

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



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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

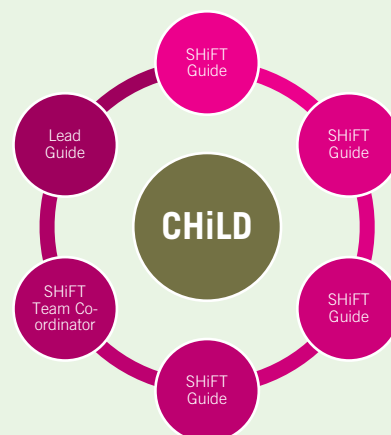
SHiFT was set up in 2019, with an **objective to demonstrate and embed opportunities for more impactful and cost-effective approaches to breaking the cycle of offending and supporting behaviour change in children and young people**, alongside driving wholesale system change in how society perceives and 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 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, 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 on .....22/07/2021.....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

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### 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**

				<b>Year Ended 31.3.21 Total Funds £</b>	<b>Period 5.4.19 - 31.3.20 Total Funds £</b>
<b>INCOME AND ENDOWMENTS FROM</b>	<b>Notes</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>		
Donations and legacies	2	800,000	118,750	918,750	405,000
<b>EXPENDITURE ON</b>					
Raising funds	3	18	-	18	-
<b>Charitable activities</b>					
SHiFT programme	4	373,613	112,236	485,850	57,352
<b>Total</b>		373,631	112,236	485,868	57,352
<b>NET INCOME</b>		426,369	6,514	432,883	347,648
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		(2,352)	350,000	347,648	-
<b>TOTAL FUNDS CARRIED FORWARD</b>		<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 £
<b>FIXED ASSETS</b>					
Tangible assets	10	7,681	-	7,681	-
<b>CURRENT ASSETS</b>					
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
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>(37,223)</u>	<u>-</u>	<u>(37,223)</u>	<u>(57,326)</u>
<b>NET CURRENT ASSETS</b>		<u>416,335</u>	<u>356,515</u>	<u>772,849</u>	<u>347,648</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>424,016</u>	<u>356,515</u>	<u>780,531</u>	<u>347,648</u>
<b>NET ASSETS (LIABILITIES)</b>		<u>424,016</u>	<u>356,515</u>	<u>780,531</u>	<u>347,648</u>
<b>FUNDS</b>	13				
Unrestricted funds				424,016	(2,352)
Restricted funds				<u>356,515</u>	<u>350,000</u>
<b>TOTAL FUNDS</b>				<u><b>780,531</b></u>	<u><b>347,648</b></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**

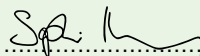
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These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

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**

		<b>Year Ended</b>	<b>Period</b>
	<b>Notes</b>	<b>31.3.21</b>	<b>5.4.19 - 31.3.20</b>
		<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>			
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>
<b>Cash flows from investing activities</b>			
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>
<b>Change in cash and cash equivalents in the reporting period</b>		755,098	54,974
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>54,974</u>	<u>-</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>810,072</u>	<u>54,974</u>

The notes form part of the financial statements

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>Year Ended 31.3.21 £</b>	<b>Period 5.4.19 - 31.3. 20 £</b>
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	432,883	347,648
<b>Adjustments for:</b>		
Depreciation charges	846	-
Decrease/(increase) in debtors	350,000	(350,000)
(Decrease)/increase in creditors	<u>(20,103)</u>	<u>57,326</u>
<b>Net cash provided by operations</b>	<u>763,625</u>	<u>54,974</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At 1.4.20 £</b>	<b>Cash flow £</b>	<b>At 31.3.21 £</b>
<b>Net cash</b>	<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>
<b>Total</b>	<u>54,974</u>	<u>755,098</u>	<u>810,072</u>

The notes form part of these financial statements

## **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, 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	- over 2 years
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### **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.

continued..

**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...

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**2. DONATIONS AND LEGACIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
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**

	<b>Year Ended 31.3.21 £</b>	<b>Period 5.4.19 - 31.3.20 £</b>
Subscriptions	<u>18</u>	<u>-</u>

**4. CHARITABLE ACTIVITIES COSTS**

	<b>Direct Cost £</b>	<b>Support costs (see note 5) £</b>	<b>Totals £</b>
Pilot schemes	<u>162,042</u>	<u>323,808</u>	<u>485,850</u>

**5. SUPPORT COSTS**

	<b>Management £</b>	<b>Finance £</b>	<b>Other £</b>	<b>Governance costs £</b>	<b>Totals £</b>
Pilot schemes	<u>181,178</u>	<u>222</u>	<u>133,702</u>	<u>8,706</u>	<u>323,808</u>

continued...

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**6. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	<b>Year Ended 31.3.21</b>	<b>Period 5.4.19 - 31.3.20</b>
	£	£
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**

	<b>Year Ended 31.3.21</b>	<b>Period 5.4.19 - 31.3.20</b>
	£	£
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:

	<b>Year Ended 31.3.21</b>	<b>Period 5.4.19 - 31.3.20</b>
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:

	<b>Year End 31.3.21</b>	<b>Period 5.4.19 - 31.3.20</b>
£70,001 - £80,000	<u>1</u>	<u>-</u>

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	55,000	350,000	405,000
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Pilot schemes	57,352	-	57,352
<b>NET INCOME/(EXPENDITURE)</b>	(2,352)	350,000	347,648
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>(2,352)</u>	<u>350,000</u>	<u>347,648</u>

**10. TANGIBLE FIXED ASSETS**

	<b>Computer equipment £</b>
<b>COST</b>	
Additions	<u>8,527</u>
<b>DEPRECIATION</b>	
Charge for year	<u>846</u>
<b>NET BOOK VALUE</b>	
At 31 March 2021	<u>7,681</u>
At 31 March 2020	<u>-</u>

continued...



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.3.21</b>	<b>31.3.20</b>
	£	£
Other debtors	-	<u>350,000</u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.3.21</b>	<b>31.3.20</b>
	£	£
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**

	<b>At 1.4.20</b>	<b>Net movement</b>	<b>At</b>
	£	in funds	31.3.21
		£	£
<b>Unrestricted funds</b>			
General fund	(2,352)	426,368	424,016
<b>Restricted funds</b>			
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
<b>TOTAL FUNDS</b>	<u><b>347,648</b></u>	<u><b>432,883</b></u>	<u><b>780,531</b></u>

continued...

**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 £
<b>Unrestricted funds</b>			
General fund	800,000	(373,632)	426,368
<b>Restricted funds</b>			
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
<b>TOTAL FUNDS</b>	<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 £
<b>Unrestricted funds</b>		
General fund	(2,352)	(2,352)
<b>Restricted funds</b>		
CHK Foundation	30,000	30,000
Four Acre Trust	20,000	20,000
Garfield Weston	300,000	300,000
<b>TOTAL FUNDS</b>	<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 £
<b>Unrestricted Funds</b>			
General fund	55,000	(57,352)	(2,352)
<b>Restricted Funds</b>			
CHK Foundation	30,000	-	30,000
Four Acre Trust	20,000	-	20,000
Garfield Weston	300,000	-	300,000
<b>TOTAL FUNDS</b>	<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.



