

Breaking the Cycle



CHARITY COMMISSION
FOR ENGLAND AND WALES

Trustees' Annual Report

2nd June 2023 (date of formation) **to 31st March 2024**

Charity registration number: 1203376

1. Objectives and Activities

The object of Breaking the Cycle is to act as a resource for young people by providing educational resources to schools and youth organisations focused on overcoming factors that inhibit young people's progress and achievement (such as poverty, discrimination and prejudice) by developing programmes focused on non-curricular topics and subjects such as personal development, as a means of:

- i. Advancing in life and helping young people by developing their skills, capacities, and capabilities to enable them to participate in society as independent, mature and responsible individuals; and
- ii. Advancing education

When planning the charity's activities, the Breaking the Cycle trustees have considered the guidance issued by the Charity Commission on public benefit. They uphold this guidance through a clear social mobility objective to specifically help children and young people who might encounter circumstances that provide barriers and hurdles to their achievement and ambition. This cause provides the trustees' moral and ethical motivation to create and deliver schemes that are exclusively targeted at this charitable objective.

2. Achievements and Performance

This is the charity's first report, covering its formation and set-up period. Over the course of this 10 months, all of the initial objectives were completed and planned activities continue positively into the next year.

Much of the early activity has been 'internal' and administrative in nature to create the required policies and financial arrangements and to develop resources for a delivery programme of activity for the charity. The website (breaking-the-cycle.org.uk) now provides an effective platform to promote the charity's work and for enquiries and support to be received.

The first main 'external' activity for Breaking the Cycle has been to develop a supportive programme for young people to help them address and overcome factors that may be inhibiting their progress and achievement. Liaison with schools and other partners has helped to shape the charity's ideas, materials and resources into a programme of group sessions and community mentoring. Pilot delivery of this programme is proving to show its effectiveness.

The programme includes a series of group sessions for young people, designed from the charity's menu of resources with the host school or their youth organisation, followed by individual mentoring. Selection of the young people for the programme is based on identified need and they follow a personal mentoring programme that is tailored to address agreed themes.

Proposals have been initiated and discussed with the Reaching Communities Fund (National Lottery), requesting their financial support for the roll-out of this programme. As at this year-end, this lottery

application has successfully got through the first application round and they have requested a full application to be made for their Decision Panel.

If successful, this application will fund direct support for up to 600 vulnerable young people across the most disadvantaged communities in Leicestershire over 3 years, providing the main impetus for the charity's early work.

In addition, the charity has completed its registration with HMRC to make itself eligible to receive Gift Aid to enhance any donations from tax payers. A Just Giving arrangement has been linked to the charity website to facilitate this process and ease the administrative burden on the charity.

Future plans include the further development of materials that can be packaged into different programme configurations. Direct marketing to fund-holding organisations, e.g. schools, and applications to grant-making bodies will look to expand the reach of the work, concentrating on the most disadvantaged communities within the charity's identified geographical area of benefit.

In addition, the coming year will see a substantial promotional campaign to businesses and organisations in and around these communities, seeking corporate support and the engagement of the local workforce to either become fund-raisers or volunteer mentors. These mentors will undertake the charity's training programme before being supported in any work they may contribute to programme delivery with local young people.

Safeguarding Because the charity's work is with children under the age of 16, safeguarding arrangements are an essential component of all activities. Most activities take place under the jurisdiction of the host school or youth organisation so they retain the primary safeguarding responsibility and the charity's work follows their guidelines. However, Breaking the Cycle ensures that all those delivering its direct work with children have been subject to Enhanced DBS checks and received safeguarding training as detailed within the charity's policy.

No incidents or serious incidents have occurred.

None of the charity's activity takes place outside the UK.

3. Financial Review

The charity has completed the set-up of Breaking the Cycle's banking arrangements in the final weeks of the reporting period and is now fully in a position to transact its business.

Total receipts of unrestricted funds in this period were £11,938.50 comprised of donations from supporters of the charity (individuals and corporate organisations) and purchases made by schools to deliver the programme to their students. The biggest donation from an individual has been for £500.

No restricted income has been received to date.

Total expenditure to date amounts to £10,516 comprising the costs of work undertaken, the administrative costs of the website (domain name and development) and insurance.

The work of the charity to date has been carried out by trustees, either voluntarily or donated by their employers, or by Elizabeth Clarke, who has provided some clerical and administrative support. This constitutes a significant in-kind donation as it has helped to fulfil the requirements to establish the charity's administration, policies and financial arrangements. Voluntary work has also contributed to the submission

of the lottery application, also meeting with their officers to revise the submission. The total cash-value of the voluntary in-kind contribution is estimated at £6,000 plus £10,000 donated by trustees' employers.

The net result for the year was an excess of receipts over payments of £1,422.50 on unrestricted funds. This total is the balance carried forward to the new financial year.

Reserves policy: The trustees have adopted a Financial Reserves policy to establish the principles of retaining an appropriate level of unrestricted funds that the charity will maintain to provide the necessary contingency for its operations. The trustee's guiding principle is to minimise these reserves, so as not to limit the work with young people, but yet to be sufficient to sustain basic operations and cover any emergency situations that may arise. At this stage it is too early to set the level of reserve funds.

Breaking the Cycle has not yet been in receipt of grant-funding from the government or other organisations. The charity does not issue grants.

No funds are held as custodian trustees on behalf of others.

4. Structure, Governance and Management

Breaking the Cycle is a charitable incorporated organisation (CIO) with a constitution. It is not part of a wider organisation and there are no subsidiary organisations.

The charity's only members are the trustees and there is no wider membership or voting entitlements.

The board of trustees sets the overall direction of the organisation. Trustees met numerous times informally during the application process to the Charity Commission to form the CIO, and has subsequently met three more times during the year, with full attendance.

Special arrangements have been agreed by the board and the Charity Commission for a minority of trustees to be remunerated for any work required of them by the board. This is a practical and pragmatic arrangement to provide flexibility and responsiveness during the early phase of the charity's work until such time as the organisation becomes sufficiently established and funding permits other employment. To date, this arrangement has not been used and no trustee has received payment for their work.

Every new trustee must be appointed by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment as charity trustees, the board must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

It is unlikely that new trustees will be appointed often, so their induction is not a formal process and will include a meeting with the Chair to explain the role and its expectations and the day-to-day arrangements of the charity. On appointment each new charity trustee, on or before first appointment will receive:

- the current version of the constitution
- the CIO's latest Trustees' Annual Report and statement of accounts
- copies of all policy documents (see below).

To date, the trustees have adopted the following policies:

- Financial controls policy
- Expenses policy
- Conflicts of interest policy
- Safeguarding policy
- Complaint's policy

- Serious incident reporting policy
- Financial reserves policy
- Risk management policy
- Investing charity funds policy
- Bullying and harassment policy
- Social media policy
- Data protection policy
- Environmental policy
- Volunteer policy
- Fair recruitment policy

5. Reference and Administrative details

Charity name: Breaking the Cycle

Registered charity number: 1203376

Charity's registered address: 56 Sheppard Way, Rothley, Leicester, LE7 7WG

The charity does not own any property.

Trustees: The following trustees served during this first part-year, for the full period unless otherwise stated:

- Peter Chilvers, Chair
- Ryan Sutton
- Francis Lee
- Ellen Sefton

There are not yet any employees of the charity.

Statement of accounts

Income and Expenditure Account

All receipts and payments in this period relate to Unrestricted Funds

<u>INCOME</u>	£
Voluntary receipts from donors	625.50
Corporate Donations	9,163.50
Trading income	1,950.00
Fundraising income	200.00
	11,938.50

EXPENDITURE

Website	300.00
Insurance	116.00
Safeguarding	100.00
Expenses	0
Operating expenditure	10,000.00
	10,516.00

Excess of Receipts over Payments 1,422.50

Statement of Assets and Liabilities

Cash Funds: Bank Account 1,422.50

There are currently no additional assets, and no liabilities.

The accounts were approved by the Trustees on 11.04.24 and signed on their behalf. At this stage in the development of the charity the accounts do not require inspection by an Independent Examiner.

6. Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature



Full name: Peter Chilvers

Position: Trustee Chair, Finance Trustee

Date: 02.05.2024