had a history of domestic abuse
- 43% had mental health concerns

In the year prior to SHiFT:

- 67% had been arrested
- 56% had been reported missing
- 53% had committed a proven offence
- 25% had been a victim of serious youth violence

SHiFT is making substantial positive impacts in the lives of the children and young people it works with, through consistent intensive relational work alongside a highly experienced professional who works with everyone important to a child or young person:

'It didn't feel like I was with someone who was a worker, it just felt like I was with someone I could trust.' (Lee, child / young person, SHiFT Tameside)

'I can call [Guide] day or night. [Child / young person] the same. It means everything. I can't even explain what it means. To have someone that you know, even if they haven't got the answers will just be there, who gives a crap and actually cares and will listen to you even if you're chatting a load of rubbish. I can't tell you what that means. It's everything.' (Elizabeth, family member, SHiFT Tameside)

'SHiFT are the only ones who actually kind of got in with the family, stuck with the family. The children don't engage very well with professionals or anyone else at all, but they absolutely love [Guide] and [Guide]. Same with Mum, she doesn't like many professionals, but she loved them.' (Sarah, Social Worker, SHiFT Greenwich)

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2024

For children who were enrolled for the entirety of the financial year:

- One in three who were previously open to Children's Social Care have had input from services totally cease or have experienced a step down in involvement
- 71% either committed no new proven offences* or reduced the number of proven offences they committed**
- 78% either had no reported missing episodes* or experienced a reduction in the number of missing episodes**
- 58% either were not arrested* or reduced the number of times they were arrested**

(* During March 2023-April 2024. ** Compared to the year prior to working with SHiFT.)

'If I didn't get introduced to SHiFT, I would have been arrested by now. Yeah, I would have been arrested by now I know that for a fact. I would have been arrested or dead. I wouldn't have stopped. I would have just carried on and got further involved with it.' (Lee, child / young person, SHiFT Tameside)

'[Guide] has made [child / young person] realise that he has got a future – that he's not bad. It's got him out of the cycle of being branded naughty so being naughty. With [Guide] it's been about accepting you can make mistakes but it's what you do about it going forward.' (Becky, family member, SHiFT Tameside)

With a cost per child of £21,000 for 18 months of intensive SHiFT support, for every £1 spent on SHiFT £8 is saved over five years, and £33 is saved over 20 years.

This evidence gives us confidence that work with children and young people is having the positive impacts intended, enabling them to rebuild the foundations of their lives and break cycles of crime. Evaluation activities have generated learning that has already been implemented to strengthen the processes of mobilising new SHiFT Practices.

As a result of sustained work over this last year to develop SHiFT's strategic relationships and to communicate the nature and impacts of SHiFT's work, interest in SHiFT from the public sector and from central government is high. We have fed into the Commission on Young Lives work, support from Violence Reduction Units is increasing, and we are in active dialogue with the Ministry of Justice, Home Office, Department for Levelling Up and Department for Education. We now have the approach, the staff team, experience, strategic relationships and evidence to support accelerated growth and fulfil our strategic ambition to launch three further SHiFT Practices in this next year.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2024

Balanced picture of achievements against objectives set

Having secured grant funding from the Department for Levelling Up, Housing & Communities alongside sustained philanthropic support, SHiFT has grown a high performing national team and is sustaining Practices alongside mobilising new Practices that are evidenced to be providing outstanding support for children and families and breaking the destructive cycle of crime. As Practices begins to mature they are making an ever growing contribution to realising ambitions for them influencing broader systems change within and beyond their Host Organisations.

SHiFT has grown and achieved outcomes largely in the context of the many operational and public health challenges of the Covid-19 pandemic, the cost-of-living crisis thereafter, and ongoing significant pressures on local authority funding. Though we might have hoped to have launched further Practices faster, SHiFT Manchester, SHiFT Middlesbrough and SHiFT Redcar & Cleveland launched this year and SHiFT Tendring and SHiFT Kingston & Richmond have been scoped, ready for mobilisation and launch in the next financial year. SHiFT is in a strong position to move ahead and has performed well against its aspirations and objectives.

Performance of material fundraising activities against fundraising objectives

SHiFT has secured funding from the Department for Levelling Up, Housing & Communities to support the creation of four new SHiFT Practices, each of which will deliver two 18-month Programmes. An initial three-year commitment to partnership working between SHiFT and the Host Organisations – rather than merely 18 month Programme - provides a more realistic and helpful basis for realising and evidencing the benefits of SHiFT within each local system, including identifying and leveraging opportunities for systems influencing. SHiFT has also continued to enjoy strong philanthropic support, which has enabled the organisation to meet core running costs for the national team and to secure 50% of Practice costs at Bexley, Manchester and Tameside.

Positive and negative factors outside of charity control

SHiFT has garnered strong attention from policymakers and senior practitioners, partly as a result of opportune increased focus on the needs and experiences of adolescents (e.g., the Independent Review of Children's Social Care), and the unfortunate ongoing rise in the vulnerabilities and unmet needs of this group, especially since Covid. The highest proven reoffending rate across the youth justice system in England and Wales is for children leaving custody - 64% within 12 months after release. Interest in doing things differently is therefore high and the case for change increasingly well understood and considered urgent.

Covid-19, the cost-of-living crisis, and the war in Ukraine have all been negative factors outside of SHiFT's control that have impacted our work. Covid-19 and the cost-of-living crisis have impacted labour markets - people's expectations of work, levels of competition, and increased salary expectations - and, together with the knock-on impacts arising from the war in Ukraine, these factors have added financial pressures to us, and our public sector partners. In this context, government has been pulled in many competing directions and general political instability has been high.

There is also growing financial pressures on Councils with an increasing number in serious financial difficulty requiring central government intervention. These financial pressures are making it harder for SHiFT to identify Councils that are in a position to commit to a SHiFT Practice financially, despite the alignment and desire to work with SHiFT.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2024

Financial review

During 2023/24, our principal funding sources were the Department for Levelling Up, Housing & Communities, along with continued strong support from philanthropic donors, trusts and foundations. Increased levels of Local Authority investment (50% rather than 25%) for new SHiFT Practices, and new Violence Reduction Unit investment in Greater Manchester, mean that the proportionate need for philanthropic funds to support our growing activities has somewhat reduced.

Moving forward into 2024/25, our key priority is to continue to scale Practices and to deliver on the grant from the Department for Levelling Up, Housing & Communities.

Total income for period was £2,074,821 (2023: £697,118) and total expenditure was £1,181,014 (2023: £753,989).

At the end of the financial year, we held a cash balance of £3,264,701 (2023: £1,043,399).

The costs for each 36-month Programme at a new Practice are approximately £1.2 million. SHiFT is now funding 50% of these costs and public sector partners (Local Authorities, Violence Reduction Units and similar partners) are funding the remaining 50%.

The costs for SHiFT's national team (encompassing both staff and non-staff expenditure) have increased in line with Practice growth and is approximately £900,000 per year.

Key fundraising needs going forward are:

- Ongoing core costs for the national SHiFT team
- Funding to support SHiFT's system change ambitions

Reserves policy

At the end of March 2024, we held total funds of £1,735,625 (2023: £841,818) of which:

- £991,693 (2023: £210,458) are restricted funds carried over to the following financial year; and
- £743,932 (2023: £631,630) were unrestricted, of which £152,500 were designated to the delivery of Programmes in existing Practices (Tameside & Manchester), giving an unrestricted and undesignated balance at the end of March 2024 of £591,432.

The organisation's reserves policy is to ensure that - over and above any funds restricted or designated to each Programme - we maintain between three and six months of reserves to ensure that we can meet our obligations regarding staffing and overheads for the national SHiFT team.

Our central operating costs are approximately £900,000 per annum. We are therefore currently, as of March 2024, operating with approximately eight months of free reserves, and within the requirements of our reserves policy.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2024

Principal risks and uncertainties

Risk is carefully identified and managed at all levels of the organisation, with a register of principal risks and activities to mitigate them brought to SHiFT Committees and Board of Trustee meetings. We consider our principal risks to be as follows:

Safeguarding: we are working with a very vulnerable group of children and their families; therefore, safeguarding is one of our principal risks and one that we take incredibly seriously. As our SHiFT Practices are all employed by the Host Organisation in which they are based, our Partnership Agreement makes clear that it is the responsibility of each Host Organisation to ensure that safeguarding risks are being properly managed within their own safeguarding procedure. Nevertheless, our safeguarding policy sets out our fundamental safeguarding principles which we would expect all of our partners to adhere to, and our quality assurance processes have been developed to ensure that we can check that effective safeguarding is happening in practice. All SHiFT staff receive bi-annual safeguarding training and all national SHiFT staff and Trustees are DBS vetted.

Financial: we are a relatively new charity, relying on, at present, a relatively small number of donors alongside partnership investment from Host Organisations. We have been fortunate to secure funding from the Department for Levelling Up, Housing & Communities, which has meant that we can create four new Practices and use philanthropy to secure extensions across all existing Practices. As we grow the number of Practices, there is also a requirement to grow our national team, to ensure that we are able to provide the level of support needed to each of our existing and new Practices. With this brings additional pressure on our central overheads, which means that we will need to continue to fundraise for this over the coming financial year.

Team recruitment and development: Covid-19 and the cost-of-living crisis have impacted labour markets - people's expectations of work, levels of competition, and increased salary expectations. Together with previous high levels of inflation, this is a real challenge for us, as with others in the sector. Recruiting and retaining outstanding staff is critical to our success. We are investing thoughtfully in learning and development and strengthening our culture and recruitment processes to place us in the best position to attract and retain talent.

Demonstration of impact: while we have made significant progress in the evidencing of impact, we understand that it is fundamental that we are able to show a clear cost-benefit to Host Organisations, and a significant and sustainable impact of the Programme on our beneficiaries compared with traditional management of young people who are in conflict with the law. With that in mind, we are committed to continued detailed evaluation, building towards external impact evaluation that can evidence causation. In January 2024 we started working with ImpactEd to refresh our evaluation strategy, which will guide us to deliver on our ambitions over the next two years and will set SHiFT up to be ready impact evaluation, for which we intend to secure external funding.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

Our long-term goal is to create and support SHiFT Practices across the UK that will break cycles of crime through the work they do directly with children and young people and through system change leveraged through a new and evidenced approach to practice. We want to change the way in which statutory services are delivered, specifically, so that these achieve stronger and more sustainable outcomes for the children and young people subject to them through their coming into conflict with the law.

Between 2022 and 2025, SHiFT has committed to strengthening its foundations in four key areas:

1. More young people out of crime, safe and thriving

- Launch five new Practices from January 2023 with at least three out of London. New Practices will be targeted in areas of greatest need and where SHiFT can make greatest impact, including by innovating in SHiFT's system entry point and partnership design (e.g. educational partnerships)
- Support 125 children through its new and existing Practices
- Continue to develop an ambitious, creative, inclusive practice and learning model that delivers outstanding outcomes for young people and positive domino effects to transform systems

2. Compelling evidence and organisational learning

- Develop comprehensive and thoroughly theoretically and empirically evidenced theories of individual, community and system change and outcomes frameworks
- Implement ongoing robust cycle of qualitative and administrative data collection to understand experiences of SHiFT and enrich practice, including through comparative insights across different Practice contexts
- Gather evidence of outcomes for young people (including emergent longitudinal impacts) and progress towards system change
- Develop a strong learning culture, centring on reflective practice, and supported by our governance and learning and development programme, thoroughly integrating learning from evaluation to support practice and organisational development

3. A community of committed changemakers

- Provide sector leading learning and development opportunities that develop talent and aspiration within SHiFT and develop relationships and share opportunities within our networks
- Build strategic partnerships with organisations that share our vision for young people and system change
- Leverage SHiFT's convening power - hosting events and activities that bring together people across policy, practice, research to share their insights and perspectives and influence through collaboration towards a shared vision
- Develop opportunities for young people with lived experience of SHiFT to use their voice and experiences to influence and contribute, both within and beyond SHiFT

4. New public conversation

- Committed engagement in relevant commissions, enquiries and calls for evidence
- High impact, and creative communication of SHiFT's work, including proactive engagement with the media
- Learning and development opportunities that are open to public

Structure, governance and management

The charity is controlled by its governing document, Memorandum and Articles, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2024

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

Mr MB Clark	
Ms S Humphreys	
Mr J Macalister	(Resigned 23 May 2024)
Mr NJ Pendry	
Mr JT Caluori	(Resigned 31 December 2023)
Ms R Cramer	
Mrs PV Parkes	
Mr K Monteith	(Appointed 26 September 2024)
Dr M Griffiths	(Appointed 26 September 2024)
Dr L Roberts	(Appointed 12 March 2024)
Mrs S Hazzledine	(Appointed 12 March 2024)

Recruitment and appointment of trustees

SHiFT's four founders (Sophie Humphreys OBE, Josh MacAlister OBE, Rebecca Cramer and Michael Clark) set up SHiFT through a common interest in identifying more effective ways of breaking the destructive cycle of offending behaviours in children, enabling them to enjoy lives of choice and opportunity.

A subsequent review of skills, knowledge, professional backgrounds and diversity, and Josh MacAlister stepping down to lead a government review in January 2021, led to the engagement of two new Trustees (Rasheed Pendry and Pam Parkes) in September 2020 and one further trustee (Joe Calouri) in July 2021.

Josh MacAlister re-joined the Board after he completed work on the government review, picking up the baton as Chair from Sophie Humphreys in September 2022.

Following another review of skills, knowledge, professional backgrounds and diversity, and Joe Calouri stepping down due to commitments of a new role, two new Trustees (Dr Luke Roberts and Sarah Hazzledine) joined the Board in January 2024.

Josh MacAlister stepped down as Chair in February 2024 to focus on his campaign to become an MP, which led to Pam Parkes stepping in as Chair. At the end of this reporting period the recruitment process for a new Chair was still underway, which has led to the appointment of Dr Martin Griffiths in September 2024. Mr. Keir Monteith was also appointed as a Trustee following this recruitment round.

Organisational structure

We have a small, national team comprising of eleven staff. Our central team supports each Host Organisation to create a SHiFT Practice, mobilise the Programme, recruit and train the staff, provide ongoing development and support for operationalising the SHiFT Framework and quality assuring and improving practice, evaluating activities, developing strategic relationships and partners, hosting events and communicating SHiFT's work to a wide range of audiences, as well as fundraising and management/governance of the charity.

SHiFT Greenwich has eight staff, comprising one Lead Guide, six Guides and one Practice Coordinator. SHiFT Bexley is a smaller Practice, comprising one Lead Guide, two Guides and one Practice Coordinator. SHiFT Tameside and SHiFT Manchester have six staff, comprising one Lead Guide, four Guides and one Practice Coordinator. All Practice staff are employed by the Host Organisation (typically, the Local Authority that is partnering with SHiFT).

SHIFT ORGANISATION LTD

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

FOR THE YEAR ENDED 31 MARCH 2024

SHIFT's Board of Trustees is responsible for all governance and strategic decision making. Day to day management is delegated to SHIFT's Chief Executive, while the management of each local SHiFT Practice is delegated to the Host Organisation through the Local SHiFT Management Board. Members of the national SHiFT team are standing members of all Local SHiFT Boards. Responsibility for delivery sits clearly with the Host Organisation, underpinned by Memoranda of Understanding / Partnership Agreements that are agreed between SHiFT and the Host Organisation before Practices are created.

We have developed three Committees to the SHiFT Board of Trustees: Finance Committee (Chaired by trustee Michael Clark), Practice Committee (Chaired by trustee Rasheed Pendry), and Research & Evaluation Committee (Chaired by trustee Luke Roberts). All Committees involve a combination of Trustees, and some include external, co-opted representation.

Induction and training of trustees

Trustees are provided with a comprehensive induction pack as part of their induction, which includes:

- SHiFT's vision, mission, values and strategic aims
- Previous annual reports, risk register and current year budget
- Guidance on the role of a trustee, the Charity Governance Code and available Charity Commission good practice guidance
- Background research and literature relevant to SHiFT's work

Meetings with the Chair, existing Trustees and the Chief Executive are arranged as part of the induction so that new Trustees can gain a deeper working knowledge of the charity. Visits to existing SHiFT Practices are included as appropriate.

Remuneration policy

Our policy is to benchmark any new roles against comparable roles within the sector. Staff are subsequently offered a salary that considers the skills and experience they bring to the role, pay equality and affordability.

Pay is reviewed annually in March, where we aim to offer a cost-of-living and inflationary environment increases. Any pay review is recommended by the Chief Executive and subject to the approval of the Board. The Chief Executive's salary is reviewed annually by the Board of Trustees. We subscribe to the London Living Wage. We also have a defined contribution pension for all staff after their probation period passed through NEST.

Auditor

In accordance with the company's articles, a resolution proposing that Sedulo Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

Signed by:

Pam Parkes

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Mrs PV Parkes

Trustee

Date: *26/11/24*

SHIFT ORGANISATION LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of SHIFT Organisation Ltd for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SHIFT ORGANISATION LTD

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SHIFT ORGANISATION LTD

Opinion

We have audited the financial statements of Shift Organisation Ltd (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, 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 charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SHIFT ORGANISATION LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SHIFT ORGANISATION LTD

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Senior statutory auditor exemption

Sedulo London Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SHIFT ORGANISATION LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF SHIFT ORGANISATION LTD

Diccon Thornely (Senior Statutory Auditor)
for and on behalf of Sedulo Audit Limited

Chartered Accountants
Statutory Auditor

DocuSigned by:
Sedulo Audit Limited
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28/11/24

Office 605 Albert House
256 - 260 Old Street
London
United Kingdom
EC1V 9DD

Sedulo Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SHIFT ORGANISATION LTD**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2024**

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income from:							
Donations and legacies	2	988,408	1,056,413	2,044,821	415,718	206,400	622,118
Charitable activities	3	30,000	-	30,000	75,000	-	75,000
Total income		1,018,408	1,056,413	2,074,821	490,718	206,400	697,118
Expenditure on:							
Charitable activities	4	905,836	275,178	1,181,014	707,757	46,232	753,989
Total expenditure		905,836	275,178	1,181,014	707,757	46,232	753,989
Net income/(expenditure) and movement in funds		112,572	781,235	893,807	(217,039)	160,168	(56,871)
Reconciliation of funds:							
Fund balances at 1 April 2023		631,360	210,458	841,818	848,399	50,290	898,689
Fund balances at 31 March 2024		743,932	991,693	1,735,625	631,360	210,458	841,818

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

The notes on pages 21 to 30 form part of these financial statements.

SHIFT ORGANISATION LTD

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	10		13,512		9,009
Current assets					
Debtors	11	9,725		4,278	
Cash at bank and in hand		3,264,701		1,043,399	
		<u>3,274,426</u>		<u>1,047,677</u>	
Creditors: amounts falling due within one year	12	<u>(1,552,313)</u>		<u>(214,868)</u>	
Net current assets			<u>1,722,113</u>		<u>832,809</u>
Total assets less current liabilities			<u>1,735,625</u>		<u>841,818</u>
Net assets			<u>1,735,625</u>		<u>841,818</u>
			<u><u>1,735,625</u></u>		<u><u>841,818</u></u>
The funds of the charity					
Restricted income funds	15	991,693		210,458	
Unrestricted funds		743,932		631,360	
		<u>1,735,625</u>		<u>841,818</u>	
			<u><u>1,735,625</u></u>		<u><u>841,818</u></u>

The notes on pages 21 to 30 form part of these financial statements.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

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

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 26/11/24

Signed by:

Pam Parkes

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Mrs PV Parkes

Trustee

Company registration number 11928188 (England and Wales)

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

	Notes	2024		2023	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	19		2,229,604		136,423
Investing activities					
Purchase of tangible fixed assets		(8,302)		(7,284)	
Net cash used in investing activities			(8,302)		(7,284)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			2,221,302		129,139
Cash and cash equivalents at beginning of year			1,043,399		914,260
Cash and cash equivalents at end of year			<u>3,264,701</u>		<u>1,043,399</u>

The notes on pages 21 to 30 form part of these financial statements.

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Shift Organisation Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Coram Campus, 41 Brunswick Square, London, WC1N 1AZ, United Kingdom.

1.1 Accounting convention

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

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

1.4 Income

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

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

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

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (Continued)

1.6 Tangible fixed assets

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

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

Computers	20% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2024****1 Accounting policies****(Continued)*****Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

1.11 Retirement benefits

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

2 Income from donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Donations and gifts	200,108	150,000	350,108	41,709	-	41,709
Government grants	-	791,013	791,013	-	-	-
Trusts and foundations	788,300	115,400	903,700	369,009	206,400	575,409
Gift aid	-	-	-	5,000	-	5,000
	<u>988,408</u>	<u>1,056,413</u>	<u>2,044,821</u>	<u>415,718</u>	<u>206,400</u>	<u>622,118</u>

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Pilot schemes		
Team fees	30,000	75,000

4 Expenditure on charitable activities

	Pilot schemes 2024 £	Pilot schemes 2023 £
Direct costs		
Payments to Pilots	457,681	228,084
Recruitment costs	-	625
Team training	20,886	10,146
Event costs	-	41,082
Additional project costs	-	2,728
	<u>478,567</u>	<u>282,665</u>
Share of support and governance costs (see note 5)		
Support	685,286	455,872
Governance	17,161	15,452
	<u>1,181,014</u>	<u>753,989</u>
Analysis by fund		
Unrestricted funds	905,836	707,757
Restricted funds	275,178	46,232
	<u>1,181,014</u>	<u>753,989</u>

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2024**

5 Support costs allocated to activities	2024	2023
	£	£
Staff costs	440,412	295,896
Depreciation	3,799	2,098
Operating lease charges	18,005	17,519
Office costs	45,566	9,586
Insurance	3,581	3,092
Telephone	776	2,311
IT and website	1,932	2,756
Consultancy	143,220	111,255
HR, recruitment and training	25,336	9,559
Bank charges	222	242
Subscriptions	2,437	1,557
Governance costs	17,161	15,452
	<u>702,447</u>	<u>471,324</u>
Analysed between:		
Pilot schemes	<u>702,447</u>	<u>471,324</u>
6 Net movement in funds	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	13,200	-
Depreciation of owned tangible fixed assets	3,799	2,098
Operating lease charges	18,005	17,519
	<u>35,004</u>	<u>19,617</u>
7 Trustees		
None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.		
8 Employees		
The average monthly number of employees during the year was:		
	2024	2023
	Number	Number
	9	5
	<u>9</u>	<u>5</u>

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2024**

8 Employees	(Continued)	
Employment costs	2024	2023
	£	£
Wages and salaries	386,597	266,394
Social security costs	38,738	15,195
Other pension costs	15,077	14,307
	<u>440,412</u>	<u>295,896</u>

During the year, the charity paid £Nil (2023: £20,500) in respect of severance pay to 0 (2023: 1) member of staff.

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

	2024	2023
	Number	Number
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	1	2
	<u>1</u>	<u>2</u>

Remuneration of key management personnel

Key Management Personnel are considered to be the Chief Executive Officer, the Chief Operating Officer and the Head of Practice. The remuneration of key management personnel was as follows:

	2024	2023
	£	£
Aggregate compensation	<u>221,769</u>	<u>170,563</u>

9 Taxation

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

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10	Tangible fixed assets			
				Computers
				£
	Cost			
	At 1 April 2023			16,560
	Additions			8,302
	At 31 March 2024			<u>24,862</u>
	Depreciation and impairment			
	At 1 April 2023			7,551
	Depreciation charged in the year			3,799
	At 31 March 2024			<u>11,350</u>
	Carrying amount			
	At 31 March 2024			<u>13,512</u>
	At 31 March 2023			<u>9,009</u>
11	Debtors			
			2024	2023
	Amounts falling due within one year:		£	£
	Prepayments and accrued income		9,725	4,278
			<u>9,725</u>	<u>4,278</u>
12	Creditors: amounts falling due within one year			
			2024	2023
			£	£
	Other taxation and social security		20,870	5,153
	Deferred income	13	1,350,000	200,000
	Trade creditors		73,804	4,081
	Other creditors		3,366	1,434
	Accruals		104,273	4,200
			<u>1,552,313</u>	<u>214,868</u>
13	Deferred income			
			2024	2023
			£	£
	Arising from Deferred grant income		1,350,000	200,000
			<u>1,350,000</u>	<u>200,000</u>

Deferred income is included in the financial statements as follows:

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2024****13 Deferred income (Continued)**

	2024	2023
	£	£
Deferred income is included within:		
Current liabilities	1,350,000	200,000
Movements in the year:		
Deferred income at 1 April 2023	200,000	-
Released from previous periods	(200,000)	-
Resources deferred in the year	1,350,000	200,000
Deferred income at 31 March 2024	1,350,000	200,000

14 Retirement benefit schemes

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	15,077	14,307

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

15 Restricted funds

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

	At 1 April 2023	Incoming resources	Resources expended	At 31 March 2024
	£	£	£	£
Awards for All	6,517	-	(234)	6,283
Dulverton	30,000	-	-	30,000
Rayne Foundation	3,744	25,000	(3,744)	25,000
Bruno Schroder Trust	100,000	150,000	(231,022)	18,978
Fidelity UK Foundation	70,197	81,400	(40,178)	111,419
Department for Levelling Up, Housing and Communities	-	791,013	-	791,013
Million Hours Fund	-	9,000	-	9,000
	210,458	1,056,413	(275,178)	991,693

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Restricted funds	(Continued)			
Previous year:	At 1 April 2022	Incoming resources	Resources expended	At 31 March 2023
	£	£	£	£
Awards for All	9,990	-	(3,473)	6,517
Dulverton	30,000	-	-	30,000
Rayne Foundation	10,300	25,000	(31,556)	3,744
Bruno Schroder Trust	-	100,000	-	100,000
Fidelity UK Foundation	-	81,400	(11,203)	70,197
	<u>50,290</u>	<u>206,400</u>	<u>(46,232)</u>	<u>210,458</u>

To date we have launched 7 Practices in partnership with different local authorities. Each restricted fund covers either 1 Practice, a specific role within the national team or activities for the children and young people our Practices work with.

16 Unrestricted funds

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

	At 1 April 2023	Incoming resources	Resources expended	At 31 March 2024
	£	£	£	£
General funds	<u>631,360</u>	<u>1,018,408</u>	<u>(905,836)</u>	<u>743,932</u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	At 31 March 2023
	£	£	£	£
General funds	<u>848,399</u>	<u>490,718</u>	<u>(707,757)</u>	<u>631,360</u>

17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	2024	2024	2024
	£	£	£
At 31 March 2024:			
Tangible assets	13,512	-	13,512
Current assets/(liabilities)	<u>730,420</u>	<u>991,693</u>	<u>1,722,113</u>
	<u>743,932</u>	<u>991,693</u>	<u>1,735,625</u>

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2024****17 Analysis of net assets between funds (Continued)**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	9,009	-	9,009
Current assets/(liabilities)	622,351	210,458	832,809
	<u>631,360</u>	<u>210,458</u>	<u>841,818</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

19 Cash generated from operations	2024	2023
	£	£
Surplus/(deficit) for the year	893,807	(56,871)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	3,799	2,098
Movements in working capital:		
(Increase) in debtors	(5,447)	(686)
Increase/(decrease) in creditors	187,445	(8,118)
Increase in deferred income	1,150,000	200,000
Cash generated from operations	<u>2,229,604</u>	<u>136,423</u>



SHIFT ORGANISATION LTD

England & Wales - Charity number 1191125

Accounts

REGISTERED COMPANY NUMBER: 11928188 (England and Wales)
REGISTERED CHARITY NUMBER: 1191125

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
SHIFT ORGANISATION LTD**

SHIFT ORGANISATION LTD

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FOR THE YEAR ENDED 31 MARCH 2023**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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).

CONTEXT, PURPOSES AND MEASURES OF SUCCESS

Context to our charitable mission

Growing up is risky business. If, during this critical period of transition, children and young people do not have the right foundations and support, they can become caught up in worsening cycle of harmful behaviour - becoming exploited or exploiting others, and causing serious, sometimes devastating damage, to themselves or others. Lives are lost to criminal and sexual exploitation and the criminal justice system.

Tragically, thousands of children and young people in the UK are growing up vulnerable in such circumstances. Some are causing serious harm and violence, some are victims of serious harm and violence, and most are both. Most are boys and half in custody are Black and minority ethnic children. An increasing number of girls are involved in criminal exploitation, and many are victims of criminal sexual exploitation.

Offending behaviours often mask underlying vulnerabilities, from early childhood trauma and school exclusion to poor health and growing up in poverty.

A joint Department for Education and Ministry of Justice report from March 2022, found that 60% of children whose offending had been prolific had been assessed as Children in Need on the 31st March in any given year when aged between 12 and 16. This compared with 38% of children who had been cautioned or sentenced for a serious violence offence, 32% of children who had been cautioned or sentenced for any offence, and only 6% of the all-pupil cohort.

Absence from school is both an indicator that things are going wrong and a catalyst for further problems. According to Department for Education and Ministry of Justice data:

'81% of children who had been cautioned or sentenced for an offence had ever been persistently absent, compared to 85% of children who had been cautioned or sentenced for a serious violence offence. Children whose offending had been prolific had the highest proportion recorded as persistently absent at 94%. This compares to 44% of the whole pupil cohort.'

SHiFT exists to break the destructive cycle of children and young people caught up in, or at risk of, crime. We seek to transform policy and practice in how young people in these circumstances are seen and supported.

Despite the best efforts of dedicated professionals, many young people and their families are not getting the support they need to move to a place of safety and strength. Too often, current responses to harm and offending exacerbate crisis, compound disadvantage, and deepen harmful cycles. Services and systems are experienced as piecemeal and uncoordinated, with artificial thresholds that create damaging cracks, gaps, and cliff edges. The system has been designed through the lens of disconnected problems rather than the interconnected needs of people and their communities.

This is especially true for teenagers, who are the fastest growing group in both child protection and care. As the Independent Review of Children's Social Care put it,

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

'Government departments and safeguarding partners have failed to have an effective response to the risks that teenagers face. Different parts of the children's social care, police, education, justice, and health systems are responding differently to the same teenagers. Accountability for keeping these teenagers safe is lacking.'

It doesn't need to be like this, and SHiFT is determined to change things - with and for the children we work alongside and with and for the systems that currently work with them.

Charity purposes

SHiFT's purposes, as set out within our Memorandum and Articles of Association are:

'To prevent and relieve the suffering and hardship of young people, particularly, but not exclusively, in circumstances where the young person is displaying, or at risk of displaying, criminal behaviours in such ways as the charity trustees from time to time think fit, in particular, but not exclusively, through supporting the provision of a therapeutic relationship with a skilled practitioner providing advice, counselling and intense support to those who are involved in or at risk of becoming involved in criminal behaviours, and by facilitating constructive relationships within their system including family, friends and professionals.'

The trustees have paid due regard to Charity Commission guidance in deciding what activities the charity should undertake and are confident that we are acting within our charity's purposes.

Measures of success

We seek to understand the experience of children and young people being supported by SHiFT and the progress they are making through evaluation that includes:

- Interviews and focus groups with children and young people.
- Interviews and focus groups with family members of children and young people, and/or professionals from other services who are supporting them.
- The quarterly completion and analysis of administrative data measuring progress against SHiFT's key outcome domains.

We aim to show progress for the children we are working with against the following outcomes:

Relationships	• Children have high social capital with positive role models, pro-social peer groups, and can access support from professionals as they need.
Housing and life management	• Children and families have stable, secure accommodation and the skills to maintain and manage their living situation.
Vulnerability and Safety	• Children have capacity to safeguard themselves within their communities and families are empowered to advocate affectively for the support they need.
Conflict with the law	• Children and families no longer come into any further conflict with the law and their children and wider familial network do not require support from children's services.
Education and Employment	• Children have long-term aspirations for education/employment, the skills to navigate a path towards the aspirations, and have stable and secure income.

And through our work with statutory services, key desired outcomes are:

- SHiFT demonstrates substantial savings to statutory sector costs, due to the reduction in repeat offending and reduction of social care costs.
- Pilots are maintained by the Local Authority after their first 18 months or SHiFT's approach is taken forward to evolve existing services.

OBJECTIVES AND ACTIVITIES

SHiFT was set up in 2019, with an objective to demonstrate and embed opportunities for more impactful and cost-effective approaches to breaking the cycle of offending and supporting behaviour change in children and young people, alongside driving wholesale system change in how society perceives and supports the children we work with.

The SHiFT Programme is based on the Breaking Cycles model, devised by Sophie Humphreys OBE, one of SHiFT's co-founders and the organisation's former Chair. Instead of defining people by issues such as addictions or criminality, Breaking Cycles understands that this behaviour often occurs as a result of previous experiences of trauma, neglect, abuse and poor attachment, and therefore focuses first on working with each child as an individual: getting to know them, understanding their hopes and fears, and helping them develop the strong foundations needed to achieve their aspirations.

Using the Breaking Cycles approach, SHiFT wants every child and young person caught up in, or at risk of, crime, to have one intensive, high-quality, trusting, and persistent professional relationship through which most of their needs are met: a flexible, tailored, and tenacious relationship through which professionals do whatever it takes to set children and young people up for the safe and bright futures they deserve.

SHiFT is systemic in nature. We work through a trauma and poverty informed lens, focussed on building positive identity, and delivered over a sustained period of around 18 months. We believe that everyone - including traumatised and vulnerable children and young people described by professionals as 'hard to reach' - has a hook by which they can begin to pull themselves away from repeated and harmful behaviour. Guides work with each child to develop trusting relationships and to find the right hook, day by day, moment by moment, to support necessary behaviour change.

Key distinctive aspects of SHiFT's practice include:

- SHiFT starts with aspiration and sets the bar high. We do not define children and young people by their problems or behaviours.
- SHiFT reaches children and young people and stays with them, wherever they are and wherever they go. We are not constrained by artificial barriers, such as age limits, service thresholds or Local Authority borders.
- SHiFT supports each child or young person through points of transition such as from childhood to adulthood, from custody to the community, or from out of education or employment to back in. There is no cliff edge at 18.
- SHiFT supports children and young people to change their perceptions of themselves and to challenge others' perception of them. We believe in them until they begin to believe in themselves.
- SHiFT guides the child to navigate their world differently, working with everyone in their world, including especially families, and helping to change limiting patterns of behaviour and relating.
- SHiFT Guides are not just another additional service in young people's lives - we make things happen rather than being caught in a loop of referral and assessment, we simplify the professional network, join dots, and make the system more coherent and effective for children and young people.

SHiFT is scaling high-impact Practices across the UK.

SHiFT Practices change policy and practice one conversation at a time, infiltrating existing systems and modelling a different threshold-free and aspiration-led way of working alongside children and families. When skilled practitioners see, do, and talk differently, they surface new possibilities and approaches which have powerful, positive domino effects in systems and the lives of children and young people.

A SHiFT Practice consists of five SHiFT Guides and a Practice Coordinator. SHiFT Guides are highly skilled practitioners, who have significant experience of working with some of the country's most vulnerable children in complex circumstances. Guides come from a range of professional backgrounds, including social work, youth offending, education, the probation service, and healthcare. Each Practice supports around 27 children. They work alongside and across the statutory system, ensuring duplication is avoided and scarce resources are directed and purposeful. Colleagues who form SHiFT Practices are all employed by the Local Authority in which they are based, and our Partnership Agreement makes clear that it is the responsibility of each Local Authority to ensure that safeguarding risks are being properly managed within their own safeguarding procedure.

SHiFT Practices are 'insider-outsiders' - working from within existing services (children's services, public health, policing and criminal justice, education, housing) as well as working outside, as part of the national SHiFT changemaking community. This is not simply adding personnel capacity to existing Youth Offending Services. We will show that an adult-led relationship that is trauma-informed attachment-aware and consistent over a sustained period breaks cycles of crime.

Scaling SHiFT Practices across the UK will transform policy and practice - influencing by delivering and demonstrating outstanding outcomes for children and young people, as part of a national community that is building the evidence and practice for change and contributing to new public conversation.

Significant activities

SHiFT's continued focus during the financial year 2022/23 has been on delivering and evidencing outstanding outcomes for children to support the scale and spread of SHiFT Practices and strengthen the organisation's credibility and insights to support influencing and system change.

With additional investment from the Greater London Violence Reduction Unit, SHiFT Greenwich has grown to support an additional 11 children with SHiFT Guides embedded within two local partner schools. Following completion of the first 18-month Programme, the Practice is now wholly public sector funded. The Practice has begun work with a new group of the Borough's most vulnerable children and young people.

Two new SHiFT Practices launched in financial year 2022/23 - SHiFT Bexley (started working with children in September 2022) and SHiFT Tameside (in January 2023). SHiFT secured a 50% contribution from public sector funds towards the costs of both new Practices - representing an increase from 25% public sector contribution for the first pilot Practices. SHiFT Tameside benefits from support and investment from the Greater Manchester Violence Reduction Unit. The Mayor and Deputy Mayor of Greater Manchester attended the Practice's launch event in December 2022. Scoping for a further new Practice in Manchester City Centre is underway and will also be supported by the Greater Manchester Violence Reduction Unit.

SHIFT ORGANISATION LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The national SHiFT team has grown to meet the needs of growth, welcoming a Director of Business Development and a Chief Operating Officer during this financial year. We have also invested in data collection systems to strengthen data collection and analysis and its ongoing use in practice to support practice development and learning.

In June 2022, SHiFT partnered with The Liminal Space to host an interactive exhibition on the Southbank called Shifting Perceptions. The Shifting Perceptions exhibition shared the experiences of some of the children SHiFT support, and the difference SHiFT makes to lives, systems and outcomes. It engaged a general public audience as well as offering a programme of more specialist activities, including involving children and young people. The launch of the exhibition was attended by The Right Honourable Michael Gove MP, Secretary of State for Levelling Up, Housing and Communities who pledged the government's support for SHiFT's growth, underpinned by investment from his department.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the organisation should undertake. We are confident that all the charitable activities that we have undertaken do further our charitable purposes for the public benefit.

SHiFT is supporting some of the most vulnerable children in our society, most of whom have suffered devastating experiences of trauma, neglect, abuse or poor attachment. Through our work, we will demonstrate that trauma informed, relational and identity forming approaches are both effective and necessary to break entrenched, destructive and sometimes multi-generational cycles of offending. On the basis of our experience and results, we aim to create system change to transform the way that our society collectively guides, educates, diverts and rehabilitates our nation's children who are caught in a complex and destructive cycle of offending and related behaviour.

STRATEGIC REPORT

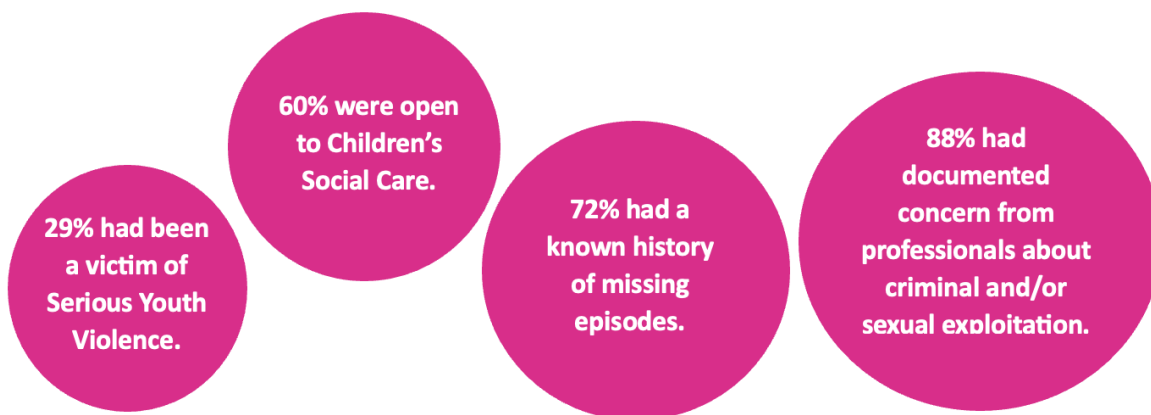
Achievement and performance

SHiFT has worked with 115 children and their families since January 2021. We are currently working with 72 of these children.

SHiFT gets alongside and strengthens the families and communities that children grow up in, which are often children's source of love and belonging. Our work with families includes siblings and parents or carers. SHiFT also works with all professionals involved in the lives of the children and young people we support.

Of the 72 children and young people currently supported by SHiFT:

- Most identify as male (n=54)
- A small but important group identify as female (n=18)
- Most identify as White (n=36). 12 children identify as Black and 12 children identify as Mixed Heritage
- Most are 14-17 years old, with the youngest child supported aged 12 and the oldest aged 20



There is good evidence of SHiFT's positive impacts in action.

An external implementation evaluation supported by the Youth Endowment Fund and published in September 2022 found that SHiFT Practices were successfully engaging the right children with flexibility and persistence to ensure children have the support they need. It also reported that SHiFT was seen as innovative and credible by professional stakeholders at all levels. This is an excellent basis for scaling.

Beyond this, in June 2022, SHiFT's Research and Evaluation Lead, Dr Kirstine Szifris, published findings from internal process evaluation, drawing on wide ranging administrative data, interviews and focus groups, to understand children's experiences and the mechanisms that underpin SHiFT's action. An extract from the summary of Dr Szifris' report reads:

'As SHiFT moves into its next stage with an aim of launching further Practices, this research has helped to strengthen its foundations by helping to understand how and why SHiFT is working.

So far, there have been some impressive outcomes - not least for children like Banquo whose return to mainstream education is described by professionals as a rare feat. Instead of following a far-too-common trajectory of escalating criminal behaviour, he can move to a place of strength and responsibility where his knife crime, fighting, and convictions are not repeated and his capacity to aspire, achieve and contribute to society is realised.

More broadly, children supported by SHiFT feel seen and heard. Children I spoke with were all clear that SHiFT is supporting them in a way that feels meaningful to them. At this early stage, data is starting to reveal some good evidence of positive outcomes - a reduction in missing episodes (which professionals report often relate to drug dealing and county lines), a reduction in severity and number of arrests and conviction, and an increase in engagement in education, employment or training including some returning to school or training after a period with little or no provision, some improving attendance and behaviour, and others finding more suitable educational placements.

It is not a clear picture though. The cycles of crime in which the children SHiFT works with are caught are deep, destructive and worsening. Children's journeys are not all linear - there are setbacks, changes in circumstances and feelings, and periods where they lean out of the relationship with their Guide and want to prioritise other aspects of their lives - but what is clear from this research is that SHiFT Guides stay with them, looking every day for opportunities to help them refocus, reframe, and reconsider options and choices.

Children see SHiFT Guides as the ear they need in times of crisis. It takes time - and, it seems, all the ingredients of Breaking Cycles of tenacity, perseverance, flexibility, and finding the right hook day by day, minute by minute - to break these cycles.'

The 72 children currently enrolled in SHiFT Programmes are at very different points in their SHiFT journeys. 10 children started working with their Guide less than three months ago and most have worked with their Guide for less than a year. Evidence of emerging positive progress and impact for the children who are currently taking part in the SHiFT Programme is nevertheless reflected in key administrative data. This includes:

Evidence of increased safety:

- The closure or stepping down of Children's Social Care involvement: since working with their Guide, Children's Social Care involvement has been ended for three children, and Children's Social Care involvement has stepped down from a Child Protection Plan to a Child in Need Plan for one child.
- Reduced missing episodes: in the last quarter no missing episodes were reported for 24 of the 42 children who had been reporting missing in the 12 months prior to working with a SHiFT Guide. This includes two children who had a history of over 20 missing episodes in the year before working with SHiFT.

Evidence of strengthened inclusion and belonging:

- Reduced school suspensions and exclusions: 32 children had been suspended in the 12 months prior to SHiFT. 26 of these children have not received any suspensions in the past three months. 15 children had received a permanent exclusion in the 12 months prior to working with SHiFT. None of these children have received a permanent exclusion in the past three months.
- Improved outcomes for school leavers: 5 school leavers have been supported to remain in education or training post-16. 3 other young people have joined education, employment, or training after being NEET when they started working with SHiFT.

Evidence of breaking cycles of crime:

- In the 12 months prior to SHiFT, 38 children received at least one conviction, out of court disposal or court order. 8 of these children had committed 5 or more proven offences.
- In the past quarter, 95% (36) of these children have not received any new convictions and for the two children who did the offences were committed prior to them working with a SHiFT Guide.
- One child had 16 convictions and 3 arrests in the 12 months prior to working with a SHiFT Guide. They have had no arrests or convictions recorded in the past quarter.

Economic analysis of SHiFT's work conducted by Cornish & Grey in June 2022 describes some of the fiscal impacts of our work. Key findings include:

- SHiFT is generating in year cost savings for Local Authorities, increasing placement stability, reducing the use of expensive remand accommodation, supporting children to return to mainstream school from Pupil Referral Units, and enabling high-cost / high-intervention safeguarding services to step down, freeing other professionals to support other children.
- SHiFT is also avoiding future costs. For each child considered in Cornish & Grey's external economic analysis, costs avoided by breaking cycles of crime now, ranged from £2.5 million to £700,000 for each child up the age of 40. Potential future public costs avoided in the next five years ranged from £1.8 million to £164,000. With a cost per child of £21,000 for 18 months of intensive SHiFT support, for every £1 spent on SHiFT £8 is saved over five years, and £33 is saved over 20 years.

This evidence gives us confidence that work with children and young people is having the positive impacts intended, enabling them to rebuild the foundations of their lives and break cycles of crime. Evaluation activities have generated learning that has already been implemented to strengthen the processes of mobilising new SHiFT Practices.

As a result of sustained work over this last year to develop SHiFT's strategic relationships and to communicate the nature and impacts of SHiFT's work, interest in SHiFT from the public sector and from central government is high. We have fed into the Commission on Young Lives work, support from Violence Reduction Units is increasing, and we are in active dialogue with the Ministry of Justice, Home Office, Department for Levelling Up and Department for Education. We now have the approach, the staff team, experience, strategic relationships and evidence to support accelerated growth and fulfil our strategic ambition to launch five further SHiFT Practices in this next year.

Balanced picture of achievements against objectives set

SHiFT has launched, grown a high performing national team, and mobilised Practices that are evidenced to be providing outstanding support for children and families, which is breaking cycles of crime. As of July 2022, two thirds of the children supported by SHiFT had remained entirely offence-free. 48 of the 72 children and young people with whom we are currently working have not been convicted of any new offences since working with SHiFT.

SHiFT has grown and achieved outcomes largely in the context of the many operational and public health challenges of the Covid-19 pandemic, the cost-of-living crisis thereafter, and ongoing significant pressures on local authority funding. Though we might have hoped to have launched further Practices faster, SHiFT Bexley and SHiFT Tameside launched this year and SHiFT Manchester has been scoped, ready for mobilisation and launch in the next financial year. Realising the pledge made of investment from the Department for Levelling Up, Housing and Communities would substantially improve the pace at which we could mobilise and launch new Practices and strengthen our opportunities for contributing towards system change. Realising this pledge in the months ahead is a critical focus for the organisation. SHiFT is in a strong position to move ahead and has performed well against its aspirations and objectives.

Performance of material fundraising activities against fundraising objectives

SHiFT has continued to enjoy strong philanthropic support, which has enabled the organisation to meet core running costs for the national team and to secure 75% of Practice costs at Kingston & Richmond and Greenwich, 50% of Practice costs at Bexley and 50% of Practice costs for SHiFT Tameside. Fundraising for SHiFT Manchester is underway with we expect this to be secured shortly.

Our key priority now is to secure the central government funding that was pledged by the Department for Levelling Up, Housing and Communities to support further national scaling, which will incorporate meeting ongoing core costs for the national SHiFT team.

Positive and negative factors outside of charity control

SHiFT has garnered strong attention from policymakers and senior practitioners, partly as a result of opportune increased focus on the needs and experiences of adolescents (e.g., the Independent Review of Children's Social Care), and the unfortunate ongoing rise in the vulnerabilities and unmet needs of this group, especially since Covid. The highest proven reoffending rate across the youth justice system in England and Wales is for children leaving custody - 64% within 12 months after release. Interest in doing things differently is therefore high and the case for change increasingly well understood and considered urgent.

Covid-19, the cost-of-living crisis, and the war in Ukraine have all been negative factors outside of SHiFT's control that have impacted our work. Covid-19 and the cost-of-living crisis have impacted labour markets - people's expectations of work, levels of competition, and increased salary expectations - and, together with the knock-on impacts arising from the war in Ukraine, these factors have added financial pressures to us, and our public sector partners. In this context, government has been pulled in many competing directions and general political instability has been high. Political instability has continued to be challenging for us in this financial year, specifically in relation to realising promised investment from the Department for Levelling Up, Housing & Communities to enable national scaling. We are working hard to maintain and build new relationships, including with civil servants, to maintain the organisation's profile, alongside ongoing work to develop and evidence exceptional practice and outcomes, to maximise chances of realising promised support.

FINANCIAL REVIEW

Principal funding sources

During 2022/23, our principal funding sources were philanthropic donors, trusts and foundations. Increased levels of Local Authority investment (50% rather than 25%) for new SHiFT Practices in Bexley and Tameside, and new Violence Reduction Unit investment in Manchester, mean that the proportionate need for philanthropic funds to support our growing activities has somewhat reduced.

Moving forward into 2023/24, our key priority is to secure the central government funding pledged through the Department for Levelling Up, Housing and Communities to enable national scaling with investment that includes a contribution to the core costs of the national SHiFT team. Alongside fees from each Practice towards the costs of support provided by the national team, this should reduce the need for ongoing philanthropic support and increase the organisation's sustainability.

Total income for period was £697,118 (2022: £1,037,576) and total expenditure was £753,987 (2022: £919,419).

At the end of the financial year, we held a cash balance of £1,043,400 (2022: £914,259).

The costs for each 18-month Programme at a new Practice are approximately £550-600k. SHiFT is now funding 50% of these costs and public sector partners (Local Authorities, Violence Reduction Units and similar partners) are funding the remaining 50%.

The costs for SHiFT's national team (encompassing both staff and non-staff expenditure) remain approximately £600,000 per year.

Key fundraising needs going forward are:

- Ongoing core costs for the national SHiFT team
- Further funding to scale and launch new SHiFT Practices

Our key priority now is to secure the central government funding that has been pledged to support further national scaling and realise our strategic ambition for the next three years to mobilise and launch a further five SHiFT Practices.

Reserves policy

At the end of March 2023, we held total funds of £841,819 (2022: £898,688) of which:

- £210,458 (2022: £50,290) are restricted funds carried over to the following financial year; and
- £631,361 (2022: £848,398) were unrestricted, of which £206,013 were designated to the delivery of programmes in existing Practices (Bexley, and Tameside), giving an unrestricted and undesignated balance at the end of March 2023 of £425,348.

The organisation's reserves policy is to ensure that - over and above any funds restricted or designated to each programme - we maintain between three and six months of reserves to ensure that we can meet our obligations regarding staffing and overheads for the national SHiFT team.

Our central operating costs are approximately £600,000 per annum. We are therefore currently operating with approximately nine months of free reserves, and within the requirements of our reserves policy.

Principal risks and uncertainties

Risk management is dealt with at all levels of the organisation, with a register of principle risks and their mitigation brought to each board meeting. We consider our principal risks to be as follows:

Safeguarding: we are working with a very vulnerable group of children and their families; therefore, safeguarding is one of our principal risks and one that we take incredibly seriously. As our SHiFT Practices are all employed by the Local Authority in which they are based, our Partnership Agreement makes clear that it is the responsibility of each Local Authority to ensure that safeguarding risks are being properly managed within their own safeguarding procedure. Nevertheless, our safeguarding policy sets out our fundamental safeguarding principles which we would expect all of our partners to adhere to, and our quality assurance processes have been developed to ensure that we can check that effective safeguarding is happening in practice. All SHiFT staff receive bi-annual safeguarding training.

Financial: we are a relatively new charity, relying on, at present, a relatively small number of donors alongside partnership investment from local authorities while we get our initial Practices mobilised. We have not yet raised all of the funding for the Practices we wish to deliver within the first phase of our strategy, and local authority budgets are under significant pressure with many competing priorities. Therefore, this constitutes a principal risk which we are working hard to address through a concerted fundraising drive over the next six months, particularly realising the pledge made in this financial year for investment from the Department for Levelling Up, Housing and Communities.

Team recruitment and development: Covid-19 and the cost-of-living crisis have impacted labour markets - people's expectations of work, levels of competition, and increased salary expectations. Together with current high levels of inflation, this is a real challenge for us, as with others in the sector. Recruiting and retaining outstanding staff is critical to our success. We are investing thoughtfully in learning and development and strengthening our culture and recruitment processes to place us in the best position to attract and retain talent.

Demonstration of impact: while we have made significant progress in the evidencing of impact, we understand that it is fundamental that we are able to show a clear cost-benefit to local authorities and the youth justice system, and a significant and sustainable impact of the programme on our beneficiaries compared with traditional management of young people who conflict with the law. With that in mind, we are committed to continued detailed evaluation, building towards external impact evaluation that can evidence causation. We are refreshing our evaluation strategy, which will guide us to deliver on our ambitions over the next two years and will be applying to new sources of funding to support this work.

Future plans

Our long-term goal is to create and support SHiFT Practices across the UK that will break cycles of crime through the work they do directly with children and young people and through system change leveraged through a new and evidenced approach to practice. We want to change the way in which statutory services are delivered, specifically in relation to the youth justice system, so that these achieve stronger and more sustainable outcomes for the children currently caught up within it.

Between 2022 and 2024, SHiFT will strengthen its foundations in four key areas:

1. More young people out of crime, safe and thriving

- Launch five new Practices from January 2023 with at least three out of London. New Practices will be targeted in areas of greatest need and where SHiFT can make greatest impact, including by innovating in SHiFT's system entry point and partnership design (e.g. educational partnerships).
- Support 125 children through its new and existing Practices.
- Continue to develop an ambitious, creative, inclusive practice and learning model that delivers outstanding outcomes for young people and positive domino effects to transform systems.

2. Compelling evidence and organisational learning

- Develop comprehensive and thoroughly theoretically and empirically evidenced theories of individual, community and system change and outcomes frameworks.
- Implement ongoing robust cycle of qualitative and administrative data collection to understand experiences of SHiFT and enrich practice, including through comparative insights across different Practice contexts.
- Gather evidence of outcomes for young people (including emergent longitudinal impacts) and progress towards system change.
- Develop a strong learning culture, centring on reflective practice, and supported by our governance and learning and development programme, thoroughly integrating learning from evaluation to support practice and organisational development.

3. A community of committed changemakers

- Provide sector leading learning and development opportunities that develop talent and aspiration within SHiFT and develop relationships and share opportunities within our networks.
- Build strategic partnerships with organisations that share our vision for young people and system change.
- Leverage SHiFT's convening power - hosting events and activities that bring together people across policy, practice, research to share their insights and perspectives and influence through collaboration towards a shared vision.
- Develop opportunities for young people with lived experience of SHiFT to use their voice and experiences to influence and contribute, both within and beyond SHiFT.

4. New public conversation

- Committed engagement in relevant commissions, enquiries and calls for evidence.
- High impact, and creative communication of SHiFT's work, including proactive engagement with the media.
- Learning and development opportunities that are open to public.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, Memorandum and Articles, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

SHiFT's four founders (Sophie Humphreys, Josh MacAlister, Rebecca Cramer and Michael Clark) set up SHiFT through a common interest in identifying more effective ways of breaking the destructive cycle of offending behaviours in children, enabling them to enjoy lives of choice and opportunity.

A subsequent review of skills, knowledge, professional backgrounds and diversity, and Josh MacAlister stepping down to lead a government review in January 2021, led to the engagement of two new trustees (Rasheed Pendry and Pam Parkes) in September 2020 and one further trustee (Joe Calouri) in July 2021.

Josh MacAlister re-joined the Board after he completed work on the government review, picking up the baton as Chair from Sophie Humphreys in September 2022.

Organisational structure

We have a small, national team comprising of five staff. Our central team supports each Local Authority (or Host Organisation) to mobilise the programme, recruit and train the staff, provide ongoing development and support of the programme framework, evaluate activities, as well as fundraising and management/governance of the charity.

SHiFT Greenwich has eight staff, comprising one Lead Guide, six Guides and one Practice Coordinator. SHiFT Tameside has six staff, comprising one Lead Guide, four Guides and one Practice Coordinator. SHiFT Bexley is a smaller Practice, comprising one Lead Guide, two Guides and one Practice Coordinator. All Practice staff are employed by the Host Organisation (typically, the Local Authority that is partnering with SHiFT).

Decision making

Our Board of Trustees is responsible for all governance and strategic decision making. Day to day management is delegated to SHiFT's Chief Executive, while the management of each local SHiFT Practice is delegated to the Host Organisation through Local SHiFT Management Board, into which the national SHiFT team also inputs. Responsibility for delivery sits clearly with the Host Organisation, underpinned by Memorandum of Understanding / Partnership Agreements that are agreed between SHiFT and the Host Organisation before Practices are created.

We have developed three Committees to the Board: Finance Committee (Chaired by trustee Michael Clark), Practice Committee (Chaired by trustee Rasheed Pendry), and Research & Evaluation Committee (Chaired by trustee Joe Calouri). All Committees involve a combination of trustees, and some include external, co-opted representation, including Professor Stephen Morris and Paul Dawson as part of our Research & Evaluation Committee.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Trustees are provided with a comprehensive induction pack as part of their induction, which includes:

- SHiFT's vision, mission, values and strategic aims
- Previous annual reports, risk register and current year budget
- Guidance on the role of a trustee, the Charity Governance Code and available Charity Commission good practice guidance
- Background research and literature relevant to SHiFT's work

Meetings with the Chair, existing trustees and the Chief Executive are arranged as part of the induction so that new trustees can gain a deeper working knowledge of the charity. Visits to existing SHiFT Practices are included as appropriate.

Key management remuneration

Our policy is to benchmark any new roles against comparable roles within the sector. Staff are subsequently offered a salary that considers the skills and experience they bring to the role, pay equality and affordability.

Pay is reviewed annually in March, where we aim to offer a cost-of-living and inflationary environment increases. Any pay review is recommended by the Chief Executive and subject to the approval of the Board. The Chief Executive's salary is reviewed annually by the Board of Trustees. We subscribe to the London Living Wage. We also have a defined contribution pension for all staff after their probation period passed through NEST.

SHIFT ORGANISATION LTD

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

11928188 (England and Wales)

Registered Charity number

1191125

Registered office

Coram Campus
41 Brunswisk Square
London
WC1N 1AZ

Trustees

M B Clark
R Cramer
S Humphreys
J Macalister (appointed on 28.09.2022)
P V Parkes
R J Pendry
J T Caluori

Independent Examiner

Sedulo Accountants Limited
Chartered Certified Accountants
62-66 Deansgate
Manchester
M3 2EN

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on15th December 2023..... and signed on the board's behalf by:

Josh MacAlister

Josh MacAlister 2023 18:24 GMT

.....
J Macalister - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SHIFT ORGANISATION LTD

Independent examiner's report to the trustees of Shift Organisation Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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



Daniel Wilson FCCA

Sedulo Accountants Limited
Chartered Certified Accountants
62-66 Deansgate
Manchester
M3 2EN

Date:20th December 2023.....

SHIFT ORGANISATION LTD**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	415,718	206,400	622,118	1,007,576
Charitable activities	3				
Pilot schemes		<u>75,000</u>	<u>-</u>	<u>75,000</u>	<u>30,000</u>
Total		<u>490,718</u>	<u>206,400</u>	<u>697,118</u>	<u>1,037,576</u>
EXPENDITURE ON					
Charitable activities	4				
Pilot schemes		<u>707,755</u>	<u>46,232</u>	<u>753,987</u>	<u>919,419</u>
NET INCOME/(EXPENDITURE)		(217,037)	160,168	(56,869)	118,157
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>848,398</u>	<u>50,290</u>	<u>898,688</u>	<u>780,531</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>631,361</u></u>	<u><u>210,458</u></u>	<u><u>841,819</u></u>	<u><u>898,688</u></u>

The notes form part of these financial statements

SHIFT ORGANISATION LTD

**BALANCE SHEET
31 MARCH 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	10	9,009	-	9,009	3,823
CURRENT ASSETS					
Debtors	11	4,278	-	4,278	3,592
Cash at bank		<u>832,942</u>	<u>210,458</u>	<u>1,043,400</u>	<u>914,259</u>
		837,220	210,458	1,047,678	917,851
CREDITORS					
Amounts falling due within one year	12	<u>(214,868)</u>	-	<u>(214,868)</u>	<u>(22,986)</u>
NET CURRENT ASSETS					
		<u>622,352</u>	<u>210,458</u>	<u>832,810</u>	<u>894,865</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>631,361</u>	<u>210,458</u>	<u>841,819</u>	<u>898,688</u>
NET ASSETS					
		<u><u>631,361</u></u>	<u><u>210,458</u></u>	<u><u>841,819</u></u>	<u><u>898,688</u></u>
FUNDS					
Unrestricted funds	13			631,361	848,398
Restricted funds				<u>210,458</u>	<u>50,290</u>
TOTAL FUNDS					
				<u><u>841,819</u></u>	<u><u>898,688</u></u>

The notes form part of these financial statements

SHIFT ORGANISATION LTD

BALANCE SHEET - continued
31 MARCH 2023


The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 15th December 2023 and were signed on its behalf by:


Josh MacAlister
[Josh MacAlister \(Dec 15, 2023 18:24 GMT\)](#)
J Macalister - Trustee

The notes form part of these financial statements

SHIFT ORGANISATION LTD**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>136,425</u>	<u>104,935</u>
Net cash provided by operating activities		<u>136,425</u>	<u>104,935</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(7,284)</u>	<u>(749)</u>
Net cash used in investing activities		<u>(7,284)</u>	<u>(749)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		129,141	104,186
Cash and cash equivalents at the beginning of the reporting period		<u>914,259</u>	<u>810,073</u>
Cash and cash equivalents at the end of the reporting period		<u>1,043,400</u>	<u>914,259</u>

The notes form part of these financial statements

SHIFT ORGANISATION LTD

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(56,869)	118,157
Adjustments for:		
Depreciation charges	2,098	4,607
Decrease/(increase) in debtors	3,592	(3,592)
Increase/(decrease) in creditors	<u>187,604</u>	<u>(14,237)</u>
Net cash provided by operations	<u>136,425</u>	<u>104,935</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank	<u>914,259</u>	<u>129,141</u>	<u>1,043,400</u>
Total	<u>914,259</u>	<u>129,141</u>	<u>1,043,400</u>

The notes form part of these financial statements

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

The charity meets the definition of a public benefit entity under FRS 102.

Going Concern

At the time of approving these financial statements and having reviewed the charity's financial performance and free reserves position, whilst mindful of the current economic climate and the potential impact upon our resources of income and planned expenditure, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 20% straight line

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

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

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.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial statements.

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

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

Basic financial assets

Basic financial assets, which includes debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less, if not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

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

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total funds 2023 £	Total funds 2022 £
Donations	41,709	-	41,709	251,086
Gift Aid	5,000	-	5,000	5,250
Trusts and foundations	<u>369,009</u>	<u>206,400</u>	<u>575,409</u>	<u>751,240</u>
	<u>415,718</u>	<u>206,400</u>	<u>622,118</u>	<u>1,007,576</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023 £	2022 £
Team fees	Pilot schemes	<u>75,000</u>	<u>30,000</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Pilot schemes	<u>282,665</u>	<u>471,322</u>	<u>753,987</u>

5. SUPPORT COSTS

	Management £	Finance £	Other £	Governance costs £	Totals £
Pilot schemes	<u>305,455</u>	<u>242</u>	<u>150,173</u>	<u>15,452</u>	<u>471,322</u>

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

5. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

	2023 Pilot schemes £	2022 Total activities £
Wages	266,394	284,282
Social security	15,195	27,908
Pensions	14,307	17,658
Staff training	7,926	1,540
Recruitment costs	1,433	36,888
HR support contract	200	115
Bank charges	242	228
Rent and rates	17,519	14,944
Office costs	9,586	4,761
Insurance	3,092	1,827
Telephone	2,311	3,218
IT costs	2,733	5,038
Website costs	23	5,284
Consultancy costs	111,254	72,865
Subscriptions	1,557	829
Depreciation of tangible fixed assets	2,098	4,607
Accountancy and legal fees	6,140	9,470
Professional fees	<u>9,312</u>	<u>-</u>
	<u><u>471,322</u></u>	<u><u>491,462</u></u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation - owned assets	2,098	4,607
Other operating leases	17,519	14,944
Auditor's remuneration	<u>-</u>	<u>6,000</u>

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

7. TRUSTEES' REMUNERATION AND BENEFITS

Ms S Humphreys, a Trustee of the charity, charged the charity £15,750 (2022: £54,750) in respect of consultancy services provided to the charity.

Mr J MacAlister, a Trustee of the charity, charged the charity £29,750 (2022: £Nil) in respect of consultancy services provided to the charity to cover for CEO maternity.

In making these payments the charity fully considered the implications of making a payment to a Trustee and the Board were satisfied that the amount of the payments for the services does not exceed what is reasonable, in the circumstances, for the supply of the service in question. The decisions were also made with the Trustees concerned absent from the part of the meeting where these were agreed. These payments to Trustees were permitted under the memorandum and articles of association of the Charitable Company. All the required conditions under sub-clause 2 of clause 7 of the memorandum and articles were met.

Trustees' expenses

During the year, there were trustee's expenses paid of £Nil (2022: £205).

8. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	266,394	284,282
Social security costs	15,195	27,908
Other pension costs	<u>14,307</u>	<u>17,658</u>
	<u>295,896</u>	<u>329,848</u>

Key management personnel are considered to be the Chief Executive Officer, the Chief Operating Officer and the Head of Practice. The aggregate remuneration of key management personnel during the year was £170,563 (2022: £183,099).

The average monthly number of employees during the year was as follows:

	2023	2022
Programme and administrative	<u>5</u>	<u>9</u>

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

	2023	2022
£60,001 - £70,000	1	1
£70,001 - £80,000	-	3
£80,001 - £90,000	<u>2</u>	<u>1</u>
	<u>3</u>	<u>5</u>

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

8. STAFF COSTS - continued

During the year, the charity paid £20,500 (2022: £Nil) in respect of severance pay to 1 member of staff.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	866,336	141,240	1,007,576
Charitable activities			
Pilot schemes	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Total	<u>896,336</u>	<u>141,240</u>	<u>1,037,576</u>
EXPENDITURE ON			
Charitable activities			
Pilot schemes	<u>471,954</u>	<u>447,465</u>	<u>919,419</u>
NET INCOME/(EXPENDITURE)	424,382	(306,225)	118,157
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>424,016</u>	<u>356,515</u>	<u>780,531</u>
TOTAL FUNDS CARRIED FORWARD	<u>848,398</u>	<u>50,290</u>	<u>898,688</u>

SHIFT ORGANISATION LTD

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

10. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 April 2022	9,276
Additions	<u>7,284</u>
At 31 March 2023	<u>16,560</u>
DEPRECIATION	
At 1 April 2022	5,453
Charge for year	<u>2,098</u>
At 31 March 2023	<u>7,551</u>
NET BOOK VALUE	
At 31 March 2023	<u>9,009</u>
At 31 March 2022	<u>3,823</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other debtors	-	3,592
Prepayments	<u>4,278</u>	<u>-</u>
	<u>4,278</u>	<u>3,592</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023 £	2022 £
Trade creditors	4,081	317
Social security and other taxes	5,153	9,673
Other creditors	1,434	2,976
Accruals and deferred income	<u>204,200</u>	<u>10,020</u>
	<u>214,868</u>	<u>22,986</u>

13. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	848,398	(217,037)	631,361
Restricted funds			
All funds	50,290	160,168	210,458
	<u>898,688</u>	<u>(56,869)</u>	<u>841,819</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	490,718	(707,755)	(217,037)
Restricted funds			
All funds	206,400	(46,232)	160,168
	<u>697,118</u>	<u>(753,987)</u>	<u>(56,869)</u>

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	424,016	424,382	848,398
Restricted funds			
All funds	356,515	(306,225)	50,290
	<u>780,531</u>	<u>118,157</u>	<u>898,688</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	896,336	(471,954)	424,382
Restricted funds			
All funds	141,240	(447,465)	(306,225)
	<u>1,037,576</u>	<u>(919,419)</u>	<u>118,157</u>

13. MOVEMENT IN FUNDS - continued

Restricted funds

To date we have launched 4 SHiFT Practices in partnership with different local authorities across the country. Our first Practice was in Kingston & Richmond and was followed by Practices in Greenwich, Bexley & Tameside. We have one further SHiFT Practice launching in Manchester City, due to launch in Autumn 2023. There are further plans in place to launch an additional 5 to 6 Practices, areas are yet to be finalised.

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023 nor 31 March 2022.

SHIFT ORGANISATION LTD**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	41,709	251,086
Gift aid	5,000	5,250
Trusts and foundations	<u>575,409</u>	<u>751,240</u>
	622,118	1,007,576
Charitable activities		
Team fees	<u>75,000</u>	<u>30,000</u>
Total incoming resources	697,118	1,037,576
EXPENDITURE		
Charitable activities		
Payments to Pilots	228,083	420,888
Recruitment for SHIFT teams	625	2,315
Team training and events	9,190	4,754
Event costs	41,082	-
Additional project costs	<u>3,685</u>	<u>-</u>
	282,665	427,957
Support costs		
Management		
Wages	266,394	284,282
Social security	15,195	27,908
Pensions	14,307	17,658
Staff training	7,926	1,540
Recruitment costs	1,433	36,888
HR support contract	<u>200</u>	<u>115</u>
	305,455	368,391
Finance		
Bank charges	242	228
Other		
Rent and rates	17,519	14,944
Carried forward	17,519	14,944

This page does not form part of the statutory financial statements

SHIFT ORGANISATION LTD**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Other		
Brought forward	17,519	14,944
Office costs	9,586	4,761
Insurance	3,092	1,827
Telephone	2,311	3,218
IT costs	2,733	5,038
Website costs	23	5,284
Consultancy costs	111,254	72,865
Subscriptions	1,557	829
Computer equipment	<u>2,098</u>	<u>4,607</u>
	150,173	113,373
Governance costs		
Accountancy and legal fees	6,140	9,470
Professional fees	<u>9,312</u>	<u>-</u>
	<u>15,452</u>	<u>9,470</u>
Total resources expended	<u>753,987</u>	<u>919,419</u>
Net (expenditure)/income	<u>(56,869)</u>	<u>118,157</u>

This page does not form part of the statutory financial statements






Charities report - 22.2

Final Audit Report

2023-12-15

Created:	2023-12-15
By:	Shift UK (accounts@shiftuk.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAC8Av_i005XpjzDIJR8b7Um2x-8jeklkg

"Charities report - 22.2" History

-  Document created by Shift UK (accounts@shiftuk.org)
2023-12-15 - 1:55:21 PM GMT- IP address: 90.192.72.42
-  Document emailed to Josh MacAlister (josh.macalister@gmail.com) for signature
2023-12-15 - 1:55:28 PM GMT
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-  Document e-signed by Josh MacAlister (josh.macalister@gmail.com)
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-  Agreement completed.
2023-12-15 - 6:24:30 PM GMT

SHIFT ORGANISATION LTD

England & Wales - Charity number 1191125

Accounts

REGISTERED COMPANY NUMBER: 11928188 (England and Wales)
REGISTERED CHARITY NUMBER: 1191125 (England and Wales)

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022
FOR
SHiFT ORGANISATION LTD**

SHIFT ORGANISATION LTD

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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Report of the Trustees	1 to 15
Report of the Independent Auditors	16 to 18
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Balance Sheet	20
Cash Flow Statement	21
Notes to the Cash Flow Statement	22
Notes to the Financial Statements	23 to 31

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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).

CONTEXT, PURPOSES AND MEASURES OF SUCCESS

Context to our charitable mission

Growing up is risky business. If, during this critical period of transition, children and young people do not have the right foundations and support, they can become caught up in worsening cycles of harmful behaviour - becoming exploited or exploiting others, and causing serious, sometimes devastating damage, to themselves or others. Lives are lost to criminal and sexual exploitation and the criminal justice system.

Tragically, thousands of children and young people in the UK are growing up vulnerable in such circumstances. Some are causing serious harm and violence, some are victims of serious harm and violence, and most are both. Most are boys and half in custody are Black and minority ethnic children. An increasing number of girls are involved in criminal exploitation - recent evidence suggests around a third of young people in gangs are girls - and many are victims of criminal sexual exploitation.

According to Department for Education data from 2021, between 1 April 2020 and 31 March 2021:

- 16,830 children were assessed by children's social services in England where child sexual exploitation was a factor.
- 12,270 children were assessed by children's social services in England who were deemed to be at risk due to gang involvement.
- 2,710 children were assessed by children's social services in England where trafficking was a factor.
- 14,940 children were assessed by children's social services in England who were deemed at risk because they were missing.

(<https://www.gov.uk/government/statistics/characteristics-of-children-in-need-2020-to-2021>)

Offending often masks underlying vulnerabilities, from early childhood trauma and school exclusion to poor health and growing up in poverty.

A joint Department for Education and Ministry of Justice report from March 2022, found that 60% of children whose offending had been prolific had been assessed as Children in Need (as defined by section 17(10) of the Children Act 1989) on the 31st March in any given year when aged between 12 and 16. This compared with 38% of children who had been cautioned or sentenced for a serious violence offence, 32% of children who had been cautioned or sentenced for any offence, and only 6% of the all-pupil cohort.

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1059556/Education_child_ren_s_social_care_and_offending_descriptive_stats_FINAL.pdf)

Absence from school is both an indicator that things are going wrong and a catalyst for further problems. According to Department for Education and Ministry of Justice data:

'81% of children who had been cautioned or sentenced for an offence had ever been persistently absent, compared to 85% of children who had been cautioned or sentenced for a serious violence offence. Children whose offending had been prolific had the highest proportion recorded as persistently absent at 94%. This compares to 44% of the whole pupil cohort.'

SHiFT exists to break the destructive cycle of children and young people caught up in, or at risk of, crime. We seek to transform both policy and practice in how young people in these circumstances are seen and supported.

Despite the best efforts of dedicated professionals, many young people and their families are not getting the support they need to move to a place of safety and strength. Too often, current responses to harm and offending exacerbate crisis, compound disadvantage, and deepen harmful cycles. Services and systems are experienced as piecemeal and uncoordinated, with artificial thresholds that create damaging cracks, gaps, and cliff edges. The system has been designed through the lens of disconnected problems rather than the interconnected needs of children and their communities.

This is especially true for teenagers, who are the fastest growing group in both child protection and care. As the Independent Review of Children's Social Care put it:

'Government departments and safeguarding partners have failed to have an effective response to the risks that teenagers face. Different parts of the children's social care, police, education, justice, and health systems are responding differently to the same teenagers. Accountability for keeping these teenagers safe is lacking.'

https://childrensocialcare.independent-review.uk/wp-content/uploads/2022/06/IRCSC_The_Case_for_Change_27.05.22.pdf

It doesn't need to be like this, and SHiFT is determined to change things - for the children we work with and for the systems that currently work with them.

Charity purposes

SHiFT's purposes, as set out within our Memorandum and Articles of Association are:

'To prevent and relieve the suffering and hardship of young people, particularly, but not exclusively, in circumstances where the young person is displaying, or at risk of displaying, criminal behaviours in such ways as the charity trustees from time to time think fit, in particular, but not exclusively, through supporting the provision of a therapeutic relationship with a skilled practitioner providing advice, counselling and intense support to those who are involved in or at risk of becoming involved in criminal behaviours, and by facilitating constructive relationships within their system including family, friends and professionals.'

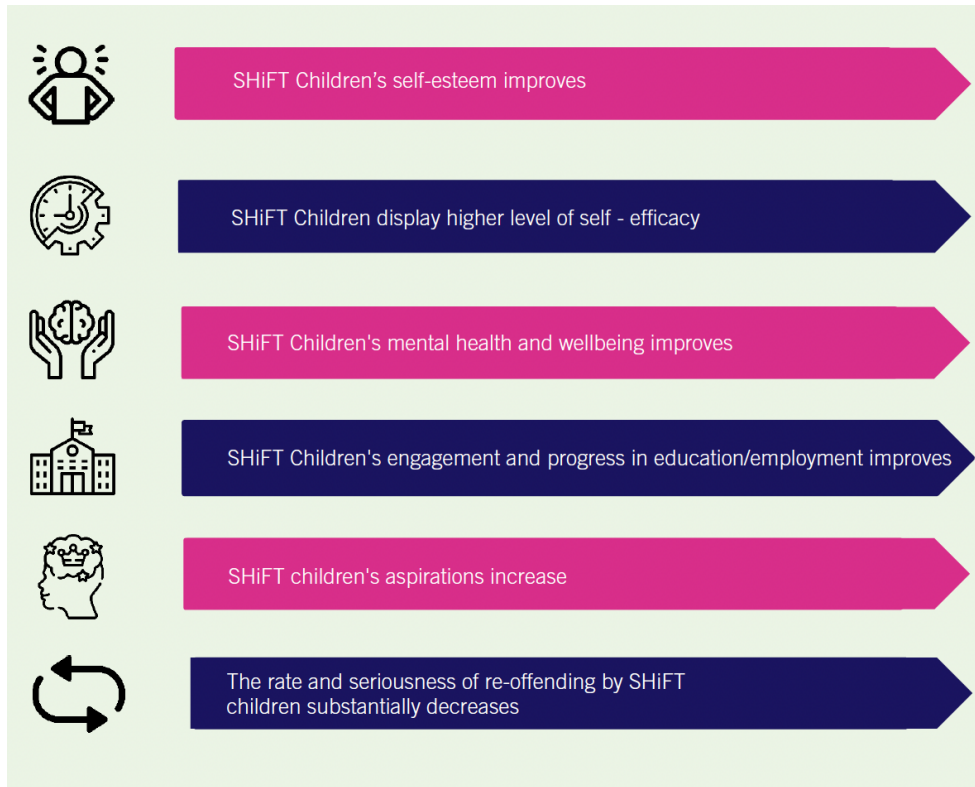
The trustees have paid due regard to Charity Commission guidance in deciding what activities the charity should undertake and are confident that we are acting within our charity's purposes.

Measures of success

We seek to understand the experience of children and young people being supported by SHiFT and the progress they are making through evaluation that includes:

- Timeline interviews with children and young people - led by Guides (highly skilled SHiFT practitioners recruited from a variety of professional backgrounds) and SHiFT's Research and Evaluation Lead.
- Interviews with the family members of children and young people, and/or professionals from other services who are supporting them.
- The quarterly completion of our Exploration Tool by children and young people - a self-assessment of strength and wellbeing across all key life dimensions.
- In parallel, the completion every quarter of our Exploration Tool by SHiFT Guides - a professional assessment of strength and wellbeing across all key life dimensions.
- Pre-, post- and half-way through Programme questionnaires completed by children and young people to measure self-esteem, self-efficacy and mental wellbeing.

We aim to show progress for the children we are working with against the following outcomes:



And through our work with statutory services, key desired outcomes are:

- SHiFT demonstrates substantial savings to statutory sector costs, due to the reduction in repeat offending and reduction of social care costs.
- Pilots are maintained by the Local Authority after their first 18 months or SHiFT's approach is taken forward to evolve existing services.

OBJECTIVES AND ACTIVITIES

Objectives and aims

SHIFT was set up in 2019, with an objective to demonstrate and embed opportunities for more impactful and cost-effective approaches to breaking the cycle of offending and supporting behaviour change in children and young people, alongside driving wholesale system change in how society perceives and supports the children we work with.

The SHiFT programme is based on the Breaking Cycles model, devised by Sophie Humphreys OBE, the Chair and one of SHiFT's four Co-Founders. Instead of defining people by issues such as addictions or criminality, Breaking Cycles understands that this behaviour often occurs as a result of previous experiences of trauma, neglect, abuse and poor attachment, and therefore focuses first on working with each child as an individual: getting to know them, understanding their hopes and fears, and helping them develop the strong foundations needed to achieve their aspirations.

Using the Breaking Cycles approach, SHiFT wants every child and young person caught up in, or at risk of, crime, to have one intensive, high-quality, trusting, and persistent professional relationship through which most of their needs are met: a flexible, tailored, and tenacious relationship through which professionals do whatever it takes to set children and young people up for the safe and bright futures they deserve.

SHiFT is systemic in nature. We work through a trauma and poverty informed lens, focussed on building positive identity, and delivered over a sustained period of around 18 months. We believe that everyone - including traumatised and vulnerable children and young people described by professionals as 'hard to reach' - has a hook by which they can begin to pull themselves away from repeated and harmful behaviour. Guides work with each child to develop trusting relationships and to find the right hook, day by day, moment by moment, to support necessary behaviour change.

Key distinctive aspects of SHiFT's practice include:

- SHiFT starts with aspiration and sets the bar high. We do not define children and young people by their problems or behaviours.
- SHiFT reaches children and young people and stays with them, wherever they are and wherever they go. We are not constrained by artificial barriers, such as age limits, service thresholds or Local Authority borders.
- SHiFT supports each child or young person through points of transition such as from childhood to adulthood, from custody to the community, or from out of education or employment to back in. There is no cliff edge at 18.
- SHiFT supports children and young people to change their perceptions of themselves and to challenge others' perception of them. We believe in them until they begin to believe in themselves.
- SHiFT gets alongside the child supporting them to navigate their world differently, working with everyone in their world, including – and especially – families, and helping to change limiting patterns of behaviour and relating.
- SHiFT Guides are not just another additional service in young people's lives - we assertively hold responsibility, we simplify the professional network, join dots, and make the system more coherent and effective for children and young people.

SHiFT is scaling high-impact Practices across the UK. SHiFT Practices change policy and practice one conversation at a time, infiltrating existing systems and modelling a different threshold-free and aspiration-led way of working alongside children and families. When skilled practitioners see, do, and talk differently, they surface new possibilities and approaches which have powerful, positive domino effects in systems and the lives of children and young people.

A SHiFT Practice consists of five SHiFT Guides and a Practice Coordinator. SHiFT Guides are highly skilled practitioners, who have significant experience of working with some of the country's most vulnerable children in complex circumstances. Guides come from a range of professional backgrounds, including social work, youth offending, education, the probation service, and healthcare. Each Practice supports around 25 children. They work alongside and across the statutory system, ensuring duplication is avoided and scarce resources are directed and purposeful. Colleagues who form SHiFT Practices are all employed by the Local Authority in which they are based, and our framework agreement makes clear that it is the responsibility of each Local Authority to ensure that safeguarding risks are being properly managed within their own safeguarding procedure.

SHiFT Practices are 'insider-outsiders' - working from within existing services (children's services, public health, policing and criminal justice, education, housing) as well as working outside, as part of the national SHiFT changemaking community. This is not simply adding personnel capacity to existing Youth Offending Services. We will show that an adult-led relationship that is trauma-informed attachment-aware and consistent over a sustained period breaks cycles of crime.

Scaling SHiFT Practices across the UK will transform policy and practice - influencing by delivering and demonstrating outstanding outcomes for children and young people, as part of a national community that is building the evidence and practice for change and contributing to new public conversation.

Significant activities

Building on the strong foundations laid for the organisation in 2020/21, SHiFT's main focus during the financial year 2021/22 has been on delivering and evidencing outstanding outcomes for children through our two pilot Practices (in Kingston and Richmond, which launched in December 2020, and in Greenwich, which launched in June 2021), alongside scoping and beginning to mobilise two further Practices - a smaller Practice that will support 15 of the Borough's most vulnerable and high risk children in Bexley (launching July 2022), and a Practice supporting 27 children and families in Tameside, Manchester (launching January 2023), which is one of the areas of highest permanent school exclusion in the country. SHiFT secured a 50% contribution from public sector funds towards the costs of both of these new Practices - representing an increase from 25% public sector contribution for the first pilot Practices.

SHiFT Tameside has received investment from Greater Manchester's Violence Reduction Unit as well as the Local Authority. We see this as reflecting SHiFT's growing credibility and timeliness (e.g. in light of key priorities within national government's 'Levelling Up' ambitions, the ongoing work of the Commission on Young Lives, and recent recommendations from the Independent Review of Children's Social Care which strongly align with SHiFT's approach). They also represent further important progress towards financial and mission-focused sustainability for SHiFT and the organisation realising its potential for system impact. Philanthropic support continues to fund the balance of the first 18 months of the costs of each Practice together with core costs for the national team.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the organisation should undertake. We are confident that all the charitable activities that we have undertaken do further our charitable purposes for the public benefit.

SHiFT is supporting some of the most vulnerable children in our society, most of whom have suffered devastating experiences of trauma, neglect, abuse, or poor attachment. Through our work, we will demonstrate that trauma informed, relational and identity forming approaches are both effective and necessary to break entrenched, destructive, and sometimes multi-generational cycles of offending. On the basis of our experience and results, we aim to create system change to transform the way that our society collectively guides, educates, diverts and rehabilitates our nation's children who are caught in a complex and destructive cycle of offending and related behaviour.

STRATEGIC REPORT

Achievement and performance

48 children and young people are currently being supported by SHiFT. Most recent data analysis of 43 of children and young people indicated that:

- Most were boys (37).
- A small but important group were girls (6).
- Most identify as White British (18) or Mixed Heritage (15).
- Most are 15-18 years old, with the youngest child supported aged 12 and the oldest aged 19.

SHiFT gets alongside and strengthens the families and communities that children grow up in, which are often children's source of love and belonging. Across the group of 43 children covered by most recent data analysis, our work with families includes 80 siblings and between 30 and 40 parents or carers. SHiFT also works with all professionals involved in the lives of the children and young people we support - at the start of our time with the 43 children and young people we've worked with, the number of professionals involved with each child ranged from 1 to 15.

At the start of their time with SHiFT:

- 35 out of 43 children had previous criminal convictions and 33 out of 43 were under current Youth Justice supervision when SHiFT started working with them.
- 22 out of 43 children are known to have been victims of crime.
- 34 out of 43 children were identified by professionals as at risk of criminal exploitation.
- 31 out of 43 children had a history of missing episodes.
- 19 out of 43 children had been assessed by professionals to be gang affiliated.
- 41 out of 43 children have received a fixed term or permanent exclusion from school.
- 34 out of 43 children were known to have alcohol or substance misuse issues.
- 15 out of 43 children were on Children in Need or Child Protection Plans.
- 13 out of 43 children were in the care of the Local Authority with 1 child in foster care and 12 in residential placements.

SHIFT ORGANISATION LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

There is now good evidence of SHiFT's positive impacts in action. An external implementation evaluation supported by the Youth Endowment Fund (due to be published by the Fund on 30 September 2022) found that SHiFT Practices were successfully engaging the right children with flexibility and persistence to ensure children have the support they need. It also reported that SHiFT was seen as innovative and credible by professional stakeholders at all levels. This is an excellent basis for scaling.

Beyond this, SHiFT's Research and Evaluation Lead, Dr Kirstine Szifris, has undertaken a process evaluation, drawing on wide ranging administrative data, interviews, and focus groups, to understand children's experiences and the mechanisms that underpin SHiFT's action. An extract from the summary of Dr Szifris' report reads:

'As SHiFT moves into its next stage with an aim of launching further Practices, this research has helped to strengthen its foundations by helping to understand how and why SHiFT is working. So far, there have been some impressive outcomes - not least for children like Banquo whose return to mainstream education is described by professionals as a rare feat. Instead of following a far-too-common trajectory of escalating criminal behaviour, he can move to a place of strength and responsibility where his knife crime, fighting, and convictions are not repeated and his capacity to aspire, achieve and contribute to society is realised.

More broadly, children supported by SHiFT feel seen and heard. Children I spoke with were all clear that SHiFT is supporting them in a way that feels meaningful to them. At this early stage, data is starting to reveal some good evidence of positive outcomes - a reduction in missing episodes (which professionals report often relate to drug dealing and county lines), a reduction in severity and number of arrests and conviction, and an increase in engagement in education, employment or training including some returning to school or training after a period with little or no provision, some improving attendance and behaviour, and others finding more suitable educational placements.

It is not a clear picture though. The cycles of crime in which the children SHiFT works with are caught are deep, destructive, and worsening. Children's journeys are not all linear - there are setbacks, changes in circumstances and feelings, and periods where they lean out of the relationship with their Guide and want to prioritise other aspects of their lives - but what is clear from this research is that SHiFT Guides stay with them, looking every day for opportunities to help them refocus, reframe, and reconsider options and choices.

Children see SHiFT Guides as the ear they need in times of crisis. It takes time - and, it seems, all the ingredients of Breaking Cycles of tenacity, perseverance, flexibility, and finding the right hook day by day, minute by minute - to break these cycles.'

Administrative data evidence emerging impacts for children supported by SHiFT, including:

- Being more settled in their accommodation with improved stability, behaviour, and better communication skills with staff in placements.
- For children who have a history of going missing frequently we are seeing missing episodes have ceased, significantly reduced or stabilised. This is through building trust, understanding the reasons for the episodes, and responding appropriately to mitigate and support improved self-efficacy.
- Reduced involvement in offending with demonstration of genuine steps towards sustained change for some of the most 'entrenched' we are working with. This includes engagement with new hobbies sustained and increased engagement in education and training.
- Improved attitudes towards finding employment and suitable training and engaging in further or adult learning education with some tangible evidence of successfully gaining employment, qualifications.
- Re-engagement with statutory mainstream or alternative education. Focusing on one of our Practices 20% of young people have moved into education, employment or training over the last reporting period after 13 months of working with SHiFT.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

- Engagement in a diverse range of extra-curricular activities that provide learning through informal education and allow children to develop self-confidence, channel risk taking behaviour and develop agency.
- Progress in risk reduction and safeguarding concerns are being reflected in significant reductions in the professional network around children supported by SHiFT. Statutory social work intervention has ceased for 25% of children at one SHiFT Practice after 9 months of children being supported by SHiFT. A further 15% have demonstrated reduced levels of concern with a view to ending statutory involvement in this upcoming quarter (12 months in).

Finally, an external economic analysis of SHiFT's work by Cornish & Grey is helping us to understand the fiscal impacts of our work. Key findings include:

- SHiFT is generating in year cost savings for Local Authorities, increasing placement stability, reducing the use of expensive remand accommodation, supporting children to return to mainstream school from Pupil Referral Units, and enabling high-cost / high-intervention safeguarding services to step down, freeing other professionals to support other children.
- SHiFT is also avoiding future costs. For each child considered in Cornish & Grey's external economic analysis, costs avoided by breaking cycles of crime now, ranged from £2.5 million to £700,000 for each child up to the age of 40. Potential future public costs avoided in the next five years ranged from £1.8 million to £164,000. With a cost per child of £21,000 for 18 months of intensive SHiFT support, for every £1 spent on SHiFT £8 is saved over five years, and £33 is saved over 20 years.

This evidence gives us confidence that work with children and young people is having the positive impacts intended, enabling them to rebuild the foundations of their lives and break cycles of crime. Evaluation activities have also generated learning from the first two pilot Practices which has already been implemented to strengthen the processes of mobilising further new SHiFT Practices (in Bexley and Tameside, Manchester).

As a result of sustained work over this last year to develop SHiFT's strategic relationships and to communicate the nature and impacts of SHiFT's work, interest in SHiFT from the public sector and from central government is high. We have fed into the Commission on Young Lives work, support from Violence Reduction Units is increasing, and we are in active dialogue with the Ministry of Justice, Home Office, Department for Levelling Up and Department for Education. We now have the approach, the staff team, experience, strategic relationships, and evidence to support accelerated growth and fulfil our strategic ambition to launch five further SHiFT Practices in this next year.

Balanced picture of achievements against objectives set

SHiFT has launched, grown a high performing national team, and mobilised Practices that are evidenced to be providing outstanding support for children and families, which is breaking cycles of crime. Two thirds of the children supported by SHiFT have to date remained entirely offence-free. 48 children and young people were invited to work with SHiFT in Kingston & Richmond and Greenwich with only five choosing not to participate. To date only one child decided to stop receiving SHiFT support after nine months.

SHiFT has grown and achieved outcomes largely in the context of the many operational and public health challenges of the Covid-19 pandemic. Though we might have hoped to have launched further Practices sooner, beyond Kingston & Richmond, and Greenwich, Bexley's launch in July 2022, and Tameside in Manchester's launch in October 2022 are on track and will take forward learning from the extensive evaluation which has happened during this accounting period. SHiFT is in a strong position to move ahead and has performed well against its aspirations and objectives.

Performance of material fundraising activities against fundraising objectives

SHiFT has continued to enjoy strong philanthropic support, which has enabled the organisation to meet core running costs for the national team and to secure 75% of Practice costs at Kingston & Richmond and Greenwich. Owing to the increased contribution secured from public sector funds only 50% of Practice costs at Bexley have needed to be (and have been) secured philanthropically. The majority of philanthropic investment (accounting for 50% of total Practice costs) have already been secured for the Tameside, Manchester Practice.

Our key priority now is to secure central government funding to support further national scaling, which will incorporate meeting ongoing core costs for the national SHiFT team. An additional balance of £142k is needed to fully cover all costs for SHiFT Tameside, applications for which are currently under consideration.

Positive and negative factors outside of charity control

SHiFT has garnered strong attention from policymakers and senior practitioners, partly as a result of opportune increased focus on the needs and experiences of adolescents (e.g. the Independent Review of Children's Social Care), and the unfortunate ongoing rise in the vulnerabilities and unmet needs of this group, especially since Covid. The highest proven reoffending rate across the youth justice system in England and Wales is for children leaving custody - 64% within 12 months after release. Interest in doing things differently is therefore high and the case for change increasingly well understood and considered urgent.

Covid-19, the cost-of-living crisis, and the war in Ukraine have all been negative factors outside of SHiFT's control that have impacted our work. In particular, Covid-19 and the cost-of-living crisis have impacted labour markets - people's expectations of work, levels of competition, and increased salary expectations - and, together with the knock-on impacts arising from the war in Ukraine, these factors have added financial pressures to us, and our public sector partners. In this context, government has been pulled in many competing directions and general political instability has been high. Given our ambitions to secure central government funding to enable national scaling, this instability presents a risk to us. We are working hard to maintain and build new relationships, including with civil servants, to maintain the organisation's profile and maximise chances of future support.

FINANCIAL REVIEW

Principal funding sources

During 2021/22, our principal funding sources were philanthropic donors, trusts and foundations. Increased levels of Local Authority investment (50% rather than 75%) for new SHiFT Practices in Bexley and Tameside, Manchester, and new Violence Reduction Unit investment in Manchester, mean that the proportionate need for philanthropic funds to support our growing activities has somewhat reduced.

Moving forward into 2022/23, our key priority is to secure central government funding to enable national scaling with investment that includes a contribution to the core costs of the national SHiFT team. Alongside fees from each Practice towards the costs of support provided by the national team, this should reduce the need for ongoing philanthropic support and increase the organisation's sustainability.

Total income for period was £1,037,576 and total expenditure was £919,419.

At the end of the financial year, we held a cash balance of £898,688.

The costs for each 18-month pilot programme at a new Practice are approximately £550,000 – £600,000. SHiFT is now funding 50% of these costs and public sector partners (Local Authorities, Violence Reduction Units, and similar partners) are funding the remaining 50%.

The costs for SHiFT's national team (encompassing both staff and non-staff expenditure) are currently approximately £600,000 per year.

Key fundraising needs going forward are:

- Ongoing core costs for the national SHiFT team.
- Further funding to scale and launch new SHiFT Practices.

Our key priority now is to secure central government funding to support further national scaling and realise our strategic ambition for the next three years to mobilise and launch a further five SHiFT Practices.

Reserves policy

At the end of March 2022, we held total funds of £898,688, of which:

- £50,290 were restricted funds carried over to the following financial year; and
- £848,398 were unrestricted of which £632,862 were designated to the delivery of programmes in existing Practices (Kingston & Richmond, Greenwich, Bexley, and Tameside in Manchester), giving an unrestricted and undesignated balance at the end of March 2022 of £215,536.

The organisation's reserves policy is to ensure that - over and above any funds restricted or designated to each programme - we maintain between three and six months of reserves to ensure that we can meet our obligations regarding staffing and overheads for the national SHiFT team.

Our central operating costs are approximately £600,000 per annum. As of March 2022 we were therefore operating with approximately four months of free reserves, which is within the requirements of our reserves policy.

Principal risks and uncertainties

Risk management is dealt with at all levels of the organisation, with a register of principal risks and their mitigation brought to each Board meeting. We consider our principal risks to be as follows:

Safeguarding: we are working with a very vulnerable group of children and their families, therefore safeguarding is one of our principal risks and one that we take incredibly seriously. Colleagues who form SHiFT Practices are all employed by the Local Authority in which they are based, and our framework agreement makes clear that it is the responsibility of each Local Authority to ensure that safeguarding risks are being properly managed within their own safeguarding procedure. Nevertheless, our safeguarding policy sets out our fundamental safeguarding principles which we would expect all our partners to adhere to, and our quality assurance processes have been developed to ensure that we can check that effective safeguarding is happening in practice. All our staff receive bi-annual safeguarding training and we have a regularly reviewed, critical incident policy which reinforces clear responsibilities and reporting lines.

Financial: we are a new charity, relying on at present, a relatively small number of donors. To scale at the pace of our ambitions we now need to secure central government funding. General political instability and has been high, inflation is currently very high leading to a cost-of-living crisis, and this, coupled with Covid-19 and the impacts arising from the war in Ukraine generate a stretched and turbulent context with strong competing financial pressures on government.

Team recruitment and development: Covid-19 and the cost-of-living crisis have impacted labour markets - people's expectations of work, levels of competition, and increased salary expectations. Together with current high levels of inflation, this is a real challenge for us, as with others in the sector. Recruiting and retaining outstanding staff is critical to our success. We are investing thoughtfully in learning and development and strengthening our culture and recruitment processes to place us in the best position to attract and retain talent.

Demonstration of Impact: while we have made significant progress in the evidencing of impact, we understand that it is fundamental that we are able to show a clear cost-benefit to local authorities and the youth justice system, and a significant and sustainable impact of the programme on our beneficiaries compared with traditional management of young people who conflict with the law. With that in mind, we are committed to continued detailed evaluation, building towards external impact evaluation that can evidence causation. We are refreshing our evaluation strategy, which will guide us to deliver on our ambitions over the next two years and will be applying to new sources of funding to support this work.

Future plans

Our long-term goal is to create and support SHiFT Practices across the UK that will break cycles of crime through the work they do directly with children and young people and through system change leveraged through a new and evidenced approach to practice. We want to change the way in which statutory services are delivered, specifically in relation to the youth justice system, so that these achieve stronger and more sustainable outcomes for the children currently caught up within it.

Between 2022 and 2024, SHiFT will strengthen its foundations in four key areas:

1. More young people out of crime, safe and thriving

- Launch five new Practices from January 2023 with at least three out of London, to extend national reach and learning. New Practices will be targeted in areas of greatest need and where SHiFT can make greatest impact, including by innovating in SHiFT's system entry point and partnership design (e.g. educational partnerships).
- Support 125 children through its new and existing Practices.
- Continue to develop an ambitious, creative, inclusive practice and learning model that delivers outstanding outcomes for young people and positive domino effects to transform systems.

2. Compelling evidence and organisational learning

- Develop comprehensive, thoroughly theoretically and empirically evidenced theories of individual, community and system change and outcomes frameworks.
- Implement ongoing robust cycle of qualitative and administrative data collection to understand experiences of SHiFT and enrich practice, including through comparative insights across different Practice contexts.
- Gather evidence of outcomes for young people (including emergent longitudinal impacts) and progress towards system change.
- Develop a strong learning culture, centring on reflective practice, and supported by our governance and learning and development programme, thoroughly integrating learning from evaluation to support practice and organisational development.

3. A community of committed changemakers

- Provide sector leading learning and development opportunities that develop talent and aspiration within SHiFT and develop relationships and share opportunities within our networks.
- Build strategic partnerships with organisations that share our vision for young people and system change.
- Leverage SHiFT's convening power - hosting events and activities that bring together people across policy, practice, research to share their insights and perspectives and influence through collaboration towards a shared vision.
- Develop opportunities for young people with lived experience of SHiFT to use their voice and experiences to influence and contribute, both within and beyond SHiFT.

4. New public conversation

- Committed engagement in relevant commissions, enquiries and calls for evidence.
- High impact, and creative communication of SHiFT's work, including proactive engagement with the media.
- Learning and development opportunities that are open to public.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

SHiFT's four Co-Founders (Sophie Humphreys OBE, Josh MacAlister, Rebecca Cramer and Michael Clark) set up SHiFT through a common interest in identifying more effective ways of breaking the destructive cycle of offending behaviours in children, enabling them to enjoy lives of choice and opportunity.

A subsequent review of skills, knowledge, professional backgrounds and diversity, and Josh MacAlister stepping down to lead a government review in January 2021, led to the engagement of two new trustees (Nick Pendry and Pam Parkes) in September 2020 and one further trustee (Joe Calouri) in July 2021.

Organisational structure

We have a small, national team comprising of five staff. Our central team supports each Local Authority (or Host Organisation) to mobilise the programme, recruit and train the staff, provide ongoing development and support of the programme framework, evaluate activities, as well as fundraising and management / governance of the charity.

SHiFT Practices in Kingston & Richmond and Greenwich have six staff, comprising one Lead Guide, four Guides and one Practice Coordinator. SHiFT Bexley is a smaller Practice, comprising one Lead Guide, two Guides and one Practice Coordinator. All Practice staff are employed by the Host Organisation (typically, the Local Authority that is partnering with SHiFT).

Decision making

Our Board of Trustees is responsible for all governance and strategic decision making. Day to day management is delegated to SHiFT's Chief Executive, while the management of each local SHiFT Practice is delegated to the Host Organisation through Local SHiFT Management Board, into which the national SHiFT team also inputs. Responsibility for delivery sits clearly with the Host Organisation, underpinned by Memorandum of Understanding / Partnership Agreements that are agreed between SHiFT and the Host Organisation before Practices are created.

We have developed three Committees to the Board: Finance Committee (Chaired by trustee Michael Clark), Practice Committee (Chaired by trustee Nick Pendry), and Research & Evaluation Committee (Chaired by trustee Joe Calouri). All Committees involve a combination of trustees, and some include external, co-opted representation. We are looking to increase external representation across all Committees in the next year. Committees provide scrutiny and strategic input before taking decisions to the Board of Trustees.

Induction and training of new trustees

Trustees are provided with a comprehensive induction pack as part of their induction, which includes:

- SHiFT's vision, mission, values and strategic aims.
- Previous annual reports, risk register and current year budget.
- Guidance on the role of a trustee, the Charity Governance Code and available Charity Commission good practice guidance.
- Background research and literature relevant to SHiFT's work.

Meetings with the Chair, existing Trustees and the Chief Executive are arranged as part of the induction so that new Trustees can gain a deeper working knowledge of the charity. Visits to existing SHiFT Practices are included as appropriate.

SHIFT ORGANISATION LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Key management remuneration

Our policy is to benchmark any new roles against comparable roles within the sector. Staff are subsequently offered a salary that takes into account the skills and experience they bring to the role, pay equality and affordability.

Pay is reviewed annually in March, when the cost-of-living and inflationary environment is reviewed. Any pay review is recommended by the Chief Executive and subject to the approval of the Board. The Chief Executive's salary is reviewed annually by the Board of Trustees. We subscribe to the London Living Wage. We have a defined contribution pension for all staff after their probation period has passed through NEST.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

11928188 (England and Wales)

Registered Charity number

1191125 (England and Wales)

Registered office

Coram Campus
41 Brunswisk Square
London
WC1N 1AZ

Trustees

Mr M B Clark Charity Manager (April 2019 – present)
Ms R Cramer Executive Headteacher (September 2020 – present)
Ms S Humphreys Social Worker (April 2019 – present)
Mrs P V Parkes Director (Local Government) (September 2020 – present)
Mr N J Pendry Director of Early Help and Children's Services (Local Government) (September 2020 – present)
Mr J Calouri Head of Research and Policy (July 2021 – present)

Auditors

Sedulo Audit Limited
Chartered Certified Accountants
& Registered Auditors
62-66 Deansgate
Manchester
M3 2EN

Bank

Lloyds Bank
Villiers House
48-49 Strand
London
WC2N 5LL

SHIFT ORGANISATION LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of SHiFT Organisation Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

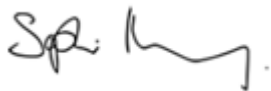
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

AUDITORS

The auditors, Sedulo Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 28 September 2022, and signed on the Board's behalf by:



.....
Ms Sophie Humphreys OBE – Chair and Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SHiFT ORGANISATION LTD

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SHIFT ORGANISATION LTD

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

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.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The primary responsibility for the prevention and detection of fraud rests with directors and management, and we cannot be expected to detect non-compliance with all laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our knowledge of the business and sector, enquiries of directors and management, and review of regulatory information and correspondence. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

We discussed with directors and management the policies and procedures in place to ensure compliance with laws and regulations and otherwise prevent, deter and detect fraud.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SHIFT ORGANISATION LTD**

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations identified as potentially having a material effect on the financial statements. Our procedures included review of financial statement information and testing of that information, enquiry of management and examination of relevant documentation, analytical procedures to identify unusual or unexpected relationships that may indicate fraud, and procedures to address the risk of fraud through director or management override of controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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

David Stansfield ACCA (Senior Statutory Auditor)
for and on behalf of Sedulo Audit Limited
Chartered Certified Accountants
& Registered Auditors
62-66 Deansgate
Manchester
M3 2EN

Date:

SHIFT ORGANISATION LTD

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	866,336	141,240	1,007,576	918,750
Charitable activities					
Pilot schemes	3	30,000	-	30,000	-
Total		<u>896,336</u>	<u>141,240</u>	<u>1,037,576</u>	<u>918,750</u>
EXPENDITURE ON					
Raising funds	4	-	-	-	18
Charitable activities					
Pilot schemes	5	471,954	447,465	919,419	485,849
Total		<u>471,954</u>	<u>447,465</u>	<u>919,419</u>	<u>485,867</u>
NET INCOME/(EXPENDITURE)		424,382	(306,225)	118,157	432,883
RECONCILIATION OF FUNDS					
Total funds brought forward		424,016	356,515	780,531	347,648
TOTAL FUNDS CARRIED FORWARD		<u><u>848,398</u></u>	<u><u>50,290</u></u>	<u><u>898,688</u></u>	<u><u>780,531</u></u>

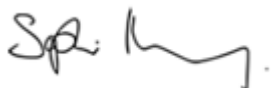
The notes form part of these financial statements

SHIFT ORGANISATION LTD

BALANCE SHEET
31 MARCH 2022

	Notes	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
FIXED ASSETS					
Tangible assets	11	3,823	-	3,823	7,681
CURRENT ASSETS					
Debtors	12	3,592	-	3,592	-
Cash at bank		<u>863,969</u>	<u>50,290</u>	<u>914,259</u>	<u>810,073</u>
		867,561	50,290	917,851	810,073
CREDITORS					
Amounts falling due within one year	13	(22,986)	-	(22,986)	(37,223)
NET CURRENT ASSETS					
		<u>844,575</u>	<u>50,290</u>	<u>894,865</u>	<u>772,850</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>848,398</u>	<u>50,290</u>	<u>898,688</u>	<u>780,531</u>
NET ASSETS					
		<u>848,398</u>	<u>50,290</u>	<u>898,688</u>	<u>780,531</u>
FUNDS					
Unrestricted funds	14			848,398	424,016
Restricted funds				<u>50,290</u>	<u>356,515</u>
TOTAL FUNDS					
				<u>898,688</u>	<u>780,531</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 28 September 2022, and were signed on its behalf by:



.....
Ms Sophie Humphreys OBE – Chair and Trustee

SHIFT ORGANISATION LTD**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	31.3.22 £	31.3.21 £
Cash flows from operating activities			
Cash generated from operations	1	<u>104,935</u>	<u>763,626</u>
Net cash provided by operating activities		<u>104,935</u>	<u>763,626</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(749)</u>	<u>(8,527)</u>
Net cash used in investing activities		<u>(749)</u>	<u>(8,527)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		104,186	755,099
Cash and cash equivalents at the beginning of the reporting period		<u>810,073</u>	<u>54,974</u>
Cash and cash equivalents at the end of the reporting period		<u>914,259</u>	<u>810,073</u>

The notes form part of these financial statements

SHIFT ORGANISATION LTD

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.22 £	31.3.21 £
Net income for the reporting period (as per the Statement of Financial Activities)	118,157	432,883
Adjustments for:		
Depreciation charges	4,607	846
(Increase)/decrease in debtors	(3,592)	350,000
Decrease in creditors	<u>(14,237)</u>	<u>(20,103)</u>
Net cash provided by operations	<u>104,935</u>	<u>763,626</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank	<u>810,073</u>	<u>104,186</u>	<u>914,259</u>
	<u>810,073</u>	<u>104,186</u>	<u>914,259</u>
Total	<u>810,073</u>	<u>104,186</u>	<u>914,259</u>

The notes form part of these financial statements

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

The charity meets the definition of a public benefit entity under FRS 102.

Going Concern

At the time of approving the financial statements and having due regard to the impact of Covid-19 and inflationary / cost-of-living pressures, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Therefore, the trustees continue to adopt to going concern basis of accounting in preparing the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 20% straight line

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

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

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.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial statements.

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

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

Basic financial assets

Basic financial assets, which includes debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less, if not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total funds 2022 £	Total funds 2021 £
Donations	251,086	-	251,086	225,000
Grants	-	-	-	300,000
Trusts and foundations	610,000	141,240	751,240	393,750
Gift Aid	5,250	-	5,250	-
	<u>866,336</u>	<u>141,240</u>	<u>1,007,576</u>	<u>918,750</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.22 £	31.3.21 £
Team fees	Pilot schemes	<u>30,000</u>	<u>-</u>

4. RAISING FUNDS

Raising donations and legacies

	31.3.22 £	31.3.21 £
Subscriptions	<u>-</u>	<u>18</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Pilot schemes	<u>427,957</u>	<u>491,462</u>	<u>919,419</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

6. SUPPORT COSTS

	Management £	Finance £	Other £	Governance costs £	Totals £
Pilot schemes	<u>368,391</u>	<u>228</u>	<u>113,373</u>	<u>9,470</u>	<u>491,462</u>

Support costs, included in the above, are as follows:

	31.3.22 Pilot schemes £	31.3.21 Total activities £
Wages	284,282	132,733
Social security	27,908	9,813
Pensions	17,658	3,943
Staff training	1,540	4,140
Recruitment costs	36,888	28,349
HR support contract	115	2,199
Bank charges	228	222
Rent and rates	14,944	-
Office costs	4,761	1,788
Insurance	1,827	1,359
Telephone	3,218	-
IT costs	5,038	1,681
Website costs	5,284	2,646
Contractor costs	72,865	123,819
Advertising and marketing	-	346
Subscriptions	829	1,217
Depreciation of tangible fixed assets	4,607	846
Accountancy and legal fees	<u>9,470</u>	<u>8,706</u>
	<u>491,462</u>	<u>323,807</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.22 £	31.3.21 £
Depreciation - owned assets	4,607	846
Auditor's remuneration	6,000	-
Other operating leases	<u>14,944</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

8. TRUSTEES' REMUNERATION AND BENEFITS

Ms S Humphreys, a trustee of the charity, charged the charity £54,750 (2021: £43,500) in respect of consultancy services provided to the charity. In making this payment the charity full considered the implications of making a payment to a trustee and the Board were satisfied that the amount of the payment for the services does not exceed what is reasonable, in the circumstances, for the supply of the service in question. The decision was also made with the Trustee concerned absent from the part of the meeting where this was agreed. This payment to a trustee was permitted under the memorandum and articles of association of the Charitable Company. All the required conditions under sub-clause 2 of clause 7 of the Memorandum and Articles were met.

Trustees' expenses

During the year, there were trustee's expenses paid of £205 (2021: £293).

9. STAFF COSTS

	31.3.22	31.3.21
	£	£
Wages and salaries	284,282	132,733
Social security costs	27,908	9,813
Other pension costs	<u>17,658</u>	<u>3,943</u>
	<u>329,848</u>	<u>146,489</u>

The average monthly number of employees during the year was as follows:

	31.3.22	31.3.21
Programme and administrative	<u>9</u>	<u>6</u>

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

	31.3.22	31.3.21
£60,001 - £70,000	1	-
£70,001 - £80,000	3	1
£80,001 - £90,000	<u>1</u>	<u>-</u>
	<u>5</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	800,000	118,750	918,750
EXPENDITURE ON			
Raising funds	18	-	18
Charitable activities			
Pilot schemes	373,613	112,236	485,849
	-----	-----	-----
Total	373,631	112,236	485,867
	-----	-----	-----
NET INCOME	426,369	6,514	432,883
RECONCILIATION OF FUNDS			
Total funds brought forward	(2,352)	350,000	347,648
	-----	-----	-----
TOTAL FUNDS CARRIED FORWARD	<u>424,017</u>	<u>356,514</u>	<u>780,531</u>

11. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 April 2021	8,527
Additions	<u>749</u>
At 31 March 2022	<u>9,276</u>
DEPRECIATION	
At 1 April 2021	846
Charge for year	<u>4,607</u>
At 31 March 2022	<u>5,453</u>
NET BOOK VALUE	
At 31 March 2022	<u>3,823</u>
At 31 March 2021	<u>7,681</u>

SHIFT ORGANISATION LTD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31.3.22	31.3.21
		£	£
Other debtors		<u>3,592</u>	<u>-</u>
13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31.3.22	31.3.21
		£	£
Trade creditors		317	12,076
Social security and other taxes		9,673	11,663
Other creditors		2,976	45
Accruals and deferred income		<u>10,020</u>	<u>13,439</u>
		<u>22,986</u>	<u>37,223</u>
14. MOVEMENT IN FUNDS			
		Net	At
	At 1.4.21	movement	31.3.22
	£	in funds	£
		£	
Unrestricted funds			
General fund	424,016	424,382	848,398
Restricted funds			
CHK Foundation	30,000	(30,000)	-
Four Acre Trust	20,000	(20,000)	-
Garfield Weston	232,269	(232,269)	-
Paul Hamlyn Foundation	70,000	(70,000)	-
Big Change	4,246	(4,246)	-
Awards for All	-	9,990	9,990
Dulverton	-	30,000	30,000
Rayne Foundation	-	10,300	10,300
	<u>356,515</u>	<u>(306,225)</u>	<u>50,290</u>
TOTAL FUNDS	<u>780,531</u>	<u>118,157</u>	<u>898,688</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

14. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	896,336	(471,954)	424,382
Restricted funds			
CHK Foundation	-	(30,000)	(30,000)
Four Acre Trust	-	(20,000)	(20,000)
Garfield Weston	-	(232,269)	(232,269)
Paul Hamlyn Foundation	70,000	(140,000)	(70,000)
Big Change	6,250	(10,496)	(4,246)
Awards for All	9,990	-	9,990
Dulverton	30,000	-	30,000
Rayne Foundation	25,000	(14,700)	10,300
	<u>141,240</u>	<u>(447,465)</u>	<u>(306,225)</u>
TOTAL FUNDS	<u>1,037,576</u>	<u>(919,419)</u>	<u>118,157</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	(2,352)	426,368	424,016
Restricted funds			
CHK Foundation	30,000	-	30,000
Four Acre Trust	20,000	-	20,000
Garfield Weston	300,000	(67,731)	232,269
Paul Hamlyn Foundation	-	70,000	70,000
Big Change	-	4,246	4,246
	<u>350,000</u>	<u>6,515</u>	<u>356,515</u>
TOTAL FUNDS	<u>347,648</u>	<u>432,883</u>	<u>780,531</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	800,000	(373,632)	426,368
Restricted funds			
Garfield Weston	-	(67,731)	(67,731)
Present Value Trust	25,000	(25,000)	-
Paul Hamlyn Foundation	70,000	-	70,000
Big Change	<u>23,750</u>	<u>(19,504)</u>	<u>4,246</u>
	<u>118,750</u>	<u>(112,235)</u>	<u>6,515</u>
TOTAL FUNDS	<u>918,750</u>	<u>(485,867)</u>	<u>432,883</u>

Restricted funds

Our pilot schemes will see us deliver five SHIFT Practices in partnership with different local authorities across the country. Our first pilot is in Kingston & Richmond and will be followed by pilots in Greenwich. Further pilots are yet to be decided. At least one of our two remaining pilots will be conducted outside of London. Each pilot will last 18 months and will work with up to 27 children caught up in the destructive cycle of time.

15. RELATED PARTY DISCLOSURES

During the year, the charity was charged £nil (2021: £41,624) by Reach Academy Trust in respect of salary costs and £nil (2021: £1,729) in respect of office costs. Ms R Cramer who is trustee of the charity also works for Reach Academy Trust.

SHIFT ORGANISATION LTD

England & Wales - Charity number 1191125

Accounts

REGISTERED COMPANY NUMBER: 11928188 (England and Wales)
REGISTERED CHARITY NUMBER: 1191125

**REPORT OF THE TRUSTEES AND UNAUDITED
FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 MARCH 2021 FOR SHIFT
ORGANISATION LTD**

PREVIOUSLY KNOWN AS THE WHATEVER IT TAKES ORGANISATION

SHIFT

DOING
WHATEVER
IT TAKES

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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).

Opening statement

We believe in **a society where all children and young people can be free from the destructive cycle of crime**. But despite the hard work and dedication of many professionals, the system isn't working. Thousands of children & young people across the country, with disproportionate numbers from Black, Asian & minority ethnic communities, are involved in gangs, county lines, drug running or knife crime. Others are on the fringes but at high risk of getting further caught up in it. This is often exacerbated by exclusion from education and the impact of adverse childhood experiences. Still more are leaving care or custody and trying to navigate complex systems of support at a time when they are particularly vulnerable to exploitation.

- In 2017-18 there were 14,400 new first-time entrants to the Youth Justice System.
- 38% of the 28,400 children sentenced in 2018 committed further crimes within 12 months.
- 69% of children released from custody in 2018 re-offended in the next 12 months, a 4.7% increase over the last 10 years.



We know that childhood trauma, neglect and abuse are all highly significant causal factors in youth offending (see Punishing Abuse, 2021). But despite this clear correlation between childhood trauma, neglect and abuse to children ending up in the youth justice system, preventative support in the system is insufficient. Too often, children either get lost between different services, lack trust in professionals or struggle to navigate the variety of different services they are referred to. Artificial boundaries between services mean children get passed from one to the other with no sustained support or opportunity to develop a trusting relationship with a practitioner - this simply reinforces children's negative identities and sustains continued patterns of offending behaviour.

The pandemic has exacerbated this already challenging situation. Overall, lockdown has meant more disadvantaged young people exhibiting low self-esteem, poor mental health and susceptibility to criminal exploitation. COVID has undoubtedly increased the vulnerability of those already struggling, and we are likely to see the impact of this on offending as restrictions lift over the coming year.

Charity Purpose

The Charity's purposes, as set out within our Memorandum and Articles of Association are:

To prevent and relieve the suffering and hardship of young people particularly, but not exclusively, in circumstances where that young person is displaying, or at risk of displaying, criminal behaviours in such ways as the charity trustees from time to time think fit, in particular, but not exclusively, through supporting the provision of a therapeutic relationship with a skilled practitioner providing advice, counselling and intense support to those who are involved in or are at risk of becoming involved in criminal behaviours, and by facilitating constructive relationships within their system including family, friends and professionals.

The trustees have paid due regard to Charity Commission guidance in deciding what activities the charity should undertake and are confident that we are acting within our charity's purposes.

Our Vision is a society where all children and young people can be free from the destructive cycle of crime.

Our Values:

- Young people are always at the centre of everything we do
- We challenge the status quo, continuously seeking improvement
- Diversity and inclusion are fundamental to our approach
- Everything can change for the better, people, communities, and systems
- We take intelligent risks
- We understand the power of true partnership working strategies for achieving our aims and objectives

The following principles are fundamental to our approach

Child First: Strength based and focussed on identity shift- SHiFT ensures interventions and support for children and their families is systemic in nature and focused on supporting children with identity development, utilising relationships to repair disrupted attachment and support children with improving self-esteem and efficacy.

Trauma informed: SHiFT is focused on building sustained and trusting relationships as a vehicle to support with repairing attachment and identity development for children. We do not re-traumatise children by case closures, handoffs or transfers, which are often perceived as rejection or further affirmation of a negative sense of self/identity.

Contextual safeguarding - SHiFT works with children, 'where children are' and with the wider systems within a child's life. The SHiFT approach is innovative and dynamic - place based interventions and interventions working with peer groups will be 'business as usual' rather than extraordinary.

Poverty informed: SHiFT takes a poverty informed approach through our efforts to support children and families in reaching their potential with regard to education, training and employment, but also through other areas of work, for example, each pilot having personal budgets to support families with financial support to pursue their own personal 'hooks' and areas where financial support will support progress.

Systemic and whole family approaches: A systemic approach is at the very core of SHiFT. We draw on approaches such as Family Group Conferencing, restorative problem solving and non-linear parenting approaches to support this practice

Short and longer term aims

Our short-term aim is to successfully launch and deliver the next four of our five pilot programmes:

- We aim to secure further funding to ensure that we can fully fund all 5 pilots.
- We aim to demonstrate the effectiveness of the Breaking Cycles model on the outcomes achieved for the children that we are working with.
- We aim to demonstrate the significant cost savings that this approach will have for statutory services to ensure the sustainability of the programme after the funded 18-month pilot
- We will therefore continue to build on our evidence base throughout the period of the pilot programme.

Longer term we want to roll this approach out across the country. We want to change the way in which statutory services are delivered, specifically in relation to the youth justice system, so that these achieve stronger and more sustainable outcomes for the children currently caught up within it. We therefore want to build evidence for and continue to encourage central government appetite for the funded roll-out of SHiFT across 20+ locations as Phase 2 of SHiFT.

Measures of success

The key outcomes that we aim to measure and show tangible progress on for the children we are working during our pilot phase are:



SHiFT Children's self-esteem improves



SHiFT Children display higher level of self - efficacy



SHiFT Children's mental health and wellbeing improves



SHiFT Children's engagement and progress in education/employment improves



SHiFT children's aspirations increase



The rate and seriousness of re-offending by SHiFT children substantially decreases

And for statutory services:

- The SHiFT programme demonstrates **substantial savings to statutory sector costs**, due to the reduction in repeat offending and reduction of social care costs.
- Pilots are maintained by the local authority after the pilot phase, having acknowledged the substantial impact these approaches can have on children's outcomes.

OBJECTIVES AND ACTIVITIES

Objectives and aims

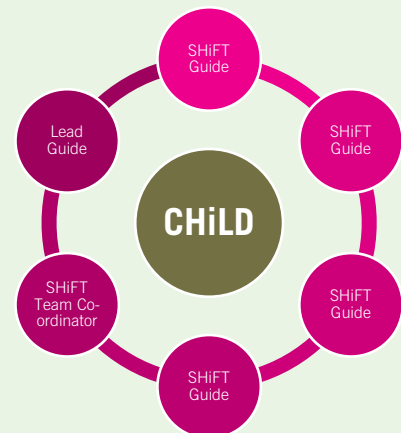
SHiFT was set up in 2019, with an **objective to demonstrate and embed opportunities for more impactful and cost-effective approaches to breaking the cycle of offending and supporting behaviour change in children and young people**, alongside driving wholesale system change in how society perceives and supports the children we work with.

The SHiFT programme is based on the Breaking Cycles approach, devised by Sophie Humphreys OBE, the Chair and co-founder of SHiFT. Instead of defining people by issues such as addictions or criminality, Breaking Cycles understands that this behaviour often occurs as a result of previous experiences of trauma, neglect, abuse and poor attachment, and therefore focuses first on working with each child as an individual: getting to know them, understanding their hopes and fears, and helping them develop the strong foundations needed to achieve their aspirations.

SHiFT is systemic in nature. We work through a trauma and poverty informed lens, focussed on building positive identity, and delivered over a sustained timescale of around 18 months.

A SHiFT team consists of 5 SHiFT Guides and a Team Co-ordinator. The SHiFT Guides are highly skilled practitioners, who have significant experience of working with some of the country's most vulnerable children in complex circumstances. SHiFT Guides come from a range of professional backgrounds, including social work, youth offending, education, the probation service & healthcare. This dedicated team will support between 20 to 25 children. They will work alongside and across the statutory system, ensuring duplication is avoided and scarce resources are directed and purposeful.

They are the members of their team who always go above and beyond. They seek solutions and support others. They are emotionally intelligent, empathetic, and determined. They are angered by the current provision for our young people and are frustrated in their current roles. They are already exhibiting and exemplifying the Breaking Cycles core ingredients. We provide the context to enable them to take this even further.



We believe that everyone - even traumatised and vulnerable children and young people dismissed as "hard to reach" - has a hook by which they can begin to pull themselves away from repeated and harmful behaviour. The guides work with the child over a prolonged period, around 18 months, to develop trusting relationships and to identify this 'hook' by which to support the necessary behaviour change. This is not simply adding personnel capacity to existing Youth Offending Services. We will show that an adult-led relationship that is trauma-informed, attachment-aware and consistent over a sustained period of time is both necessary and healing for young people. We are flexible and adaptable, identifying solutions which simplify and increase the efficacy of the professional system around each young person. Working with not more than 5 children per guide meanwhile ensures that we are truly tailored and responsive to the particular needs and complexities of each individual child.

Significant activities

The priority for us during financial year 20/21 was to establish SHiFT as a registered charity (we registered our charity in September 2020), develop our delivery model, recruit our central team, put in place essential governance structures, raise essential funds and mobilise and launch our first pilots.

In January 2021, having successfully recruited our first pilot team and undertaken a thorough scoping process to select the children we would be working with, we launched our first pilot, working in partnership with Achieving for Children (AfC) in Kingston and Richmond. We are now working with a group of 22 children, all of whom are highly vulnerable and have complex needs.

Recruitment for our second pilot in Greenwich is well underway and the programme is scheduled to launch and commence working with the next group of 22-25 children in June 2021. Scoping discussions with potential third, fourth and fifth pilot local authorities are also well underway.

Our programme logic, theory of change, and evaluation systems have all been developed to ensure that all of our outcomes are effectively captured as each pilot launches and moves forward.

We will undertake both internal and external evaluations. The Centre for Evidence and Implementation (CEI) have been commissioned to undertake the external evaluation and will be funded by the Youth Endowment Fund. In 2021 we also became SHiFT, having changed our name from Whatever It Takes.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the organisation should undertake. We are confident that all the charitable activities that we have undertaken do further our charitable purposes for the public benefit.

SHiFT is supporting some of the most vulnerable children in our society, most of whom have suffered devastating experiences of trauma, neglect, abuse or poor attachment. Through our work, we will demonstrate that trauma informed, relational and identity forming approaches are both effective and necessary to break entrenched, destructive and sometimes multi-generational cycles of offending. On the basis of our experience and results, we aim to create system change to transform the way that our society collectively guides, educates, diverts and rehabilitates our nation's children who are caught in a complex and destructive cycle of offending and related behaviour.

Grant making

Our model works on the basis of funding of each pilot jointly with the local authority in which the pilot is based. In the first pilots, we will aim to fund 75% of the costs of the pilot, with the local authority funding the remaining 25%. As the programme proceeds, and we are able to demonstrate more clearly the impact of our approach, we will aim to reduce our contribution with the local authority providing a greater share.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The year 2020-2021 has been an incredibly important year in the establishment of SHiFT. In summary, this has included:

- The recruitment and development of our central team,
- Commencement of our first pilot in Kingston and Richmond,
- Mobilisation and recruitment for our second pilot in Greenwich, due to launch in June 2021
- Early discussions underway with our third, fourth and fifth pilots.
- Substantial fundraising efforts, successfully securing funding for the first 3 of our 5 pilots.
- Commissioning of an external evaluation

Balanced picture of achievements against objectives set.

We have made good progress to date and after only a short period of delivery in our first pilot, we are already seeing very real impacts of our work. We are now working with 22 very vulnerable children in Kingston and Richmond, and making excellent progress after only a short time, with tangible results such as: one person moving into employment, one to an apprenticeship and another returning to college; improved relationships within family units; accessing more stable accommodation and, agreement to re-engage with CAMHS support (see case study in the appendix for further details)

The focus and energy now and over the next 6 months is on getting our next three pilots up and running. This includes the agreement and mobilisation of each pilot, and securing the necessary funds to deliver them.

Impact

Despite only having launched the first pilot in mid-January 2021, we are already seeing promising impact of our work. This includes our young people re-building relationships with their families, re-engaging with education, learning new skills and taking up employment and apprenticeship opportunities. This is only the very start of an 18-month programme, therefore we are very optimistic that much more tangible impacts will start to emerge over the course of the coming year.

Story of a child working with SHiFT - James

Pre SHiFT

James* is a 16-year-old black boy. James has not been in education consistently since 2019. James has previously been arrested for multiple offences including violent offences and possession of a weapon. In early 2020, James would frequently leave the family home for weeks at a time as he was being criminally exploited. In May 2020, concerns relating to James' safety increased as he was found in possession of Class A drugs. In addition to this, James' started to display challenging and dangerous behaviours towards his parents. James's parents were experiencing high levels of stress, compounded by the first lockdown due to COVID-19 regulations, and acknowledged that they were unable to keep him safe. It was agreed that, at that time, James was beyond parental control. Social Care, the Youth Offending Team and James' parents worked together and agreed that James would be safer living away from the family home due to James' violence and risks relating to criminal exploitation.

James needed to be escorted by the police with the support of the Youth Offending Service to ensure that he got to the residential provision safely. Due to the risk of challenging behaviour from James' towards adults, James was supported 2:1 at the residential provision. In June 2020, James was moved to another residential provision outside of London due to concerns and threatening behaviour towards staff. This placement soon broke down too. James moved to another residential provision in London but continued to go missing and concerns increased in relation to James' safety.

In August 2020, James received a 6-month Referral Order for Assault.

In September 2020, James moved to another semi-independent residential placement. James remained in that placement being supported by his family and social care. However, the Youth Offending Team began arrangements to transfer his case to the local authority area in which he was residing.

Since SHiFT

James joined SHiFT in February 2021. He has since returned to the family home and there have been no missing episodes. SHiFT is working with the family systemically to try to keep James at home safely and equip his parents with the skills to safeguard James. James has expressed that he would like to engage in education/vocational training. James is now enrolled on an online IT course and has expressed an interest in fitness and music. James has expressed regret in not being able to sit his GCSE's and is anxious of the impact this could have on his future. **James now sees his SHiFT Guide for one afternoon a week and has created a plan for his future with the support of his SHiFT Guide.** SHiFT will do whatever it takes to support James to achieve his potential and will continue to work with James wherever the next 18 months takes him.

Wider benefits to society as a whole

If we are successful in our aims, the wider benefits to society are clear. The areas in which we work will be safer, children will be better supported to achieve their full potential as they become adults, and wider families will be better supported. The fiscal savings achieved from working more effectively with this group of children will also enable more preventative, supportive work to be rolled out to a wider group of children.



Performance of material fundraising activities against fundraising objectives

Raising sufficient funds to be able to confidently launch all five pilots is fundamental to being able to robustly demonstrate the effectiveness of our model in tackling re offending and in successfully embedding the system change that we want to see in the youth justice system.

We have made good progress this year with our fundraising, but more is still needed to be able to confidently launch all five pilots. Each pilot costs SHiFT approximately £545K (which will include a contribution from the local authority), with an additional £650K per annum for the central team. In total, over a three-year period from April 2020 to March 2023, we need to raise £3.8m. To date, we have successfully raised £2.2m, and require a further £1.6m to roll out all five pilots. **Our ambition is to have raised all of this by September 2021, so that we can launch the five pilots,** knowing that they are fully funded for their 18-month duration. This will form a key priority for the first 6 months of 21/22.



Positive and negative factors outside of charity control

The main negative factor outside of the charity's control in 2020/21 has been the impact of COVID-19. This has inevitably slowed down the establishment of the organisation and the mobilisation of our pilots. We were very fortunate however, due to the nature of working with a group with high vulnerabilities, that from the launch of the first pilot in January 2021, we have been allowed to work with children face to face, rather than remotely. This has been instrumental in being able to engage and build trust between the Guide, the children and their families.



FINANCIAL REVIEW

During 2020/21, our principal funding sources were a number of philanthropic donors, Trusts and Foundations. We also received a £300,000 grant from the Department for Culture, Media and Sport (DCMS). Moving forwards into 2021/22, we will be looking to develop a wider diversity of funding sources, including a wider variety of grant-based funders, fees from each pilot programme towards the cost of the support provided by the central team and further contributions from local and central government funds.

Total income received for the period was £918,750 and total expenditure £485,868. At the end of the financial year, we held a balance of £780,531.

- The costs for each 18-month pilot programme are approximately £550-600k. Initially, SHiFT is funding 75% of these costs (circa £400K) and our local authority partners fund the remaining 25%.
- The costs for our central team, (pay and non-pay costs) are approximately £650k per year.

This leads to an overall funding requirement for phase 1 of £3.8m, based on 3 years of work from April 2020 through to completing all five of our pilot programmes in Spring/Summer 2023. As of 31 March 2021, we had raised or received future pledges up to a total of £2.2m

Our fundraising to date is therefore close to covering the costs of the first three pilots in addition to the central team. We are seeking to secure a further £1.6m to enable the launch of the final two pilots, which we are working hard to secure over the first 6 months of 2021/22.

Reserves policy

At the end of March 2021, we held funds of £780,531, of which £356,515 were restricted and £424,016 were unrestricted. These funds will be spent over the coming 18-month period.

At the end of the financial year, we held unrestricted reserves of £424,016. However, £139,702 of these have been designated towards our 18-month commitment for the completion of the first pilot (the remainder of this is covered by restricted funds), leaving £284,314 of unrestricted, undesignated funds.

The organisation's reserves policy is to ensure that - over and above any funds restricted or designated to each pilot - we maintain between 3-6 months of reserves to ensure that we can meet our obligations in regard to staffing and overheads for our central team.

Our central operating costs are approximately £650K per annum, therefore we are currently operating with approximately 5 months of free reserves, and within the requirements of our reserves policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Our four founders initially set up SHiFT through a common interest in identifying more effective ways of breaking the destructive cycle of offending behaviours in children, enabling them to enjoy lives of choice and opportunity. We have subsequently reviewed our existing skills, knowledge, professional background and diversity, to identify where there are gaps and on the basis of this review, engaged three new trustees in September 2020.

With the departure from our Board of Trustees our co-founder Josh MacAllister in January 2021, who stepped down to lead a government review in Child Safeguarding, we have subsequently recruited Joe Caluori to replace him.

Organisational structure

We have a small central team comprising 6 staff. Our central team supports each local authority to mobilise the programme, recruit and train the staff, provide ongoing development and support of the programme framework, deliver the evaluation of the programmes and provide cross team insight, as well as fundraising and management/governance of the charity.

Each of our pilot programmes will have 6 staff, comprising a lead guide, 4 guides, and a team coordinator. These teams will be employed by the local authority in which they are situated.

Decision making

Our Board of trustees are responsible for all governance and strategic decision making. Day to day management is delegated to the Chief Executive, while the management of each local SHiFT is delegated to the Host Organisation within each local authority.

We have developed two sub-committees to the Board. Our Finance Committee (Chaired by trustee Michael Clark) and our Practice Committee (chaired by trustee Nick Pendry). Both of these committees involve a combination of trustees, staff and external representatives to provide scrutiny and strategic input before taking decisions to the Board of Trustees.

Induction and training of new trustees

Induction of Trustees involves providing new trustees with a comprehensive induction pack covering:

- Our vision, mission and values, and strategic aims
- Previous annual reports, risk register and current year budget
- Guidance on the role of a trustee, the Charity Governance Code and available Charity Commission good practice guidance
- Background research and literature on the subject matter
- We then arrange meetings with the Chair, existing trustees and the Chief Executive so that they can gain a deeper working knowledge of the charity. This may also include visits to existing pilot projects as appropriate.

Key management remuneration

Our policy is to bench mark any new roles against comparable roles within the sector. Staff are subsequently offered a salary that takes into account the skills and experience they bring to the role, pay equality and affordability.

Pay is reviewed annually in March, where we aim to offer a cost of living increase (CPI) if affordable. Any pay review is recommended by the Chief Executive and subject to the approval of the Board. We subscribe to the London Living Wage. We have a defined contribution pension for all staff through NEST.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

11928188 (England and Wales)

Registered Charity number

1191125

Registered office

Coram Campus
41 Brunswick Square
WC1N 1AZ

Trustees

Mr M B Clark - Charity Manager
Ms R Cramer - Executive Headteacher (appointed 23.9.20)
S Humphreys OBE - (Chair of Board of Trustees)
Mr J MacAlister - Charity CEO (resigned 21.1.21)
Ms P V Parkes - Director (Local Government) (appointed 23.9.20)
Mr N J Pendry - Deputy Director Children's Services (appointed 23.9.20)

Company Secretary

Mrs J M Couper

Independent Examiner


Sedulo Accountants Limited
Chartered Certified Accountants
62-66 Deansgate
Manchester
M3 2EN

CHANGE OF NAME

The charitable company passed a special resolution on 8 February 2021 changing its name from The Whatever It Takes Organisation to Shift Organisation Ltd.

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

Approved by order of the board of trustees on22/07/2021.....and signed on its behalf by:



.....
Sophie Humphreys OBE - Co Founder and Chair of Trustees

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SHIFT ORGANISATION LTD

Independent examiner's report to the trustees of Shift Organisation Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCCA which is one of the listed bodies.

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

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

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



Daniel Wilson
FCCA
Sedulo Accountants Limited
Chartered Certified Accountants
62-66 Deansgate
Manchester
M3 2EN

Date:17/09/2021.....

SHIFT ORGANISATION LTD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds £	Restricted funds £	Year Ended 31.3.21 Total Funds £	Period 5.4.19 - 31.3.20 Total Funds £
INCOME AND ENDOWMENTS FROM	Notes				
Donations and legacies	2	800,000	118,750	918,750	405,000
EXPENDITURE ON					
Raising funds	3	18	-	18	-
Charitable activities					
SHiFT programme	4	373,613	112,236	485,850	57,352
Total		373,631	112,236	485,868	57,352
		-----	-----	-----	-----
NET INCOME		426,369	6,514	432,883	347,648
RECONCILIATION OF FUNDS					
Total funds brought forward		(2,352)	350,000	347,648	-
		-----	-----	-----	-----
TOTAL FUNDS CARRIED FORWARD		<u>424,017</u>	<u>356,514</u>	<u>780,531</u>	<u>347,648</u>

The notes form part of these financial statements

SHIFT ORGANISATION LTD

BALANCE SHEET 31 MARCH 2021

	Notes	Unrestricted fund £	Restricted funds £	31.3.21 Total Funds £	31.3.20 Total Funds £
FIXED ASSETS					
Tangible assets	10	7,681	-	7,681	-
CURRENT ASSETS					
Debtors	11	-	-	-	350,000
Cash at bank		<u>453,558</u>	<u>356,515</u>	<u>810,072</u>	<u>54,974</u>
		453,558	356,515	810,072	404,974
CREDITORS					
Amounts falling due within one year	12	<u>(37,223)</u>	-	<u>(37,223)</u>	<u>(57,326)</u>
NET CURRENT ASSETS		<u>416,335</u>	<u>356,515</u>	<u>772,849</u>	<u>347,648</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		424,016	356,515	780,531	347,648
NET ASSETS (LIABILITIES)		<u>424,016</u>	<u>356,515</u>	<u>780,531</u>	<u>347,648</u>
FUNDS					
Unrestricted funds	13			424,016	(2,352)
Restricted funds				<u>356,515</u>	<u>350,000</u>
TOTAL FUNDS				<u>780,531</u>	<u>347,648</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

continued...

SHIFT ORGANISATION LTD

**BALANCE SHEET - continued
FOR THE YEAR ENDED 31 MARCH 2021**

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

The financial statements were approved by the Board of Trustees and authorised for issue on

....22/07/2021.....

and were signed on its behalf by:


.....

Sophie Humphreys OBE - Co Founder and Chair of Trustees

The notes form part of these financial statements

SHIFT ORGANISATION LTD

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Year Ended 31.3.21 £	Period 5.4.19 - 31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	<u>763,625</u>	<u>54,974</u>
Net cash provided by operating activities		<u>763,625</u>	<u>54,974</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(8,527)</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(8,527)</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period			
		755,098	54,974
Cash and cash equivalents at the beginning of the reporting period			
		<u>54,974</u>	<u>-</u>
Cash and cash equivalents at the end of the reporting period			
		<u>810,072</u>	<u>54,974</u>

The notes form part of the financial statements

SHIFT ORGANISATION LTD

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Year Ended	Period
	31.3.21	5.4.19 - 31.3. 20
	£	£
Net income for the reporting period (as per the Statement of Financial		
Activities	432,883	347,648
Adjustments for:		
Depreciation charges	846	-
Decrease/(increase) in debtors	350,000	(350,000)
(Decrease)/increase in creditors	<u>(20,103)</u>	<u>57,326</u>
Net cash provided by operations	<u>763,625</u>	<u>54,974</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash	<u>54,974</u>	<u>755,098</u>	<u>810,072</u>
Cash at bank	<u>54,974</u>	<u>755,098</u>	<u>810,072</u>
Total	<u>54,974</u>	<u>755,098</u>	<u>810,072</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES - continued

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.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial statements.

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

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

Basic financial assets

Basic financial assets, which includes debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less, if not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

continued...

SHIFT ORGANISATION LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £	Total funds 2020 £
Donations	225,000	-	225,000	30,000
Government grants	300,000	-	300,000	-
Trusts and Foundations	<u>275,000</u>	<u>118,750</u>	<u>393,750</u>	<u>375,000</u>
	<u>800,000</u>	<u>118,750</u>	<u>918,750</u>	<u>405,000</u>

3. RAISING FUNDS

Raising donations and legacies

	Year Ended 31.3.21 £	Period 5.4.19 - 31.3.20 £
Subscriptions	<u>18</u>	<u>-</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Cost £	Support costs (see note 5) £	Totals £
Pilot schemes	<u>162,042</u>	<u>323,808</u>	<u>485,850</u>

5. SUPPORT COSTS

	Management £	Finance £	Other £	Governance costs £	Totals £
Pilot schemes	<u>181,178</u>	<u>222</u>	<u>133,702</u>	<u>8,706</u>	<u>323,808</u>

continued...

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	Year Ended 31.3.21	Period 5.4.19 - 31.3.20
	£	£
Depreciation - owned assets	<u>846</u>	<u>-</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

Ms S Humphreys OBE, a Trustee of the charity, charged the charity £43,500 (2020: £8,250) in respect of consultancy services provided to the charity. In making this payment the charity full considered the implications of making a payment to a Trustee and the Board were satisfied that the amount of the payment for the services does not exceed what is reasonable, in the circumstances, for the supply of the service in question. The decision was also made with the Trustee concerned absent from the part of the meeting where this was agreed. This payment to a Trustee was permitted under the memorandum and articles of association of the Charitable Company. All the required conditions under sub-clause 2 of clause 7 of the memorandum and articles were met.

Trustees' expenses

During the year, there were trustee's expenses paid of £293 (2020: £nil).

8. STAFF COSTS

	Year Ended 31.3.21	Period 5.4.19 - 31.3.20
	£	£
Wages and salaries	132,734	-
Social security costs	9,813	-
Other pension costs	<u>3,943</u>	<u>-</u>
	<u>146,490</u>	<u>-</u>

The average monthly number of employees during the year was as follows:

	Year Ended 31.3.21	Period 5.4.19 - 31.3.20
Programme and Administrative	<u>6</u>	<u>-</u>

continued...

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****8. STAFF COSTS - continued**

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

	Year End 31.3.21	Period 5.4.19 - 31.3.20
£70,001 - £80,000	1	-

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	55,000	350,000	405,000
EXPENDITURE ON			
Charitable activities			
Pilot schemes	57,352	-	57,352
NET INCOME/(EXPENDITURE)	<u>(2,352)</u>	<u>350,000</u>	<u>347,648</u>
TOTAL FUNDS CARRIED FORWARD	<u>(2,352)</u>	<u>350,000</u>	<u>347,648</u>

10. TANGIBLE FIXED ASSETS

COST	Computer equipment £
Additions	<u>8,527</u>
DEPRECIATION	
Charge for year	<u>846</u>
NET BOOK VALUE	
At 31 March 2021	<u>7,681</u>
At 31 March 2020	<u>-</u>

continued...

SHIFT ORGANISATION LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31.3.21	31.3.20
		£	£
Other debtors		-	<u>350,000</u>
12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31.3.21	31.3.20
		£	£
Trade creditors		12,076	41,553
Social security and other taxes		11,663	-
Other creditors		45	-
Accruals and deferred income		<u>13,439</u>	<u>15,773</u>
		<u>37,223</u>	<u>57,326</u>
13. MOVEMENT IN FUNDS			
	At 1.4.20	Net movement	At
	£	in funds	31.3.21
		£	£
Unrestricted funds			
General fund	(2,352)	426,368	424,016
Restricted funds			
CHK Foundation	30,000	-	30,000
Four Acre Trust	20,000	-	20,000
Garfield Weston	300,000	(67,731)	232,269
Paul Hamlyn Foundation	-	70,000	70,000
Big Change	-	4,246	4,246
TOTAL FUNDS	<u>347,648</u>	<u>432,883</u>	<u>780,531</u>

continued...

SHIFT ORGANISATION LTD**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****13. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	800,000	(373,632)	426,368
Restricted funds			
Garfield Weston	-	(67,731)	(67,731)
Present Value Trust	25,000	(25,000)	-
Paul Hamlyn Foundation	70,000	-	70,000
Big Change	23,750	(19,504)	4,246
TOTAL FUNDS	<u>918,750</u>	<u>(485,868)</u>	<u>432,883</u>

Comparatives for movement in funds

	Net movement in funds £	At 31.3.20 £
Unrestricted funds		
General fund	(2,352)	(2,352)
Restricted funds		
CHK Foundation	30,000	30,000
Four Acre Trust	20,000	20,000
Garfield Weston	300,000	300,000
TOTAL FUNDS	<u>347,648</u>	<u>347,648</u>

continued...

13. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted Funds			
General fund	55,000	(57,352)	(2,352)
Restricted Funds			
CHK Foundation	30,000	-	30,000
Four Acre Trust	20,000	-	20,000
Garfield Weston	300,000	-	300,000
TOTAL FUNDS	<u>405,000</u>	<u>(57,352)</u>	<u>347,648</u>

Restricted funds

Our pilot schemes will see us deliver 5 pilot SHIFT teams in partnership with different local authorities across the country. Our first pilot is in Kingston & Richmond and will be followed by a pilot in Greenwich. Further pilots are yet to be decided. At least one of our two remaining pilots will be conducted outside of London. Each pilot will last 18 months and will work with 20-25 children caught up in the destructive cycle of crime.

14. RELATED PARTY DISCLOSURES

During the year, the charity was charged £41,624 (2020: £30,483) by The Reach Academy in respect of salary costs and £1,729 (2020: £2,017) in respect of office costs. Ms R Cramer at this time was not a trustee of the charity but was the interim chief executive on secondment from Reach Academy. Ms R Cramer has since stepped back from the chief executive role and became a trustee of the charity.

