

**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**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

|                                                   | <b>Page</b> |
|---------------------------------------------------|-------------|
| <b>Report of the Trustees</b>                     | 1 to 15     |
| <b>Independent Examiner's Report</b>              | 16          |
| <b>Statement of Financial Activities</b>          | 17          |
| <b>Balance Sheet</b>                              | 18 to 19    |
| <b>Cash Flow Statement</b>                        | 20          |
| <b>Notes to the Cash Flow Statement</b>           | 21          |
| <b>Notes to the Financial Statements</b>          | 22 to 31    |
| <b>Detailed Statement of Financial Activities</b> | 32 to 33    |

---

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2023**

---

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:

|                                    |                                                                                                                                                                              |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Relationships</b>               | • Children have high social capital with positive role models, pro-social peer groups, and can access support from professionals as they need.                               |
| <b>Housing and life management</b> | • Children and families have stable, secure accommodation and the skills to maintain and manage their living situation.                                                      |
| <b>Vulnerability and Safety</b>    | • Children have capacity to safeguard themselves within their communities and families are empowered to advocate affectively for the support they need.                      |
| <b>Conflict with the law</b>       | • 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. |
| <b>Education and Employment</b>    | • 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.

**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

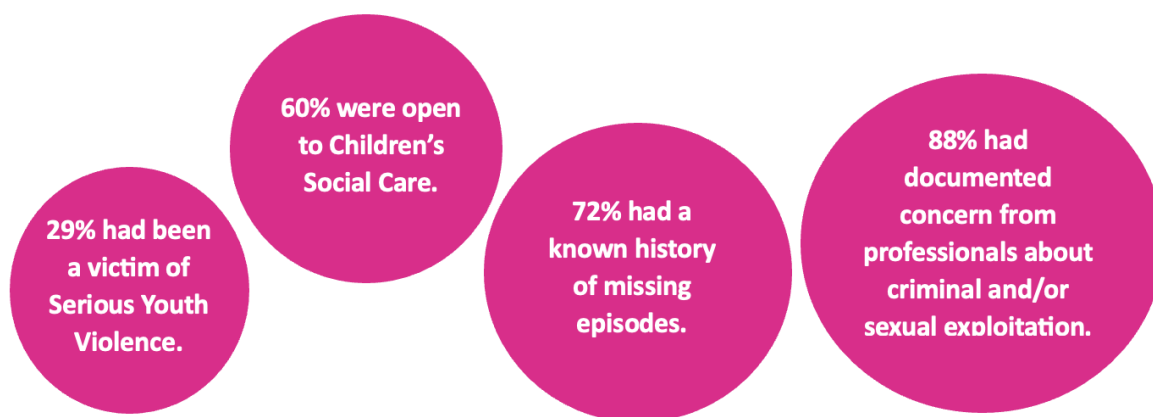
### Achievement and performance

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





**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2023**

---

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.'*

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2023**

---

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.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2023**

---

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.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**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.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**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.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**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, on .....15th 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<br>fund<br>£ | Restricted<br>funds<br>£ | 2023<br>Total<br>funds<br>£ | 2022<br>Total<br>funds<br>£ |
|------------------------------------|-------|---------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>  |       |                           |                          |                             |                             |
| Donations and legacies             | 2     | 415,718                   | 206,400                  | 622,118                     | 1,007,576                   |
| <b>Charitable activities</b>       | 3     |                           |                          |                             |                             |
| Pilot schemes                      |       | <u>75,000</u>             | <u>-</u>                 | <u>75,000</u>               | <u>30,000</u>               |
| <b>Total</b>                       |       | <u>490,718</u>            | <u>206,400</u>           | <u>697,118</u>              | <u>1,037,576</u>            |
| <b>EXPENDITURE ON</b>              |       |                           |                          |                             |                             |
| <b>Charitable activities</b>       | 4     |                           |                          |                             |                             |
| Pilot schemes                      |       | <u>707,755</u>            | <u>46,232</u>            | <u>753,987</u>              | <u>919,419</u>              |
| <b>NET INCOME/(EXPENDITURE)</b>    |       | (217,037)                 | 160,168                  | (56,869)                    | 118,157                     |
| <b>RECONCILIATION OF FUNDS</b>     |       |                           |                          |                             |                             |
| Total funds brought forward        |       | <u>848,398</u>            | <u>50,290</u>            | <u>898,688</u>              | <u>780,531</u>              |
| <b>TOTAL FUNDS CARRIED FORWARD</b> |       | <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<br>fund<br>£ | Restricted<br>funds<br>£ | 2023<br>Total<br>funds<br>£ | 2022<br>Total<br>funds<br>£ |
|----------------------------------------------|-------|---------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>FIXED ASSETS</b>                          |       |                           |                          |                             |                             |
| Tangible assets                              | 10    | 9,009                     | -                        | 9,009                       | 3,823                       |
| <b>CURRENT ASSETS</b>                        |       |                           |                          |                             |                             |
| 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                     |
| <b>CREDITORS</b>                             |       |                           |                          |                             |                             |
| Amounts falling due within one year          | 12    | (214,868)                 | -                        | (214,868)                   | (22,986)                    |
| <b>NET CURRENT ASSETS</b>                    |       | <u>622,352</u>            | <u>210,458</u>           | <u>832,810</u>              | <u>894,865</u>              |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>631,361</u>            | <u>210,458</u>           | <u>841,819</u>              | <u>898,688</u>              |
| <b>NET ASSETS</b>                            |       | <u>631,361</u>            | <u>210,458</u>           | <u>841,819</u>              | <u>898,688</u>              |
| <b>FUNDS</b>                                 | 13    |                           |                          |                             |                             |
| Unrestricted funds                           |       |                           |                          | 631,361                     | 848,398                     |
| Restricted funds                             |       |                           |                          | <u>210,458</u>              | <u>50,290</u>               |
| <b>TOTAL FUNDS</b>                           |       |                           |                          | <u>841,819</u>              | <u>898,688</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 \(Dec 15, 2023 18:24 GMT\)](#)

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<br>£               | 2022<br>£             |
|-------------------------------------------------------------------------------|-------|-------------------------|-----------------------|
| <b>Cash flows from operating activities</b>                                   |       |                         |                       |
| 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>        |
| <b>Cash flows from investing activities</b>                                   |       |                         |                       |
| 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/>                 |
| <b>Change in cash and cash equivalents<br/>in the reporting period</b>        |       | 129,141                 | 104,186               |
| <b>Cash and cash equivalents at the<br/>beginning of the reporting period</b> |       | <u>914,259</u>          | <u>810,073</u>        |
| <b>Cash and cash equivalents at the end<br/>of the reporting period</b>       |       | <u><u>1,043,400</u></u> | <u><u>914,259</u></u> |

The notes form part of these financial statements

---

**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<br>£      | 2022<br>£       |
|---------------------------------------------------------------------------------------------------------|----------------|-----------------|
| <b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b> | (56,869)       | 118,157         |
| <b>Adjustments for:</b>                                                                                 |                |                 |
| 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> |
| <b>Net cash provided by operations</b>                                                                  | <u>136,425</u> | <u>104,935</u>  |

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

|                 | At 1.4.22<br>£ | Cash flow<br>£ | At 31.3.23<br>£  |
|-----------------|----------------|----------------|------------------|
| <b>Net cash</b> |                |                |                  |
| Cash at bank    | <u>914,259</u> | <u>129,141</u> | <u>1,043,400</u> |
| <b>Total</b>    | <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<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total funds<br>2023<br>£ | Total funds<br>2022<br>£ |
|------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| 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<br>£     | 2022<br>£     |
|-----------|---------------|---------------|---------------|
| Team fees | Pilot schemes | <u>75,000</u> | <u>30,000</u> |

**4. CHARITABLE ACTIVITIES COSTS**

|               | Direct<br>Costs<br>£ | Support<br>costs (see<br>note 5)<br>£ | Totals<br>£    |
|---------------|----------------------|---------------------------------------|----------------|
| Pilot schemes | <u>282,665</u>       | <u>471,322</u>                        | <u>753,987</u> |

**5. SUPPORT COSTS**

|               | Management<br>£ | Finance<br>£ | Other<br>£     | Governance<br>costs<br>£ | Totals<br>£    |
|---------------|-----------------|--------------|----------------|--------------------------|----------------|
| 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<br>Pilot<br>schemes<br>£ | 2022<br>Total<br>activities<br>£ |
|---------------------------------------|-------------------------------|----------------------------------|
| 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                     | 9,312                         | -                                |
|                                       | <u>471,322</u>                | <u>491,462</u>                   |

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

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

|                             | 2023<br>£ | 2022<br>£    |
|-----------------------------|-----------|--------------|
| Depreciation - owned assets | 2,098     | 4,607        |
| Other operating leases      | 17,519    | 14,944       |
| Auditor's remuneration      | -         | 6,000        |
|                             | <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     |
|------------------------------|----------|----------|
|                              | <u>5</u> | <u>9</u> |
| Programme and administrative |          |          |

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<br>fund<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|------------------------------------|---------------------------|--------------------------|---------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>  |                           |                          |                     |
| Donations and legacies             | 866,336                   | 141,240                  | 1,007,576           |
| <b>Charitable activities</b>       |                           |                          |                     |
| Pilot schemes                      | <u>30,000</u>             | <u>-</u>                 | <u>30,000</u>       |
| <b>Total</b>                       | <u>896,336</u>            | <u>141,240</u>           | <u>1,037,576</u>    |
| <b>EXPENDITURE ON</b>              |                           |                          |                     |
| <b>Charitable activities</b>       |                           |                          |                     |
| Pilot schemes                      | <u>471,954</u>            | <u>447,465</u>           | <u>919,419</u>      |
| <b>NET INCOME/(EXPENDITURE)</b>    | 424,382                   | (306,225)                | 118,157             |
| <b>RECONCILIATION OF FUNDS</b>     |                           |                          |                     |
| Total funds brought forward        | <u>424,016</u>            | <u>356,515</u>           | <u>780,531</u>      |
| <b>TOTAL FUNDS CARRIED FORWARD</b> | <u>848,398</u>            | <u>50,290</u>            | <u>898,688</u>      |

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**10. TANGIBLE FIXED ASSETS**

|                       |                            |
|-----------------------|----------------------------|
|                       | Computer<br>equipment<br>£ |
| <b>COST</b>           |                            |
| At 1 April 2022       | 9,276                      |
| Additions             | <u>7,284</u>               |
| At 31 March 2023      | <u>16,560</u>              |
| <b>DEPRECIATION</b>   |                            |
| At 1 April 2022       | 5,453                      |
| Charge for year       | <u>2,098</u>               |
| At 31 March 2023      | <u>7,551</u>               |
| <b>NET BOOK VALUE</b> |                            |
| 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        |
|---------------------------|-------------------|-----------------------|-------------------|
|                           | £                 | £                     | £                 |
| <b>Unrestricted funds</b> |                   |                       |                   |
| General fund              | 848,398           | (217,037)             | 631,361           |
| <b>Restricted funds</b>   |                   |                       |                   |
| All funds                 | 50,290            | 160,168               | 210,458           |
|                           | <u>          </u> | <u>          </u>     | <u>          </u> |
| <b>TOTAL FUNDS</b>        | <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 |
|---------------------------|--------------------|--------------------|-------------------|
|                           | £                  | £                  | £                 |
| <b>Unrestricted funds</b> |                    |                    |                   |
| General fund              | 490,718            | (707,755)          | (217,037)         |
| <b>Restricted funds</b>   |                    |                    |                   |
| All funds                 | 206,400            | (46,232)           | 160,168           |
|                           | <u>          </u>  | <u>          </u>  | <u>          </u> |
| <b>TOTAL FUNDS</b>        | <u>697,118</u>     | <u>(753,987)</u>   | <u>(56,869)</u>   |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

|                           | At 1.4.21<br>£    | Net<br>movement<br>in funds<br>£ | At<br>31.3.22<br>£ |
|---------------------------|-------------------|----------------------------------|--------------------|
| <b>Unrestricted funds</b> |                   |                                  |                    |
| General fund              | 424,016           | 424,382                          | 848,398            |
| <b>Restricted funds</b>   |                   |                                  |                    |
| All funds                 | 356,515           | (306,225)                        | 50,290             |
|                           | <u>          </u> | <u>          </u>                | <u>          </u>  |
| <b>TOTAL FUNDS</b>        | <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<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                           |
| General fund              | 896,336                    | (471,954)                  | 424,382                   |
| <b>Restricted funds</b>   |                            |                            |                           |
| All funds                 | 141,240                    | (447,465)                  | (306,225)                 |
|                           | <u>          </u>          | <u>          </u>          | <u>          </u>         |
| <b>TOTAL FUNDS</b>        | <u>1,037,576</u>           | <u>(919,419)</u>           | <u>118,157</u>            |



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**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<br>£      | 2022<br>£      |
|---------------------------------|----------------|----------------|
| <b>INCOME AND ENDOWMENTS</b>    |                |                |
| <b>Donations and legacies</b>   |                |                |
| 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      |
| <b>Charitable activities</b>    |                |                |
| Team fees                       | <u>75,000</u>  | <u>30,000</u>  |
| <b>Total incoming resources</b> | 697,118        | 1,037,576      |
| <b>EXPENDITURE</b>              |                |                |
| <b>Charitable activities</b>    |                |                |
| 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        |
| <b>Support costs</b>            |                |                |
| <b>Management</b>               |                |                |
| 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        |
| <b>Finance</b>                  |                |                |
| Bank charges                    | 242            | 228            |
| <b>Other</b>                    |                |                |
| 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<br>£              | 2022<br>£             |
|-------------------------------------|------------------------|-----------------------|
| <b>Other</b>                        |                        |                       |
| 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               |
| <br><b>Governance costs</b>         |                        |                       |
| Accountancy and legal fees          | 6,140                  | 9,470                 |
| Professional fees                   | <u>9,312</u>           | <u>-</u>              |
|                                     | <u>15,452</u>          | <u>9,470</u>          |
| <br>Total resources expended        | <u>753,987</u>         | <u>919,419</u>        |
| <br><b>Net (expenditure)/income</b> | <u><u>(56,869)</u></u> | <u><u>118,157</u></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
-  Email viewed by Josh MacAlister (josh.macalister@gmail.com)  
2023-12-15 - 4:50:32 PM GMT- IP address: 66.249.93.48
-  Document e-signed by Josh MacAlister (josh.macalister@gmail.com)  
Signature Date: 2023-12-15 - 6:24:30 PM GMT - Time Source: server- IP address: 145.224.66.157
-  Agreement completed.  
2023-12-15 - 6:24:30 PM GMT