

THE RECRUITMENT JUNCTION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

THE RECRUITMENT JUNCTION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Colin Fozzard	(Appointed 27 September 2020)
	Ms Margaret Lawson	(Appointed 27 September 2020)
	Mr Cameron Mann	(Appointed 27 September 2020)
Director	Beverley Brooks	
Charity number	1191442	
Principal address	TusPark Maybrook House 27 Grainger Street Newcastle upon Tyne Tyne and Wear NE1 5JE	
Independent examiner	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle Upon Tyne Tyne and Wear England NE2 1TJ	
Bankers	Virgin Money 131-135 Northumberland Street Newcastle upon Tyne NE1 7AG	

THE RECRUITMENT JUNCTION

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THE RECRUITMENT JUNCTION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The trustees present their report and financial statements for the year ended 30 June 2021.

The Recruitment Junction is a Charitable Incorporated Organisation formed in 2020 as a not-for-profit recruitment agency for ex-offenders. It is a registered charity with registration number 1191442.

The trustees who served during the year and up to the date of this report are set out on page 3.

Basis of preparation

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charitable objectives of the organisation are:

To promote the rehabilitation of ex-offenders and people with criminal convictions for the public benefit and within a Christian ethos, including through, but not limited to, the provision of mentoring, peer-led support, advocacy and brokerage with potential employers, the provision of grants, goods or services, in such a way that they are better able to identify, and help meet, their needs and participate more fully in society.

Risks

The trustees confirm that the major risks to which the charity is exposed have been identified and reviewed and systems are in place to mitigate those risks, including a robust and regularly reviewed Safeguarding Policy and a Data Protection Policy.

Public Benefit

The trustees are satisfied that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

When planning the charity's activities, the trustees considered the Charity Commission Guidance on public benefit. The trustees also considered how the charity had succeeded in delivering its aims, including any public benefit, when reviewing the achievements for the year which are set out below.

Achievements and performance

The Recruitment Junction (TRJ) is the first recruitment agency in the north-east focussed on placing ex-offenders into paid work. Our vision is to see ex-offenders rediscover a sense of purpose through work, becoming role models who drive positive generational impact across families and their wider communities. We achieve this through delivering against local skills shortages, in so doing pushing back against persistent regional unemployment and contributing to a reduction in re-offending.

This is TRJ's first year of operation, in which it has undertaken the activities detailed below, and realised assorted achievements.

We were pleased at the speed at which we were able to win commissioned/contracted work from the key commissioners in the sector: the Department for Work and Pensions (DWP) and National Probation Service (via Clinks and via DWP); our first commission was signed within 6 weeks of our inception. Approximately 55% of income came from commissioned services in the period under review, which is in excess of our expectations given our start-up status.

We have noted an equally pleasing speed in our winning local and national employer confidence, especially where we are pioneers in this work in the region, forging employment pathways which are not yet well-trodden. Our first job offer came through in week one, and our first placement in week three. To June 2021, 17 different employers have directly hired staff through us, with three of these hiring more than one staff member.

THE RECRUITMENT JUNCTION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

We placed 44 people into paid work in this period, 25% of whom were the highest category of offender (life sentenced prisoners or sexual offenders). 48% were over 40, and 16% were over 55. Only 9% were women, but that is proportionately in excess of prisoner ratios, which are 95% men/ 5% women. Retention rates are at 89%, which is higher than the national average of 85%.

We have recruited and trained ten volunteer Business Mentors, who are typically hiring managers or HR professionals, to increase our capacity to offer mock interview and offence disclosure practice to our candidates and we have designed and run a Practitioners' Course in Criminal Offence Disclosure.

Having launched with just two employees, we increased our staff headcount to six by 30th June 2021 and have actively sought to hire ex-offenders within the charity, both on a short-term and permanent basis, with three such individuals being hired to date. We have put in place Group Clinical Supervision sessions for the staff team, to ensure that they are given the appropriate support in coping with the challenging situations they sometimes have to deal with, and also engaged a Business Coach to support the Director in her leadership capacity.

Shortly after launching, we were successful in winning a number of charitable awards and donations, many of which funded our early start-up costs and helped us to build the capacity needed to grow our operations. Towards the end of the period under review, we were also awarded grants by the Northumbria Police and Crime Commissioner's Violence Reduction Unit (VRU) and the North of Tyne Combined Authority's Community Led Local Development Scheme, both of which will help us expand our services. We have established a strong following on social media, particularly LinkedIn, and recruited a significant number of employers and donors in this way.

Supporters and partners

The Recruitment Junction is extremely grateful for the support of a range of grant-giving trusts and foundations and other organisations, including: the Northumbria Police and Crime Commissioner, the Drapers' Company, the Vardy Foundation, the National Lottery Community Fund, the 1989 Willan Charitable Trust, Junction 42, the Watson Family Charitable Trust, Clinks, the Muckle Fund, the Leathersellers' Company, the Woodward Charitable Trust, the Barbour Foundation, the Hadrian Trust, the Catherine Cookson Trust, and the Rothley Trust.

We also appreciate the generous pro-bono assistance we received from a number of companies and individuals, including Muckle LLP, NE6 Studio, Aziz Production, Apogee Development and Accenture.

We also received donations from a large number of generous individuals, including many who make regular monthly contributions, as well as numerous contributions towards our candidates' essential travel, workwear and other work needs through the Acts 435 charity.

Financial review

The charity's total income for the 9 month period ending 30th June 2021 was £138,316, and the total expenditure was £76,729, giving a net surplus of £61,587, which was transferred to retained funds and is carried forward. Of the total income, £61,200 was earned from commissioned services, £63,356 came from grants made by various trusts, foundations and other organisations, with the remainder consisting of donations by various individuals.

The majority of the charity's expenditure relates to salaries and other staff costs, accounting for 68% of total expenditure. The charity occupies serviced office accommodation in Newcastle upon Tyne for which it pays on a monthly basis, but during the COVID-19 lockdowns operated remotely, meaning that rent and other premises costs during the period under review were minimal. A number of one-off costs were incurred relating to the initial establishment of the charity, such as legal & professional fees and IT costs, which would not be expected to re-occur in future years.

The funds of the charity as at 30th June 2021 were £61,587, all of which were unrestricted. The trustees regularly review the reserve levels to ensure that they are appropriate. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

THE RECRUITMENT JUNCTION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

The trustees have agreed a policy that the charity should aim to hold a level of reserves (namely those not held for a specific purpose) by the end of its third year of operation, which is equivalent to 6 months forecast future expenditure. The trustees believe that this level of reserves is necessary to ensure continuity of our ongoing services, especially given the government contracting environment which often means that contracts are awarded for short term periods, with gaps of uncertain duration between renewals.

The level of reserves as at 30th June 2021 amounted to 3.4 months forecast future expenditure. The trustees are satisfied with the charity's progress in building its reserves and are confident that the target level of reserves will be attained by the end of its third year of operation.

Plans for future periods

Having successfully established itself, grown a team of talented staff, and built strong relationships with many employers and partner organisations, the charity is well placed to continue to grow in the coming year.

Our initial contract with the DWP has been renewed, which will allow us to continue to provide the critical services to recent prison leavers, which have been the foundation of our operations in our first year. We have also recently started work on two innovative diversionary projects, which are of national interest.

The first is a Community Payback Job Finder scheme, a pilot partnership between the DWP and the newly re-unified National Probation Service, to take offenders sentenced to community penalties onto the job search programme and to divert them from more serious criminality, through finding them sustainable paid employment.

The second is a Conditional Discharge Job Finder scheme, a pilot partnership with Northumbria Police, funded by the Police & Crime Commissioner's VRU, to take low level and first-time offenders and to divert them from a magistrates' court appearance by offering them the option of signing up to our job finder service.

We have also been awarded a grant by the North of Tyne Combined Authority, under their Community Led Local Development scheme, which will allow us to meet the demand for our services from those candidates in certain parts of Tyneside, who fall outside our existing funding streams.

We continue to hold discussions with the governors of HMP Northumberland, the Police and Crime Commissioner, the Chief Constable of Northumbria Police and the commissioning lead of National Probation North East, to increase the scope and reach of our services.

An increased social media and press campaign is planned with the PCC, one of whose two chief priorities is employment, with TRJ as the prime partner.

Having proved our effectiveness and financial sustainability in our first year, we expect greater opportunities for more substantial grant funding to become available and our intention is to seek multi-year, higher value grant awards, that will allow us to further broaden and deepen the services we provide.

Structure, governance and management

The charity is a Charitable Incorporated Organisation, formed under the Charities Acts 2011 and registered with the Charity Commission for England and Wales. The relevant governing document is the Constitution, adopted by the Trustees on 27th September 2020.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr Colin Fozzard	(Appointed 27 September 2020)
Ms Margaret Lawson	(Appointed 27 September 2020)
Mr Cameron Mann	(Appointed 27 September 2020)

THE RECRUITMENT JUNCTION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

New trustees may be appointed by resolution passed at a meeting of the trustees, or by statutory powers. Full training and induction will be given to all new trustees, including training on their safeguarding responsibilities.


The trustees are responsible for setting general policy, but the day to day running of the charity is delegated to an employed management team which is headed by the Director.

All trustees give their time voluntarily and receive no remuneration or other benefits from the charity.

Remuneration policy for key management personnel

The trustees have identified the Director as the key management personnel of the charity. The remuneration of the Director is determined by the trustees, with decisions about pay being informed by comparison to salaries within the sector, and subject to a "value for money" test.

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



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Mr Cameron Mann

Trustee

Dated: **26/8/21**

THE RECRUITMENT JUNCTION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE RECRUITMENT JUNCTION

I report to the trustees on my examination of the financial statements of The Recruitment Junction (the charity) for the year ended 30 June 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 financial statements to be reached.

Robson Laidler Accountants Limited

Robson Laidler Accountants Limited

Fernwood House
Fernwood Road
Jesmond
Newcastle Upon Tyne
Tyne and Wear
NE2 1TJ
England

Dated: 27-8-2021

THE RECRUITMENT JUNCTION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Income from:</u>				
Donations and legacies	2	67,116	10,000	77,116
Charitable activities	3	61,200	-	61,200
Total income		<u>128,316</u>	<u>10,000</u>	<u>138,316</u>
<u>Expenditure on:</u>				
Charitable activities	4	<u>66,729</u>	<u>10,000</u>	<u>76,729</u>
Net income for the year/ Net movement in funds		61,587	-	61,587
Fund balances at 23 September 2020		-	-	-
Fund balances at 30 June 2021		<u>61,587</u>	<u>-</u>	<u>61,587</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE RECRUITMENT JUNCTION

BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£
Current assets			
Cash at bank and in hand		80,723	
Creditors: amounts falling due within one year	8	(19,136)	
Net current assets			<u>61,587</u>
Income funds			
Unrestricted funds			<u>61,587</u>
			<u>61,587</u>

The financial statements were approved by the Trustees on26/8/21

Cameron Mann

.....
Mr Cameron Mann
Trustee

THE RECRUITMENT JUNCTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Charity information

The Recruitment Junction is a Charitable Incorporated Organisation (charity number: 1191442). The principal address is TusPark, Maybrook House, 27 Grainger Street, Newcastle upon Tyne, NE1 5JE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

1.4 Income

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

1.5 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.

1.6 Cash and cash equivalents

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

1.7 Taxation

The charity is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

THE RECRUITMENT JUNCTION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

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

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £
Donations and gifts	18,760	-	18,760
Grant income receivable	48,356	10,000	58,356
	<u>67,116</u>	<u>10,000</u>	<u>77,116</u>
Grants receivable for core activities			
The Drapers Charitable Fund	10,000	-	10,000
The Vardy Foundation	10,000	-	10,000
National Lottery - Awards for All	10,000	-	10,000
The 1989 Willan Charitable Trust	-	10,000	10,000
The Watson Family Trust	5,000	-	5,000
Clinks	4,500	-	4,500
Other	8,856	-	8,856
	<u>48,356</u>	<u>10,000</u>	<u>58,356</u>

3 Charitable activities

	Contract income 2021 £
Services provided under contract	<u>61,200</u>

THE RECRUITMENT JUNCTION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

4 Charitable activities

	Charitable activities 2021 £
Staff costs	50,402
Consulting	520
Computer software and support	13,383
Other staff and volunteer expenses	828
Candidate expenses	4,185
	<u>69,318</u>
Share of support costs (see note 5)	5,131
Share of governance costs (see note 5)	2,280
	<u>76,729</u>
Analysis by fund	
Unrestricted funds	66,729
Restricted funds	10,000
	<u>76,729</u>

5 Support costs

	Support costs £	Governance costs £	2021 £
Advertising and marketing	108	-	108
Accountancy and payroll fees	935	-	935
Sundry expenses	1,431	-	1,431
Premises and running costs	1,881	-	1,881
Subscriptions and memberships	776	-	776
Legal and professional	-	1,320	1,320
Independent examination fee	-	960	960
	<u>5,131</u>	<u>2,280</u>	<u>7,411</u>
Analysed between Charitable activities	<u>5,131</u>	<u>2,280</u>	<u>7,411</u>

THE RECRUITMENT JUNCTION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

	2021 Number
Management	1
Other	2
Total	3

Employment costs

	2021 £
Wages and salaries	48,593
Social security costs	795
Other pension costs	1,014
	50,402

Key management remuneration of £19,689 was paid during the period.

There were no employees whose annual remuneration was £60,000 or more.

8 Creditors: amounts falling due within one year

	2021 £
Other taxation and social security	4,504
Other creditors	13,672
Accruals and deferred income	960
	19,136

THE RECRUITMENT JUNCTION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

9 Restricted funds

The restricted funds of the charity comprise the following amounts:

	Movement in funds			Balance at 30 June 2021
	Balance at 23 September 2020	Incoming resources	Resources expended	
	£	£	£	£
The 1989 Willan Charitable Trust fund	-	10,000	(10,000)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The 1989 Willan Charitable Trust fund relates to a grant received to cover the salary costs for the director working to support ex-offenders into employment.

10 Related party transactions

There were no disclosable related party transactions during the year.