

THE CYRENIANS LTD

England & Wales · Charity number 500640

Details

Other names TYNESIDE CYRENIANS LIMITED, CHANGING LIVES

Status Registered

Legal form Charitable company

Company number [00995799](#)

Registered 1971-07-19

Register [View on the Charity Commission register](#)

Contact

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The Avenues
Eleventh Avenue North
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GATESHEA

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Website www.changing-lives.org.uk

Activities

Objects: THE RELIEF OF POVERTY, SICKNESS AND OLD AGE IN PARTICULAR (BUT WITHOUT IN ANY WAY LIMITING THE GENERALITY OF THE FOREGOING WORDS) FOR THE RELIEF OF THE POVERTY OF PERSONS WHO BY REASON OF MENTAL OR PHYSICAL INFIRMITY ARE UNABLE TO FULFIL THEIR DUTIES AS CITIZENS OR THEIR OBLIGATIONS TO THEIR EMPLOYERS.

Activities: Changing Lives is a national, charity which provides specialist support services to vulnerable people and their families. Our key themes of work include: housing & homelessness, drug & alcohol, women & children's and employment services. Our mission is 'changing lives, building futures'.

Classification

- **How:** Provides Services
- **What:** General Charitable Purposes, The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Other Defined Groups

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£38,034,659	£36,608,306	£14,893,610	688
2024-03-31	£34,838,888	£35,076,487	£13,467,257	612
2023-03-31	£33,446,256	£33,412,961	£13,704,856	646
2022-03-31	£31,390,422	£31,042,155	£13,671,561	671
2021-03-31	£27,859,767	£26,295,482	£14,128,510	676

Trustees

Name	Role	Appointed
GLYNIS FREW	Chair	2023-01-12
Anthony May		2024-01-24
Gary Fawcett		2025-12-03
Jordan Race		2026-02-05
Lesley Telford		2016-05-10
Lisa Boyack		2024-01-24
Michael Barton		2019-12-12
Steve Guyon		2015-06-26

THE CYRENIANS LTD

England & Wales - Charity number 500640

Accounts

Company registration number: 00995799

Charity registration number: 500640

THE CYRENIANS LIMITED

operating as

CHANGING LIVES

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2025

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COMPANIES HOUSE

The Cyrenians Limited
operating as Changing Lives

Contents

Chairman's Statement	1
Reference and Administrative Details	2 to 3
Trustees' Report	4 to 21
Independent Auditors' Report	22 to 25
Consolidated Statement of Financial Activities	26
Comparative Consolidated Statement of Financial Activities	27
Consolidated Balance Sheet	28
Balance Sheet	29
Consolidated Statement of Cash Flows	30
Notes to the Financial Statements	31 to 59

The Cyrenians Limited

operating as Changing Lives

The trustees (who are also the Directors of the Company for the purposes of company law) are pleased to present their annual directors' report, including Strategic Report, together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Charities Statement of Recommended Practice ("Charities SORP") (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102) issued in October 2019.

Chair's Report

I am delighted once again to write the introduction to our annual accounts; it's an honour to be involved with a charity that believes passionately that everyone deserves as many chances as possible to change their life. When growing up no one ever envisaged they would need our services and its only with the commitment and dedication of our team that the charity continues to thrive.

I want to thank our trustees on both the main charity and TCUK Homes our social landlord subsidiary, the trustees bring a wealth of knowledge and expertise, that helps support the Executive team and it's great to see us working together to ensure that the performance, goals and mission of the charity are achieved.

We are clear that we are here to deliver services, and we are proud of that, the year ending March 2025 marks another year of resilience, growth, and unwavering commitment at Changing Lives. We still have an uncertain and unpredictable external environment which we cannot change, internally we are working smartly, adapting to change, and concentrating on core activities that make this charity special.

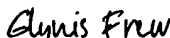
Changing Lives continues to support people facing the most challenging circumstances, helping them to make positive, lasting change. Our belief remains that everyone deserves a safe home, a rewarding job, and a life free from addiction or abuse. We recognise that everyone is different and tailor our support to the individual needs.

We have invested in our people and infrastructure, and we have nearly 700 staff including sessional workers and we have internally promoted over 100 colleagues, continuing our investment in our greatest asset, our staff team.

Looking ahead 2025 will bring new challenges, including changes to employment rights and zero-hours contracts. We are planning to start purchasing some buildings, improving our IT infrastructure, ensuring we are financially resilient, investing in our current fixed assets and continuing to deliver quality services to adults and children.

I would like to thank every member of staff, our volunteers, our partners, our donors and Board of Trustees for their hard work and commitment throughout the year. Together, we are making a real difference in the lives of those we support.

DocuSigned by:



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Glynis Frew

Chair of Trustees

The Cyrenians Limited

operating as Changing Lives

Reference and Administrative Details

Trustees

Glynis Frew, Chair
Stephen Guyon, Vice Chair
Lesley Telford, Treasurer
Dean Fielding (resigned 16 July 2025)
Michael Barton
Pete Brown (resigned 5 December 2024)
Anthony May
Lisa Boyack
Sandra Erickson (resigned 1 September 2024)

Secretary

Susan Carr

Key Management Personnel

Stephen Bell, Chief Executive
Neil Baird, Operations Director
David Bassam, Business Services Director
Lewis Murton, Finance Director
Kurran Hawksley, People and Culture Director
Faye Sunter, Development Director

Registered Office

H26 The Avenues Eleventh Avenue North
Team Valley Trading Estate
Gateshead
Tyne and Wear
NE11 0NJ

Company Registration Number 00995799

Charity Registration Number 500640

Solicitors

Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

Womble Bond Dickinson LLP
112 Quayside
Newcastle upon Tyne
NE1 3DX

Bankers

Barclays Bank plc
Newcastle City 9
49 - 51 Northumberland Street
Newcastle upon Tyne
NE1 7AF

The Cyrenians Limited

operating as Changing Lives

Reference and Administrative Details

Auditor

Azets Audit Services
Chartered Accountants and Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Structure, Governance and Management

The Charity group is comprised of the parent company, The Cyrenians Ltd and its wholly owned subsidiary TCUK Homes Ltd, the latter a charitable company limited by guarantee and a registered social landlord.

Governing Document:

The charity's name is The Cyrenians Limited, however the charity operates under the name of Changing Lives. It is a charity registered in the United Kingdom, charity No. 500640, and a company limited by guarantee, registered in England, Company No. 00995799.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association, revised in 2017.

Appointment of trustees:

Trustees are appointed at the Annual General Meeting and the term of office is four years, after which they have the opportunity to be re-elected for a further period of four years.

The charity undertakes a regular skills audit of the board, and when vacancies arise it tries to recruit from areas in which the Board has no professional background. There is also a strong focus on the recruitment of board members with "lived experience" of the areas of focus for the charity.

Trustee induction and training:

A new member's Induction Package includes the following:

- Governance Handbook
- Membership Form
- Companies House Form
- DBS Form
- The Role of the Board of Directors
- Board Members information Sheets
- Information around any training requirements
- Organisational Chart
- Most recent audited accounts
- Changing Lives Strategic and Business Plan
- Board Meeting Schedule
- Copies of the last three Board Meeting minutes.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

The Chair encourages new members to visit Changing Lives projects to better understand the work that we undertake.

Changing Lives trustees understand that effective governance is crucial to the running of the charity. The charity governance code is a key tool in ensuring that this is achieved. Trustees will be working through the principles of the good governance toolkit culminating in a self-evaluation, and Changing Lives is arranging for a range of training for board members.

Trustees participate in a range of activities to promote the charity, including hosting and attending fundraising events and influencing policy through participation at round tables and seminars on behalf of the charity. Trustees also use their professional and social networks to promote the charity, as well as joining in the conversation on social media to promote Changing Lives.

Trustees undertake regular project visits to engage with staff and people who use our services. When required trustees attend meetings with funders, commissioners and other stakeholders. The charity also commissions regular stakeholder surveys to find out views from stakeholders and the trustees receive and discuss the full reports and agree action upon the surveys.

Organisation:

Changing Lives has a board of at least 6 and up to 15 members who meet regularly and are responsible for the strategic direction and policy of the charity. At present the board has 6 members from a variety of professional backgrounds relevant to the work of the charity.

The work of the Board is supported by the following sub committees:

- Finance
- Risk and Quality
- Remuneration

The Chief Executive on behalf of the Non-Executive Directors manages the charity with the help of a Senior Leadership Team. There is a clear structure and reporting accountabilities that run throughout the organisation, and details of those matters reserved to the Board, and those areas where decision-making power is delegated are set out in a detailed policy.

Related parties and co-operation with other organisations:

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or member of the Senior Leadership Team must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. Related party transactions are reported in note 26.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Objectives and Activities

Purpose and Aims

Our charity's purpose as set out in the objects contained in the company's memorandum of association are:

To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to lead sustainably independent and fulfilled lives.

To relieve the poverty of those in need, in particular the homeless or those at risk of homelessness.

The relief of the physical and mental sickness of persons in need; through the provision of treatments, including medical or psychosocial interventions, counselling and support.

To provide, for the benefit of the public, assistance through conciliation and mediation of persons whose relationships have, or are at risk of having, broken down and to advise and help in the settlement of differences over issues connected to such relationships.

"Socially excluded" means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender reassignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards); crime (either as a victim of crime or as an offender rehabilitating into society); being a member of a socially and economically deprived community.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Our volunteers:

During 2024/25 our work was supported by a committed total of over 470 volunteers donated time either through regular volunteering or one-off events such as Christmas Dinner events). Close to 8,500 hours of volunteering time were registered which based on minimum wage this is more than £97,000 in volunteer time. Volunteers support us across our services in a variety of roles including counselling, mentoring, services such as gardening and in our central services.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Public Benefit:

We promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to lead sustainably independent and fulfilled lives.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and Performance:

Review of Operations

Changing Lives was set up over 50 years ago to look after people without a home. Many were experiencing addiction, mental and physical health issues and had been in and out of the prison system. We are immensely proud that the ethos and the values from those early days still stand today and the drive to help and support people to improve their lives has never been stronger. We continue to support over 14,000 people every year, we employ over 550 staff, have over 150 volunteers and are passionate about working in partnership with other like-minded organisations.

At Changing Lives, we continue to actively promote ourselves on social media. In this financial year our social media presence grew (10.5%) and reached over 1,000,000 people across all channels. We featured over 50 times in press features ranging from regional to national coverage across both written media and broadcast television footage.

Our national press coverage included stories relating to the successful delivery of our 'Leading with Purpose' training to staff throughout the organisation. Changing Lives was awarded the Princess Royal Training Award in August 2024. Achieving the Princess Royal Training Award for our commitment and excellence in learning and development really shows that we put our people at the heart of what we do, so that we can best support those who access our services.

In December 2024 we again held our Christmas warm meal appeal campaign in partnership with NE Offers received significant media attention whilst raising over £130k to providing vital food provision. We continue to benefit from fundraising activities all year round which provide vital funds to support our front-line services, these range from the Great North Run to golf days and comedy nights. All funds received are crucial in widening our reach and impact to those we support.

In May 2024 we held our annual '50k Your Way' challenge to raise funds and awareness to support the 5,666 women and Children that were being supported by our front-line services and projects to flee domestic abuse and change their lives for the better.

In March 2025 we held our bi-annual staff celebration which provides an opportunity together to reflect on the amazing work we do, celebrate achievements and meet new people. The event was attended by over 400 of Changing Lives dedicated staff from across all areas of the charity.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

As part of our commitment to the Changing Lives brand we have reinforced our values through a 'People Promise'. Our values remain the same Passionate, Empowering, Opportunity, Positivity, Listening, and Equality however our promise is;

1. Our promise to our staff: to create a workplace where you are supported, respected, and empowered.
2. Our promise to the people we support: to always act with compassion, equality, and care.

The 'People Promise' represents both who we are and what we aspire to be together.

We would like to thank those organisations who have continued to support Changing Lives throughout the year and note those who have included Changing Lives as one of their nominated Charity of the Year Partners. We also recognise the value of volunteering time from some of our corporate partners which provided over 1000 hours of volunteering in the financial year.

A review of our services by "Pillar" is below.

Homelessness Services

Across 1st April 2024 to 31st March 2025, we supported over 3,500 individuals to access safe accommodation and support, with an average of 37 across all referrals. Our work with young people continued to increase with 18.1% under the age of 24.

78.9% (+3.9% 2024) of individuals secured positive outcomes which is an improvement of last year's figure and above the sector average, with the main move on outcome to further supported accommodation or a secure tenancy.

At Changing Lives, we support people over a wide range of ages who are experiencing homelessness, including specialist provision for young people. Some are care leavers, others might have experienced abuse or family breakdown. Regardless of how they came to be in our services, we aim to give them the skills and empowerment they need to move into their own secure tenancy.

In May 2024 we welcomed the news that the government will amend the definition of nuisance rough sleeping but remain concerned that the concept of nuisance rough sleeping remains in the Bill. Not only could this still be used to unfairly prosecute vulnerable people, it sends a message that people experiencing homelessness and rough sleeping are an inconvenience that needs to be hidden away, rather than a visible symptom of wider failings in our welfare, housing and homelessness systems.

We are in agreement with the wider homelessness sector that the powers introduced through the Bill are unnecessary - as the police already have powers to deal with genuine anti-social behaviour - and to the detriment of people experiencing homelessness.

In February 2025 Changing Lives responded to the shocking statistics that were published showing 1 in 62 young people are facing Homelessness or at risk this is a 10% increase on the previous year. At Changing Lives, we provide OFSTED registered services to Young People nationally and we joined with other providers nationally to encourage the government to include a youth specific section in its upcoming Homelessness Strategy.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

The focus on quality continued by joining the Domestic Abuse Housing Alliance (DAHA) to start preparations to become accredited and ensure we are meeting the highest standards in regards to our response to domestic abuse within our accommodation settings and also the long-awaited introduction of OFSTED for our provision accommodating looked after children and care leavers aged 16-17.

In 2024/25 we campaigned to ensure our services did not face cuts as a result of pressure to council budgets. We featured across various media releases to promote the positive and lasting impact of our work as well as the value to the wider community of Changing Lives intervention. As such our retention work was vitally important to continue providing services in areas such as Newcastle.

In positive news we were delighted to successfully tender for services in both Dagenham and Doncaster which increased the national reach of our Homelessness services. New services commenced delivery in September 2024, and we are excited to begin making a positive impact on the lives of those within these services.

Homelessness will always be central to our operations and represents over 50% of our charitable income.

Womens & Children's Services

This year, our Women's and Children's Services have supported 6,538 individuals. Among these, 158 referrals were male, primarily linked to our sex work and exploitation services and our domestic abuse NIDAS service. The NIDAS IDVA team has supported 84 men as victims. Other support was given to men through our outreach and healthy living programmes in Doncaster.

We are currently supporting 3,046 individuals through our Women's Services nationwide at the end of March 25.

The most represented age group among the women we support continued to be 35-44 years old, comprising 34% of the total. We've also observed an increase in the diversity of our referrals or improved recording, with the percentage of unknown ethnicity dropping from 18% in 2024 to 16% in 2025. Among our referrals, 762 people (11.8%) identify as black, mixed race, or from a minority background. Additionally, 30 people this year are from travelling communities.

The most common reason for people leaving our services is exiting from MOJ contracts based on probation practitioners' professional judgment, accounting for 16.3%, followed by people completing the programme at 11.5%.

The Apps Team has now completed the new Case Management System, which is scheduled to launch in Q2 of FY 25/26. This system will improve our data collection and improve outcomes for women by specifically reporting on access to justice levels, recovery from violence and abuse, and reducing re-offending.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Developments

Net-Reach - Netreach is a Home Office-funded initiative under the Preventing Violence Against Women and Girls (VAWG): What Works Funding. Its mission is to identify women and girls aged 16-25 at risk of online exploitation and provide early, light-touch interventions. The team works nationally across exploitation and sex work projects, maintaining an online presence on forums and social platforms to reach those affected by tech abuse and online harms. In the year to March 25 the team has worked closely with Social Finance to develop a whole-person approach as well as introducing tiered levels of support for different needs and strengthened feedback mechanisms for continuous improvement.

Adult Sexual Exploitation Partnership (ASEP) - in July 2024 on expiry of our previous work under the STAGE name, Changing Lives as part of a partnership of organisations secured £2.3m in funding from the National Lottery Community Fund to expand support for victims of Adult Sexual Exploitation.

The funding will be used to expand the Adult Sexual Exploitation Partnership, providing trauma-informed support for people who have been groomed for sexual exploitation so they can achieve positive change in their lives.

The ASE Partnership brings together Changing Lives, A WAY OUT Charity, The Angelou Centre, Basis Yorkshire, Together Women, GROW, WomenCentre, and Ashiana. Together combining policy and practice to provide trauma-informed support and create systems change for women who are at risk of sexual exploitation and/or women and girls aged 16+ who have been groomed for sexual exploitation.

Since the partnership was formed in 2019, we have collectively supported over 800 women. We are now able to continue this work combining policy and practice to provide trauma-informed support and create systems change for women.

NIDAS - In December 2023 we became the lead partner delivering the Integrated Domestic Abuse Service within Newcastle. Prior to this we had been a sub-contractor delivering an element of the support. Together with our partners Action for Children & Rape Crisis we are able to offer specialist support, we aim to reduce the long-term risk of violence and abuse, helping people to live safely and independently. We know that everybody's life is different, so we will listen to what is important to people, and we will discuss options. In being the lead partner, we are now able to offer Refuge Accommodation, outreach and IDVA/ISVA support.

Middlesbrough Refuge - this year through additional funding we were able to continue to deliver trauma-informed-therapeutic interventions for the children in our service in partnership with My Sisters Place.

Red Umbrella - The Red Umbrella project based in Merseyside supports people involved in sex work, selling sex and/or experiencing sexual exploitation to combat instances of violence and crimes against them and bring perpetrators to justice.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Criminal Justice - we continue to deliver our core criminal justice services for vulnerable women whilst on license within custody or within the community. We have begun to deliver two new services through funding securing with the MoJ Innovation fund in Northumbria & Stoke-on-Trent which is helping to deliver domestic abuse and outreach support that may be required to help create a life away from criminal activity and pursue future goals.

In July we responded to the governments early release scheme measures with concern that this could lead to increased levels of homelessness. Many women we work with are currently released from custody with no accommodation or are placed in mixed-sex accommodation. This leaves them open to exploitation from organised crime groups who sexually and/or criminally exploit them, often resulting in their return to custody with further criminal charges. Through our work, we have seen an increase in women advertising sex online to survive."

In August we welcomed Prisons Minister James Timson OBE to our women's hub in Stockton, The team highlighted the great work they carry out in partnership with the Probation Service to support women within the Criminal Justice System, and discussed the challenges we face and hope that the Government will address.

Recovery & Wellbeing

In this year our activity reduced with the demobilisation of our services in York due to the contract coming to an end. As we mentioned in the previous year the change in regulation to allow Provider Selection Regime (PSR) and the dominance of large-scale recovery organisations, meaning that opportunities to expand have become less frequent.

We instead focus on the services that we retain and providing the support across the North East and North Yorkshire.

The numbers of individuals who left our services during the year was 2,378 of which we successfully achieved a 98.8% positive exit rate.

Our strategy moving forward is to focus on the development of new partnerships with key and lead organisations who can deliver the clinical and/or recovery coordination element of large-scale contracts. Our intention is not to lead on public health contracts but offer a specialism to larger organisations around recovery and abstinence (i.e.. our Oaktrees model), women's specific recovery options, which is gaining traction and increased interest and/or an assertive outreach model to engage those who services have previously failed to engage.

There remains to be risk moving forward in relation to retention as a number of our existing contracts involve working in partnership with those who have ended elsewhere, however we are looking to begin balancing this out with the development of new partnerships which could bring about opportunity nationally. We also plan to strengthen our gender specific recovery-based offer and look to gather some evidence base behind our women in recovery work.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Employment Services

Although unemployment levels nationally are low, for people who have experienced homelessness, addiction or other challenging circumstances, it is still difficult to move into employment. Barriers include stigma, navigating the benefits system, confidence and lack of support with the soft skills needed to retain employment.

Funding to support employment for people furthest from the labour market is vital, the barriers still exist for the people we support.

Activity

Pathways to Progress - we were able to launch Pathways to Progress which offers free to access, one to one advice, supporting individuals to meet their goals and progress.

The initiative, led by Education Development Trust and key partners, offers personalised guidance and advice on the following:

- health and wellbeing,
- money management,
- training and volunteering,
- skills development,
- careers options.

IPS Doncaster - our individual placement and support (IPS) services in Doncaster which deliver intensive employment support by employment specialists as part of the multi-disciplinary drug and alcohol service delivered by our partner Aspire continued into its second year.

Gateshead GWL - Gateshead Go, Work, Live (GWL) is delivered by Changing Lives and Education Development Trust on behalf of Gateshead Council. It is funded through Gateshead Council's Shared Prosperity Fund by the UK Government. GWL is a community-based project which offers free 1-2-1 support to help with access to courses, benefits and support with job applications.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Local Jobs for Local People - this project was launched to support Doncaster residents that have a history or are currently experiencing substance misuse that are not currently accessing support from Aspire Drug and Alcohol Service.

Looking ahead to 2024/25 we are excited to have secured funding to deliver our Pathways to Progress service which is based in West-Yorkshire and will support individuals into employment and related opportunities, addressing immediate needs while fostering personal growth and community connections.

LEAP Team Valley (Lifelong, Employment, Achievement, Productivity) - is a partnership between Waythrough, Tandem, Citizens Advice Darlington, Redcar and Cleveland, Middlesbrough Citizens Advice Middlesbrough, Stockton and District Advice and Information Service, Hartlepool Citizens Advice, Middlesbrough VDA, Redcar & Cleveland VDA, Let's Connect, and Changing Lives. We support people to improve their health and wellbeing, become active in their communities, improve their financial situation, and move into training, education or employment.

Looking ahead to the next financial year, we are excited to launch the Changing Lives academy which includes a lived experience programme to provide work and placement opportunities for those engaged within other Changing Lives services.

Future Plans

The board have again committed to providing a pay award in line with government increases. We recognise the continued challenging environment and pressure faced by staff throughout a cost-of-living crisis. Changing Lives is proud of its retention rate of staff and has continued to see reduced staff turnover throughout the financial year. Ultimately investing in our staff provides a greater service to those who are using our services. The continued rise in national minimum wage creates pressure on contract budgets however the Charity has always paid in excess of the minimum wage to ensure staff are recognised for the incredible work they do.

In November 2024 the Government confirmed plans to reduce the employer National Insurance threshold as well as an increase from 13.8 to 15%. This combined with the increases to minimum wage from April 25 place significant pressure on all charity's future financial projections. Despite 7,361 charities signing the joint letter urging support for charities there will be no support in the next financial year.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

At Changing Lives, we have continued to work with funders and review our internal budgets and forecasts to ensure we are able to be sustainable despite the pressures from the changes above. The Charity remains optimistic about its future outlook and continues to look for opportunities to provide support and solutions so we can support more people.

The change in government also provided proposed reforms to the employment rights act began with consultations in 2024 and continued throughout 2025. Although changes will not come into force until 2026 the proposals to make changes to temporary staffing contracts including zero-hour contracts and reform to working patterns and scheduling decisions will impact Changing Lives who have a strong history of sessional staff who enjoy the flexibility of being able to pick and choose shifts depending on availability. These sessional staff provide a bank of skilled staff who can support with seasonal fluctuations and gaps within our permanent workforce. Changing Lives has actively sought measures to be able to protect both our staff and the services we deliver to ensure our response to the changes provides continued stability to our service users and does not compromise the quality of our front-line delivery.

The organisation continues to be debt free; we are focussed on generating as much as possible from our funds and ensuring that the balance sheet continues to remain strong as well as generating unrestricted funds where possible to support delivery of non-grant funded activities.

For 2025/26 the board has set continued with three key priorities from prior year with the addition of one relating to property management;

- Welfare & Wellbeing
- Operations and new business
- Technology & Use of AI
- Assets

The Senior Leadership and executive teams have formed small working groups each with designated member from the board with a range of actions to be able to achieve significant progress. Advisory groups will meet throughout the year to monitor and map progress. Alongside this operational teams will work towards KPI's set by the board to help achieve these objectives.

As a board we believe the steps taken above will continue to put our services in the best place to continue delivering exceptional services across all of our pillars of work.

In April 2025 our subsidiary company TCUK Homes will begin operating as Changing Lives Homes. Housing is the foundation for change. Through Changing Lives Homes, we are proud to provide a stable and supportive environment where people can begin their journey towards independence. This name change reflects the reality of our work - a unified approach that places people at the centre.

As we reflect on a successful year of operations, we are positive about our future and look forward to continuing to deliver much needed services to people nationally.

Together We Are Changing Lives.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Our Workforce - Employee Engagement:

Changing Lives staff are based nationally and across a wide range of locations. To ensure all staff are able to engage we continue to offer all staff the opportunity to pose questions through a variety of channels including our dedicated Staff Voice Forum as well as directly to our CEO through 'Ask Stephen' feature. We strive to ensure that all staff are heard, and we regularly conduct feedback including employee satisfaction surveys.

The Staff Voice Forum meets quarterly and at the end of March 25 had over 20 representatives ensuring national coverage for all staff within the organisation.

In the year we expanded our offering to staff as part of our wellbeing priority through the recruitment of an in-house counsellor. Our front-line staff face challenging circumstances every day and we recognise the importance of wellbeing. This strengthens our support available to staff who also have a 'Welfare and Lives Experience Advisor' available to support with a range of personal circumstances.

Acknowledging the challenges posed by the cost of living, we are actively seeking input from our staff through platforms like the staff forum to understand where 'charitable efforts can begin at home'. This inclusive approach ensures that the concerns of each employee are considered, fostering a sense of community and shared responsibility.

Our dedication to development and career pathways remains unwavering. We continually review volunteering programs, placing development and training at the core of our initiatives. Internal moves and development opportunities are actively explored, shaping a multi-skilled, engaged workforce that thrives on growth and adaptability.

At the heart of our organisational philosophy is the unwavering commitment to transforming lives and reshaping the future of work. Through cutting-edge initiatives in data-driven innovation and automation, we are not just redefining how we work; we are unlocking new possibilities and efficiencies. This commitment extends seamlessly to our approach to employee engagement, where modern methods enable us to work differently, adapting to the ever-evolving landscape.

Central to our ethos is the integration of compassion into every facet of our operations. We don't just hear; we strive to truly understand the unique perspectives and needs of everyone. Together, we're creating a workplace that not only meets the challenges of today but shapes a future where every employee thrives.

Staff Welfare has remained as one of our dedicated priorities for the next financial year and we have outlined 5 key priorities to ensure continued employee engagement and welfare;

- Development of a core competency framework
- Enhance staff experience and wellbeing
- A full review of our core training package
- Analysis of impact of employment rights changes
- Launch of the Changing Lives Academy (including a lived experience programme)

The Cyrenians Limited
operating as Changing Lives
Trustees' Report

Energy and Carbon Usage:

The Charity's work is around housing and homelessness. At the end of the financial year, the group had 1008 (2024:1032) housing units. Properties vary from individual rooms to multi occupancy buildings, houses, and offices. Throughout the year, we employed an energy agency to manage our gas and electricity suppliers.

As can be seen from the table below, we own/lease few vehicles and emissions from owned transport contributes less than 5% of the Charity's carbon emissions.

UK Greenhouse gas emissions and energy use data for the year ended 31 March 2025	2025	2024
Energy consumption used to calculate emissions (kwh):		
Gas	4,177,843	5,736,649
Electricity	1,482,863	1,749,124
Transport fuel	483,213	544,416
Total	6,143,919	8,030,189
Scope 1 emissions in metric tonnes CO2e		
Gas Consumption	761.12	1,045.16
Owned Transport	39.23	50.07
Total Scope 1	800.39	1,095.23
Scope 2 emissions in metric tonnes CO2e		
Purchased Electricity	286.76	338.25
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	103.13	112.55
Total gross emissions in metric tonnes CO2e	1,190.28	1,546.02
Intensity ratio Tonnes CO2e per unit	1.04	1.24

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company reporting (as updated September 2022).

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per housing unit, the most relevant measure as most of our emissions arise from our housing and homelessness activities.

Pay Policy:

The Remuneration Committee is established to recommend to the main Board an overall remuneration policy that is aligned with its long-term business strategy and objectives, enable the recruitment, retention and development of senior executives and the wider workforce whilst also complying with the requirements of regulation. The work of the Committee includes:

- To recommend and monitor the level and structure of remuneration for senior management team
- Agreeing and recommending to the Board the annual staff pay award and its distribution relative to performance ratings.
- Commissioning and considering market testing information relating to pay awards of Chief Executive, Executive Directors, and Directors pay.
- Receiving reports on recruitment, turnover, sickness trends, employment conditions, staff benefits and other related issues
- Reporting annually to the main Board on the work undertaken by the Committee.

Policy for the employment for disabled persons:

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement:

The directors have engaged with employees during the year through regular meetings and feedback sessions, and have had regard to the interests of employees when making principal decisions.

Financial review:

The group achieved a total surplus of £1,426,353, the unrestricted income net movement in funds was £1,252,438.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

During the year our operational performance provided a strong surplus. The statutory accounts results included the repayment of a capital grant from 2018 which has negatively impacted the surplus reported.

Internally developments have been made to improve financial literacy across the organisation with updated financial dashboards and forecasting tools being made available to managers across the organisation.

Financial performance has focussed around three Key Performance Indicators; agency spend, bad debt and void loss. Significant focussed efforts have been made towards these three KPI's.

As part of the strategy noted above the commercial viability of contracts continues to be monitored closely with the Senior Management team taking appropriate action to protect the long-term future of the organisation.

The Charity has successfully repaid all outstanding bank loans and recognises the improved balance sheet position.

Investment policy:

The trustees, having regard to the liquidity requirements of operating the charity, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index.

All outstanding loans were fully repaid in September 2023, with no further borrowing being obtained.

During the year the Charity has deposited funds in a longer term higher interest-bearing account with the aim of maximising returns from its reserves as part of its long-term strategy.

Reserves policy and going concern

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charitable company to hold free reserves those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. Resulting from this, the trustees consider it prudent to maintain unrestricted free reserves at a level sufficient to cover between two to four months of staff costs and lease commitments which equates to approx. £3million. At the 31 March 2025 the level of free reserves held by the charity was £1,716,138 (2024 - £1,109,547). The level of unrestricted reserves held by the charity at the year-end was £9,244,528 (2024 - £7,992,090).

As part of the reserves policy the trustees have designated the following funds: Sinking fund of £1,303,852 (2024 - £875,752); Core Properties fund and the revaluation reserve £3,019,441 (2024 - £3,082,582), Property Investment Fund £771,900 (2024 - £1,200,000) and dilapidation fund £300,000 (2024 - £nil). Narrative for these funds can be found in note 23 of the financial statements.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

During the year the trustees have reviewed ongoing sinking fund liability and have chosen to transfer funds during the year recognising the expected future dilapidations.

Overall funds of £14,893,610 (2024 - £13,467,257) were held at 31 March 2025 which included restricted amounts of £5,649,082 (2024 - £5,475,167).

Risk management

The directors have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks where necessary.

The Covid-19 pandemic and its knock-on impacts around staffing and use of agency staff are significant risks, there are other external risks around changes in policy that may also impact on funding. This has led to the development of strategic plans which are regularly revised and allow for the diversification of funding and activities. Internal risks are minimized by the implementation of procedures for authorization of all transactions and projects.

The charity maintains a risk register to ensure management of strategic risks, the Risk and Quality Committee has responsibility for oversight and quarterly review of the risk register, all strategic non-compliances and major strategic and operational risks to include safeguarding and health & safety. This Committee is chaired by a trustee, and reports into the main Board.

The charity has significantly reduced its financial risk through repayment of the loan previously held with Barclays. The risk committee does however continue to recognise the external financial environment as a high-level risk. The funding landscape continues to be uncertain and so although the charity has a significant proportion of income being generated through housing benefit which does have inflationary uplifts annually, we recognise the long-term risk to contract income. Stakeholder engagement continues to be a priority with discussions continuing across funders to deliver uplifts where possible.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Our approach to fundraising activities:

The Charity complies with the Code of Fundraising Practice. All funds raised by the Charity will be spent for the purpose for which they are raised. All funds raised through sponsorship activities will be banked into the Charity's bank account before deduction of expenses. All literature will properly describe what donations will be used for. All fundraising activities will be conducted in an open honest and transparent manner. Changing Lives does not employ the services of outside professional fundraisers. During the period under review no complaints have been received. Changing Lives values the contribution made by all our donors. Changing Lives will treat all donors with respect and dignity. Changing Lives do not, and will not make, unsolicited calls to members of the public requesting donations.

Statement of Responsibilities

The trustees (who are also the directors of The Cyrenians Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Cyrenians Limited
operating as Changing Lives

Trustees' Report

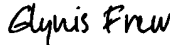
Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on ^{10 December 2025} and signed on its behalf by:

DocuSigned by:

.....
Glynis Frew
Trustee

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Opinion

We have audited the financial statements of The Cyrenians Limited (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31 March 2025, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Responsibilities (set out on page 20), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

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

- enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- reviewing minutes of meetings of those charged with governance;
- assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- review financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Building and Fire safety regulations, Care Quality Commission and compliance with the UK Companies Act and Charities Act.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

Simon Brown

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Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

11 December 2025
Date:.....

Azets Audit Services is a trading name of Azets Audit Services Limited.

The Cyrenians Limited

operating as Changing Lives

Consolidated Statement of Financial Activities for the Year Ended 31 March 2025 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Income and Endowments from:					
Donations and legacies	3	200,895	167,485	368,380	366,734
Charitable activities	4	33,664,275	3,630,667	37,294,942	34,229,841
Other trading activities	5	161,436	8,022	169,458	178,179
Investment income	6	201,879	-	201,879	64,134
Total Income		<u>34,228,485</u>	<u>3,806,174</u>	<u>38,034,659</u>	<u>34,838,888</u>
Expenditure on:					
Raising funds		(28,801)	(8,791)	(37,592)	(18,070)
Charitable activities	7	<u>(32,915,676)</u>	<u>(3,655,038)</u>	<u>(36,570,714)</u>	<u>(35,058,417)</u>
Total Expenditure		<u>(32,944,477)</u>	<u>(3,663,829)</u>	<u>(36,608,306)</u>	<u>(35,076,487)</u>
Net income/(expenditure)		1,284,008	142,345	1,426,353	(237,599)
Transfers between funds		<u>(31,570)</u>	<u>31,570</u>	<u>-</u>	<u>-</u>
Net movement in funds		1,252,438	173,915	1,426,353	(237,599)
Reconciliation of funds					
Total funds brought forward		<u>7,992,090</u>	<u>5,475,167</u>	<u>13,467,257</u>	<u>13,704,856</u>
Total funds carried forward	23	<u>9,244,528</u>	<u>5,649,082</u>	<u>14,893,610</u>	<u>13,467,257</u>

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown is shown in note 23.

The Cyrenians Limited

operating as Changing Lives

Comparative Consolidated Statement of Financial Activities for the Year Ended 31 March 2024 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	301,123	65,611	366,734
Charitable activities	4	29,719,939	4,509,902	34,229,841
Other trading activities	5	167,942	10,237	178,179
Investment income	6	64,134	-	64,134
Total income		<u>30,253,138</u>	<u>4,585,750</u>	<u>34,838,888</u>
Expenditure on:				
Raising funds		(16,873)	(1,197)	(18,070)
Charitable activities	7	<u>(29,848,132)</u>	<u>(5,210,285)</u>	<u>(35,058,417)</u>
Total expenditure		<u>(29,865,005)</u>	<u>(5,211,482)</u>	<u>(35,076,487)</u>
Net income/(expenditure)		388,133	(625,732)	(237,599)
Transfers between funds		<u>104,950</u>	<u>(104,950)</u>	-
Net movement in funds		493,083	(730,682)	(237,599)
Reconciliation of funds				
Total funds brought forward		<u>7,499,007</u>	<u>6,205,849</u>	<u>13,704,856</u>
Total funds carried forward	23	<u><u>7,992,090</u></u>	<u><u>5,475,167</u></u>	<u><u>13,467,257</u></u>

The Cyrenians Limited

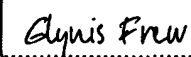
operating as Changing Lives

(Registration number: 00995799)

Consolidated Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	15	10,035,919	9,807,302
Current assets			
Debtors	17	3,171,617	4,229,132
Cash at bank and in hand	18	<u>6,537,221</u>	<u>4,794,844</u>
		9,708,838	9,023,976
Creditors: Amounts falling due within one year	19	<u>(4,851,147)</u>	<u>(5,364,021)</u>
Net current assets		<u>4,857,691</u>	<u>3,659,955</u>
Net assets		<u>14,893,610</u>	<u>13,467,257</u>
Funds of the group:			
Restricted		<u>5,649,082</u>	<u>5,475,167</u>
Unrestricted income funds			
Designated funds		5,395,193	5,158,334
General funds		<u>3,849,335</u>	<u>2,833,756</u>
Total unrestricted funds		<u>9,244,528</u>	<u>7,992,090</u>
Total funds	23	<u>14,893,610</u>	<u>13,467,257</u>

The financial statements on pages 26 to 59 were approved by the trustees, and authorised for issue on 10 December 2025 and signed on their behalf by:

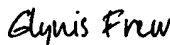
DocuSigned by:

US008E3C7AE748E.....
 Glynis Frew
 Trustee

The Cyrenians Limited
operating as Changing Lives
(Registration number: 00995799)
Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	15	9,862,242	9,616,137
Current assets			
Debtors	17	2,962,122	4,158,668
Cash at bank and in hand	18	<u>5,095,261</u>	<u>3,363,694</u>
		8,057,383	7,522,362
Creditors: Amounts falling due within one year	19	<u>(4,751,016)</u>	<u>(5,206,070)</u>
Net current assets		<u>3,306,367</u>	<u>2,316,292</u>
Total assets less current liabilities		13,168,609	11,932,429
Creditors: Amounts falling due after more than one year	20	<u>(4,531,640)</u>	<u>(4,639,196)</u>
Net assets		<u>8,636,969</u>	<u>7,293,233</u>
Funds of the charity:			
Restricted		<u>173,915</u>	<u>-</u>
Unrestricted income funds			
Designated funds		5,395,193	5,158,334
Unrestricted funds		<u>3,067,861</u>	<u>2,134,899</u>
Total unrestricted funds		<u>8,463,054</u>	<u>7,293,233</u>
Total funds	23	<u>8,636,969</u>	<u>7,293,233</u>

The charity made a surplus after tax for the financial year of £1,343,736 (2024 - deficit of £666,371).

The financial statements on pages 26 to 59 were approved by the trustees, and authorised for issue on 10 December 2025 and signed on their behalf by:

DocuSigned by:

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 Glynis Frew
 Trustee

The Cyrenians Limited

operating as Changing Lives

Consolidated Statement of Cash Flows for the Year Ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash income/(expenditure)		1,426,353	(237,599)
Adjustments to cash flows from non-cash items			
Depreciation		437,980	584,979
Amortisation		-	4,691
Investment income	6	(201,879)	(64,134)
Interest payable		-	26,284
		<u>1,662,454</u>	<u>314,221</u>
Working capital adjustments			
Decrease in debtors	17	1,057,515	622,488
Increase in creditors	19	217,022	47,657
(Decrease)/increase in deferred income	20	<u>(729,896)</u>	<u>162,808</u>
Net cash flows from operating activities		<u>2,207,095</u>	<u>1,147,174</u>
Cash flows from investing activities			
Interest receivable and similar income	6	201,879	64,134
Purchase of tangible fixed assets	15	(666,597)	(75,551)
Sale of tangible fixed assets		-	3,310,307
Net cash flows from investing activities		<u>(464,718)</u>	<u>3,298,890</u>
Cash flows from financing activities			
Interest payable and similar charges		-	(26,284)
Repayment of loans and borrowings	19	-	<u>(1,727,057)</u>
Net cash flows from financing activities		<u>-</u>	<u>(1,753,341)</u>
Net increase in cash and cash equivalents		1,742,377	2,692,723
Cash and cash equivalents at 1 April		<u>4,794,844</u>	<u>2,102,121</u>
Cash and cash equivalents at 31 March		<u>6,537,221</u>	<u>4,794,844</u>

All of the cash flows are derived from continuing operations during the above two periods.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: H26 The Avenues Eleventh Avenue North, Team Valley Trading Estate, Gateshead, Tyne and Wear, NE11 0NJ.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

The Cyrenians Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in Sterling which is the functional currency.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertaking drawn up to 31 March 2025.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a surplus after tax for the financial year of £1,343,736 (2024 - deficit of £666,371).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiary is identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. The charity and its trading subsidiaries have strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Determine whether leases entered into by Changing Lives either as a lessor or lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determine whether there are any indicators of impairment of Changing Lives tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. The carrying amount is £10,035,919 (2024 - £9,807,302).

Income and endowments

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations and legacies

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS102). Further detail is given in the Trustees' Annual Report.

Grants receivable

Revenue grants receivable are credited to income immediately where entitlement is not conditional on the delivery of specific performance criteria by the group. Where grants relate to performance and specific deliverables, income is accounted for as the group earns its right to consideration by its performance.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Other trading activities

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

Investment income

Interest is included when receivable by the group.

Charitable activities

The recognition of income received in relation to the Social Housing Grant within the consolidated accounts is done so using the performance model in line with the charities SORP.

Other income

Net Assets transferred on the acquisition of entities into the group are recorded within voluntary income at the value that the assets are worth on the date of the transfer.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's (and the group's) activities. These costs, which have not been directly apportioned, have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in the Support Cost note.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Rebranding	10% straight line

Tangible fixed assets

Individual fixed assets are initially recorded at cost.

Where fixed assets have been previously carried at a revalued amount, upon transition to FRS102 deemed cost was adopted.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold property improvements	Straight line over the period of the lease
Freehold property	2% - 15% straight line
Motor vehicles	25% straight line
Furniture and equipment	25% - 33% straight line

No depreciation is provided on land.

Impairment of fixed assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

Fixed asset investments

Investments in subsidiaries are recognised at cost.

Investments in associates are measured at cost less impairment.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the group.

The group has designated certain funds for specific purposes. These are explained in more detail in the notes. The directors have decided that setting aside funds in this way is a useful financial discipline, which will help the group make the best use of its resources, even though there is no legal force to the designation.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Operating leases

Assets held for use in operating leases are included as a separate category in fixed assets at cost and depreciated over their useful life.

Rental income from operating leases is recognised on a straight line basis over the term of the lease.

Pensions and other post retirement obligations

The group also operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the group. The annual contributions payable are charged to the income and expenditure account.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Donations and legacies;			
Donations	200,895	167,485	368,380
	<u>200,895</u>	<u>167,485</u>	<u>368,380</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Donations and legacies;			
Donations	301,123	65,611	366,734
	<u>301,123</u>	<u>65,611</u>	<u>366,734</u>

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Homelessness including Day Centre & Outreach	23,861,729	270,512	24,132,241
Addictions and Recovery	1,978,826	844,392	2,823,218
Employment and Training	540,442	52,104	592,546
Womens Services including Family	7,283,278	2,463,659	9,746,937
	<u>33,664,275</u>	<u>3,630,667</u>	<u>37,294,942</u>

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Homelessness including Day Centre & Outreach	21,178,758	536,976	21,715,734
Addictions and Recovery	2,567,412	1,811,882	4,379,294
Employment and Training	373,226	4,246	377,472
Womens Services including Family	5,600,543	2,156,798	7,757,341
	<u>29,719,939</u>	<u>4,509,902</u>	<u>34,229,841</u>

5 Income from other trading activities

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Other income from other trading activities	161,436	8,022	169,458
	<u>161,436</u>	<u>8,022</u>	<u>169,458</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Other income from other trading activities	167,942	10,237	178,179
	<u>167,942</u>	<u>10,237</u>	<u>178,179</u>

6 Investment income

	Unrestricted funds General £	Total 2025 £
Interest receivable and similar income; Interest receivable on bank deposits	201,879	201,879
	<u>201,879</u>	<u>201,879</u>

	Unrestricted funds General £	Total 2024 £
Interest receivable and similar income; Interest receivable on bank deposits	64,134	64,134
	<u>64,134</u>	<u>64,134</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Homelessness including Day Centre & Outreach	23,683,320	338,437	24,021,757
Addictions and Recovery	1,943,045	861,881	2,804,926
Employment and Training	550,807	77,171	627,978
Womens Services including Family	6,738,504	2,377,549	9,116,053
	<u>32,915,676</u>	<u>3,655,038</u>	<u>36,570,714</u>
	Unrestricted funds General £	Restricted funds £	Total 2024 £
Homelessness including Day Centre & Outreach	21,903,491	503,835	22,407,326
Addictions and Recovery	2,044,792	2,536,371	4,581,163
Employment and Training	419,063	40,492	459,555
Womens Services including Family	5,480,786	2,129,587	7,610,373
	<u>29,848,132</u>	<u>5,210,285</u>	<u>35,058,417</u>
	Activity undertaken directly £	Activity support costs £	2025 £
Homelessness including Day Centre & Outreach	23,326,306	695,451	24,021,757
Addictions and Recovery	2,608,994	195,932	2,804,926
Employment and Training	597,835	30,143	627,978
Womens Services including Family	8,849,069	266,984	9,116,053
	<u>35,382,204</u>	<u>1,188,510</u>	<u>36,570,714</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

	Activity undertaken directly £	Activity support costs £	2024 £
Homelessness including Day Centre & Outreach	21,864,816	542,510	22,407,326
Addictions and Recovery	4,428,320	152,843	4,581,163
Employment and Training	436,041	23,514	459,555
Womens Services including Family	7,402,103	208,270	7,610,373
	<u>34,131,280</u>	<u>927,137</u>	<u>35,058,417</u>

In addition to the expenditure analysed above, there are also governance costs of £116,859 (2024 - £111,608) which relate directly to charitable activities. See note 8 for further details.

8 Analysis of support costs

Support costs allocated to charitable activities

	Basis of allocation	Governance costs £	Other support costs £	Total 2025 £	Total 2024 £
Homelessness including Day Centre & Outreach	Estimate of staff time	116,859	578,592	695,451	542,510
Addictions and Recovery	Estimate of staff time	-	195,932	195,932	152,843
Employment and Training	Estimate of staff time	-	30,143	30,143	23,514
Womens Services including Family	Estimate of staff time	-	266,984	266,984	208,270
		<u>116,859</u>	<u>1,071,651</u>	<u>1,188,510</u>	<u>927,137</u>

Governance costs

	Total 2025 £	Total 2024 £
Salary costs	40,059	39,008
Audit fees and other professional fees	76,800	72,600
	<u>116,859</u>	<u>111,608</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

9 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2025 £	2024 £
Audit fees	45,000	45,000
Other non-audit services	4,500	-
Depreciation of fixed assets	437,980	584,979
Amortisation of goodwill	-	4,691
	<u>487,480</u>	<u>614,670</u>

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	16,506,777	14,281,941
Social security costs	1,436,489	1,205,001
Pension costs	956,593	889,720
Compensation payments	43,953	135,290
	<u>18,943,812</u>	<u>16,511,952</u>

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2025 No	2024 No
Corporate Services	57	67
Health and Addictions	67	87
Housing and Homeless	401	323
Women and Criminal Justice	145	121
Employment & Training	18	14
	<u>688</u>	<u>612</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

During the year, the group made redundancy and/or termination payments which totalled £43,953 (2024 - £135,290).

The number of employees whose emoluments fell within the following bands was:

	2025 No	2024 No
£60,001 - £70,000	1	1
£70,001 - £80,000	2	-
£80,001 - £90,000	2	1
£100,001 - £110,000	-	1
£120,001 - £130,000	-	1
£130,001 - £140,000	<u>1</u>	<u>-</u>

The total contributions paid to the defined contribution pension scheme during the year for key management personnel was £43,245 (2024 - £72,286).

The total employee benefits of the key management personnel of the group were £147,098 (2024 - £381,518).

12 Auditors' remuneration

	2025 £	2024 £
Audit of the financial statements	<u>45,000</u>	<u>45,000</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

13 Taxation

The group is a registered charity and is therefore potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

14 Intangible fixed assets

Group and Charity

	Rebranding £
Cost	
At 1 April 2024	<u>46,911</u>
At 31 March 2025	<u>46,911</u>
Amortisation	
At 1 April 2024	<u>46,911</u>
At 31 March 2025	<u>46,911</u>
Net book value	
At 31 March 2025	<u><u>-</u></u>
At 31 March 2024	<u><u>-</u></u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

15 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2024	16,114,698	2,058,201	108,042	18,280,941
Additions	428,100	207,308	31,189	666,597
Disposals	<u>(66,459)</u>	<u>(2,379)</u>	<u>(15,274)</u>	<u>(84,112)</u>
At 31 March 2025	<u>16,476,339</u>	<u>2,263,130</u>	<u>123,957</u>	<u>18,863,426</u>
Depreciation				
At 1 April 2024	6,488,943	1,888,806	95,890	8,473,639
Charge for the year	292,793	131,989	13,198	437,980
Eliminated on disposals	<u>(66,459)</u>	<u>(2,379)</u>	<u>(15,274)</u>	<u>(84,112)</u>
At 31 March 2025	<u>6,715,277</u>	<u>2,018,416</u>	<u>93,814</u>	<u>8,827,507</u>
Net book value				
At 31 March 2025	<u>9,761,062</u>	<u>244,714</u>	<u>30,143</u>	<u>10,035,919</u>
At 31 March 2024	<u>9,625,755</u>	<u>169,395</u>	<u>12,152</u>	<u>9,807,302</u>

Included within the net book value of land and buildings above is £9,620,041 (2024 - £9,468,492) in respect of freehold land and buildings and £141,021 (2024 - £157,263) in respect of leaseholds.

Certain freehold land and buildings included above were recognised using the previous valuation, as deemed cost on transition to FRS102. Therefore, at the year end the land and buildings are held at their deemed historic cost.

The valuation of Elliot House, performed by Lambert Smith Hampton on 12 August 2021, was prepared on the basis of value in use within the charitable company's objectives and gave rise to an impairment of its cost.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2024	15,934,410	1,828,947	107,247	17,870,604
Additions	428,100	178,056	31,189	637,345
Disposals	(66,459)	-	(15,274)	(81,733)
At 31 March 2025	<u>16,296,051</u>	<u>2,007,003</u>	<u>123,162</u>	<u>18,426,216</u>
Depreciation				
At 1 April 2024	6,465,471	1,693,901	95,095	8,254,467
Charge for the year	285,996	92,046	13,198	391,240
Eliminated on disposals	(66,459)	-	(15,274)	(81,733)
At 31 March 2025	<u>6,685,008</u>	<u>1,785,947</u>	<u>93,019</u>	<u>8,563,974</u>
Net book value				
At 31 March 2025	<u>9,611,043</u>	<u>221,056</u>	<u>30,143</u>	<u>9,862,242</u>
At 31 March 2024	<u>9,468,939</u>	<u>135,046</u>	<u>12,152</u>	<u>9,616,137</u>

Included within the net book value of land and buildings above is £9,470,022 (2024 - £9,311,676) in respect of freehold land and buildings and £141,021 (2024 - £157,263) in respect of leaseholds.

Certain freehold land and buildings included above were recognised using the previous valuation, as deemed cost on transition to FRS102. Therefore, at the year end the land and buildings are held at their deemed historic cost.

The valuation of Elliot House, performed by Lambert Smith Hampton on 12 August 2021, was prepared on the basis of value in use within the charitable company's objectives and gave rise to an impairment of its cost.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

16 Fixed asset investments

Charity

	2025 £	2024 £
Investment in subsidiary	-	-

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2025	2024	
Subsidiary undertakings					
TCUK Homes Limited	England	Limited by Guarantee	100%	100%	Provision of social housing

Subsidiaries

The profit for the financial period of TCUK Homes Limited was £108,581 (2024 - £416,463) and the aggregate amount of capital and reserves at the end of the period was £542,008 (2024 - £433,427).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

17 Debtors

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	1,743,429	2,543,196	1,565,054	2,153,654
Due from group undertakings	-	-	-	324,323
Prepayments	506,986	510,885	475,866	505,640
Accrued income	675,644	588,433	675,644	588,433
Other debtors	245,558	586,618	245,558	586,618
	<u>3,171,617</u>	<u>4,229,132</u>	<u>2,962,122</u>	<u>4,158,668</u>

Group Other Debtors includes a bad debt provision of £2,367,543 (2024 - £1,780,775).

Charity Other Debtors includes a bad debt provision of £1,412,356 (2024 - £1,239,597).

18 Cash and cash equivalents

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Cash on hand	3,257	7,154	3,257	7,154
Cash at bank	1,641,960	1,631,150	200,000	200,000
Short-term deposits	4,892,004	3,156,540	4,892,004	3,156,540
	<u>6,537,221</u>	<u>4,794,844</u>	<u>5,095,261</u>	<u>3,363,694</u>

19 Creditors: amounts falling due within one year

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	921,132	1,100,687	877,276	871,371
Due to group undertakings	-	-	64,123	-
Other taxation and social security	328,111	279,146	328,111	279,146
Other creditors	229,928	205,164	224,163	199,483
Accruals	1,750,716	1,427,868	1,402,083	1,270,914
Deferred income	1,621,260	2,351,156	1,855,260	2,585,156
	<u>4,851,147</u>	<u>5,364,021</u>	<u>4,751,016</u>	<u>5,206,070</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

Deferred income

Group

	2025 £	2024 £
Deferred income at 1 April 2024	2,351,156	2,188,348
Resources deferred in the period	1,621,260	2,351,156
Amounts released from previous periods	<u>(2,351,156)</u>	<u>(2,188,348)</u>
Deferred income at year end	<u>1,621,260</u>	<u>2,351,156</u>

Charity

	2025 £	2024 £
Deferred income at 1 April 2024	2,585,156	2,252,348
Resources deferred in the period	1,855,260	2,585,156
Amounts released from previous periods	<u>(2,585,156)</u>	<u>(2,252,348)</u>
Deferred income at year end	<u>1,855,260</u>	<u>2,585,156</u>

20 Creditors: amounts falling due after one year

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Other creditors	<u>-</u>	<u>-</u>	<u>4,531,640</u>	<u>4,639,196</u>

Other Creditors within the charity's balance sheet relate to a lease premium and long term liability due to its subsidiary TCUK Homes Limited.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

21 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Land and buildings				
Within one year	871,692	1,668,791	355,279	1,345,840
Between one and five years	643,773	783,290	110,198	337,898
After five years	174,754	3,497	-	-
	<u>1,690,219</u>	<u>2,455,578</u>	<u>465,477</u>	<u>1,683,738</u>
Other				
Within one year	8,089	13,917	8,089	13,917
Between one and five years	2,876	4,823	2,876	4,823
	<u>10,965</u>	<u>18,740</u>	<u>10,965</u>	<u>18,740</u>

22 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £956,593 (2024 - £889,720).

Contributions totalling £68,877 (2024 - £67,321) were payable to the scheme at the end of the year and are included in creditors.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

23 Funds

Group

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2025 £
Unrestricted funds					
<i>General</i>					
Unrestricted funds	2,833,756	34,228,484	(32,944,476)	(268,429)	3,849,335
<i>Designated</i>					
Core properties	2,430,802	-	-	(63,141)	2,367,661
Property sinking fund	875,752	-	-	428,100	1,303,852
Revaluation reserve	651,780	-	-	-	651,780
Property investment fund	1,200,000	-	-	(428,100)	771,900
Dilapidation fund	-	-	-	300,000	300,000
	<u>5,158,334</u>	<u>-</u>	<u>-</u>	<u>236,859</u>	<u>5,395,193</u>
Total unrestricted funds	7,992,090	34,228,484	(32,944,476)	(31,570)	9,244,528
Restricted funds					
Restricted Funds	<u>5,475,167</u>	<u>3,806,174</u>	<u>(3,663,829)</u>	<u>31,570</u>	<u>5,649,082</u>
Total funds	<u>13,467,257</u>	<u>38,034,658</u>	<u>(36,608,305)</u>	<u>-</u>	<u>14,893,610</u>

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
General					
Unrestricted funds	2,731,948	30,253,138	(29,865,005)	(286,325)	2,833,756
Designated					
Core properties	3,474,688	-	-	(1,043,886)	2,430,802
Property sinking fund	640,591	-	-	235,161	875,752
Revaluation reserve	651,780	-	-	-	651,780
Property investment fund	-	-	-	1,200,000	1,200,000
	<u>4,767,059</u>	<u>-</u>	<u>-</u>	<u>391,275</u>	<u>5,158,334</u>
Total unrestricted funds	7,499,007	30,253,138	(29,865,005)	104,950	7,992,090
Restricted funds					
Restricted Funds	<u>6,205,849</u>	<u>4,585,750</u>	<u>(5,211,482)</u>	<u>(104,950)</u>	<u>5,475,167</u>
Total funds	<u>13,704,856</u>	<u>34,838,888</u>	<u>(35,076,487)</u>	<u>-</u>	<u>13,467,257</u>

The analysis of Restricted Funds can be found at note 28.

Property Sinking Fund

The charity has a portfolio of both leased and owned properties, all of which should be maintained to a high standard to improve quality of service and standards of living. The sinking fund allows for future major repairs/refurbishment to the assets. Each year part of the sinking fund is spent on internal/external redecoration and upgrading and a separate amount is ring-fenced for future spends. The amount ring fenced represents the estimate of works to be carried out on owned buildings over the next 10 years.

Core Properties

The directors have reviewed the reserves policy and have now designated a property fund equal in value to the book value of the properties less any associated borrowings. The properties included are those core properties which are considered to be long term assets of the charity which could not be easily sold or mortgages obtained against in the event of requiring additional working capital.

Revaluation Reserve

The revaluation reserve relates to the upwards valuations of the core properties prior to the transition to deemed cost.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

Property Investment Fund

The Property Investment Fund is part of an annual strategy to replace leased dispersed properties with purchased properties.

Dilapidation Fund

A dilapidation fund is established to ensure that sufficient financial resources are available to cover the cost of reinstatement, repair or refurbishment of the premises at the end of the lease term or occupancy period.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

24 Analysis of net assets between funds

Group

	Unrestricted			Total funds at 31 March 2025 £
	General £	Designated £	Restricted £	
Tangible fixed assets	2,133,197	3,019,441	4,883,281	10,035,919
Net current assets/(liabilities)	1,716,138	2,375,752	765,801	4,857,691
Total net assets	<u>3,849,335</u>	<u>5,395,193</u>	<u>5,649,082</u>	<u>14,893,610</u>

	Unrestricted			Total funds at 31 March 2024 £
	General £	Designated £	Restricted £	
Tangible fixed assets	1,724,209	3,082,582	5,000,511	9,807,302
Net current assets/(liabilities)	1,109,547	2,075,752	474,656	3,659,955
Total net assets	<u>2,833,756</u>	<u>5,158,334</u>	<u>5,475,167</u>	<u>13,467,257</u>

25 Analysis of net funds

Group

	At 1 April 2024 £	Financing cash flows £	At 31 March 2025 £
	Cash at bank and in hand	<u>4,794,844</u>	<u>1,742,377</u>
Net funds	<u>4,794,844</u>	<u>1,742,377</u>	<u>6,537,221</u>
	At 1 April 2023 £	Financing cash flows £	At 31 March 2024 £
Cash at bank and in hand	2,102,121	2,692,723	4,794,844
Debt due within one year	(1,727,057)	1,727,057	-
Net funds	<u>375,064</u>	<u>4,419,780</u>	<u>4,794,844</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2025

26 Related party transactions

During the year the group made the following related party transactions:

TCUK Homes Limited

(Subsidiary)

During the year, the charity charged management charges of £708,088 (2024 - £218,241) and recharged expenses of £151,937 (2024 - £151,956). At the balance sheet date the amount due to TCUK Homes Limited was £64,123 (2024 - £324,323 due from).

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the year ended 31 March 2025

27 Restricted Funds

Housing and Homelessness

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
National Lottery	Peer research in partnership with Crisis	1,875	-	-	(1,875)	-
Sunderland City Council	Support for rough sleepers in Sunderland	53,849	153,657	(111,784)		95,722
South Tyneside CCG	To support people with mental health needs by providing two self-contained flats for short-term, 24-hour crisis accommodation to reduce delays in hospital discharge/risk of admission or readmission to hospital	53,469	60,000	60,000	53,469	-
NHS Vale of York CCG	To assist hospital staff in York to prevent avoidable admissions and facilitate effective discharge.	62,584	76,872	(45,496)	-	93,960
Homes England	Purchase of homes for homeless people	2,230,129	-	(16,339)	-	2,213,790
Homes England	Refurbishment and Redevelopment of Elliot House into 36 flats.	2,793,455	-	(54,698)	-	2,738,757
South Tyneside Council	CDAS	7,475	38,759	(39,001)	-	7,233
Safe Unit Newcastle	Sanctum (Safe Houses Sunderland)	425	96,569	(106,258)	9,264	-
Total Housing and Homelessness		5,203,261	425,857	(433,576)	(46,080)	5,149,462

Drug and Alcohol

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
City of York Council	Establishment of a drug recovery centre in York	78,901	353,911	(364,910)	89,900	-
North Yorkshire County Council via Humankind	Partnership work in North Yorkshire – aftercare and recovery support	79,064	497,636	(496,971)	-	79,729
Total Drug and Alcohol		163	851,547	(861,881)	89,900	79,729

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the year ended 31 March 2025

Women and Children

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
National Lottery Community Fund	Fund Support Workers and other posts in Wolverhampton	18,084	219,736	(200,754)	-	37,066
Merseyside PCC	Supporting sex workers in Merseyside to improve their safety and report crimes against them	11,832	135,200	(136,898)	-	10,134
MHCLG via Newcastle City Council – Safe Newcastle Unit	Part funding of Outreach Workers in Newcastle	15,387	-	-	-	15,387
Home Office	Violence against women and girls (VAWG)	11,386	420,884	(410,000)	-	22,270
National Lottery Community Fund	Support for 120 individuals within the Northumbria Police region who have been groomed for exploitation.	3,661	-	-	-	3,661
Police, Fire and Crime Commissioner for North Yorkshire Community Fund	Sex work project in North Yorkshire	11,379	135,860	(121,840)	-	25,399
DCMS	Support to overcoming trauma for adult survivors of grooming and sexual exploitation	12,752	-	-	-	12,752
Notts PCC	Conditional Caution	17	38,087	(38,087)	-	17
People's Postcode Trust	Support girls in Nottingham who experience period poverty	4,051	-	-	-	4,051
West Midlands PCC	Victim support in West Midlands	939	-	-	-	939
ADDER PCC	Red Umbrella sex worker project in Liverpool	3,601	69,786	(73,387)	-	-
John Armitage Trust	Supporting sex workers in Merseyside to improve their safety and report crimes against them	-	40,000	(40,000)	-	-
PCC via MSS	Domestic Abuse safe accommodation around COVID in Cheshire	12,250	-	-	- 12,250	-
Newcastle City Council – Fairer Housing Unit	Provision of Domestic Abuse Health Advisor and Service Navigator	63,915	59,796	(60,804)	-	62,907
National Lottery via North East Law Centre	Employ Senior Support Worker as partner supporting disadvantaged groups	12,020	17,115	(18,426)	-	10,709
Shears Foundation	Core costs supporting sex workers	-	20,000	(20,000)	-	-
Northumbria PCC – COVID Fund	As above but specifically with reference to issues arising from COVID	55,557	76,348	(99,285)	-	32,620
Durham PCC	GAP - Beyond Trauma Program (Durham PCC)	7,181	8,086	(15,267)	-	-
Durham PCC	Victims Fund exploitation durham & darlington	-	73,926	(69,557)	-	4,369
South Yorkshire PCC	Doncaster Stage	-	24,802	(24,802)	-	-
North Yorkshire Police, Fire & Crime Commissioner	York Women's Wellness	150	-	-	-	150
Durham PCC	GAP MAP	-	23,575	(23,575)	-	-
Community Fund	Stage ASE Partnership (Adult Sexual Exploitation)	-	631,765	(621,360)	-	10,405
Total Women and Children		244,162	1,994,966	- 1,974,042	- 12,250	252,836

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the year ended 31 March 2025

Employment

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
NTCA	Multiply project supporting people into work	-	69,534	(69,534)	-	-
City of Doncaster Council of Civic Office	Local Jobs for Local People	-	7,625	(7,637)	-	12
Total Employment		-	77,159	(77,171)	-	12

Criminal Justice

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
West Midlands PCC	Support for women in Walsall and Wolverhampton to prevent reoffending	-	33,683	(33,500)	-	183
Ministry of Justice	MOJ Innovation Northumbria	-	72,667	(41,969)	-	30,698
Ministry of Justice	MOJ Innovation Staffordshire	1,367	95,399	(94,695)	-	2,071
Ministry of Justice	Women's Community Sector -(WM)	4,535	-	-	-	4,535
Ministry of Justice	CFO Evolution	-	105,059	(73,413)	-	31,646
Nottinghamshire PCC	Working with Notts police to provide early intervention support	21,679	38,087	(38,087)	-	21,679
Total Criminal Justice		27,581	344,895	(281,664)	-	90,812

General

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
NE Offers	Provision of food supplies within homelessness services	-	111,750	(35,495)	-	76,255
Total General		-	111,750	(35,495)	-	76,255

Grand Total

5,475,167	3,806,174	-	3,663,829	31,570	5,649,082
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The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the year ended 31 March 2025

28 Non-adjusting events after the financial period

In April 2025, the Newcastle accommodation services which has in excess of 200 units will transfer from the parent, The Cyrenians Limited, into TCUK Homes Limited.

THE CYRENIANS LTD

England & Wales - Charity number 500640

Accounts

Company registration number: 00995799

Charity registration number: 500640

THE CYRENIANS LIMITED

operating as

CHANGING LIVES

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

The Cyrenians Limited

operating as Changing Lives

Contents

Chairman's Statement	1 to 2
Reference and Administrative Details	3 to 4
Trustees' Report	5 to 20
Independent Auditors' Report	21 to 24
Consolidated Statement of Financial Activities	25
Comparative Consolidated Statement of Financial Activities	26
Consolidated Balance Sheet	27
Balance Sheet	28
Consolidated Statement of Cash Flows	29
Notes to the Financial Statements	30 to 57

The Cyrenians Limited

operating as Changing Lives

The trustees (who are also the Directors of the Company for the purposes of company law) are pleased to present their annual directors' report, including Strategic Report, together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Charities Statement of Recommended Practice ("Charities SORP") (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102) issued in October 2019.

Chair's Report

I am delighted to write the introduction to our annual accounts, I have been involved with Homeless services since I was a small child, not through using the services but because my mother was involved in setting up a charity to help those people who were suffering. I am delighted and honoured to Chair this remarkable charity and to see how we have coped in difficult circumstances and not only survived but thrived so that we can offer our life changing support to those who need it the most.

Our trustees on both the main Charity and our subsidiary Board bring a wealth of knowledge and expertise, this helps support the Executive team and it's great to see us working together to ensure that the performance of the charity and the goals and mission are achieved.

Our reason for being is to change people's lives and every day our amazing team work hard to do just that. Everyone deserves a safe home, a rewarding job, and a life free from addiction or abuse, and with the right support, from our Changing Lives team, many people are finding they can change their lives for the better. As many observers realise, in today's world an individual's needs are more and more complex. I am proud to say that our experienced team work in collaboration with others wherever they can to see the whole person and how we can help that whole person. Of course, that does take dedication from both sides but in 2024 over 550 members of staff have helped approximately 20,000 people move their lives forward. Each small step, no matter how small, is a step towards a changed life.

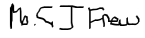
2024 was not an easy year on many levels, in the previous three years we had had Brexit, the pandemic, the war in Ukraine, Cost of Living crisis and inflation starting to rise sharply. We had reductions in funding in public services, tight financial margins and Changing Lives like many other charities had to act quickly to ensure our life changing services are there for the people that need them.

Difficult decisions were made, we concentrated on our core activities, and we strategically decided to sell some assets to pay down the bank loan and do a management restructure. This was challenging but by good Governance and Leadership we made these changes possible and Changing Lives is now in a robust financial situation and is looking forward with purposeful optimism to the future.

Our staff team are remarkable and the work they do every day is a testament in our belief that people come to us, mainly after suffering childhood trauma and incidents that have happened in their life, without hope, we help people rebuild their lives and I am truly proud to be Chair of this wonderful Charity. I would like to take this opportunity to recognise and thank all the staff, Trustees and volunteers for their hard work, their passion and commitment shown during the year. I look forward to collaborating with you in the coming years.

The Cyrenians Limited

operating as Changing Lives



Glynis Frew 19 Dec 2024 11:47:25 GMT (UTC +0)

Glynis Frew
Chair of Trustees

The Cyrenians Limited

operating as Changing Lives

Reference and Administrative Details

Trustees	Glynis Frew, Chair Stephen Guyon, Vice Chair Lesley Telford, Treasurer Dean Fielding Michael Barton Pete Brown Catherine Hearne (resigned 28 November 2023) Geraldine Kay (resigned 28 November 2023) Anthony May (appointed 24 January 2024) Lisa Boyack (appointed 24 January 2024) Sandra Erickson (appointed 24 January 2024 and resigned 1 September 2024)
Secretary	Susan Carr
Key Management Personnel	Stephen Bell, Chief Executive Neil Baird, Operations Director David Bassam, Business Services Director Lewis Murton, Finance Director Kelly Cunningham, Development Director
Registered Office	H26 The Avenues Eleventh Avenue North Team Valley Trading Estate Gateshead Tyne and Wear NE11 0NJ
Company Registration Number	00995799
Charity Registration Number	500640
Solicitors	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne NE1 3DX Womble Bond Dickinson LLP 112 Quayside Newcastle upon Tyne NE1 3DX
Bankers	Barclays Bank plc Newcastle City 9 49 - 51 Northumberland Street Newcastle upon Tyne NE1 7AF

The Cyrenians Limited

operating as Changing Lives

Reference and Administrative Details

Auditor

Azets Audit Services
Chartered Accountants and Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Structure, Governance and Management

The Charity group is comprised of the parent company, The Cyrenians Ltd and its wholly owned subsidiary TCUK Homes Ltd, the latter a charitable company limited by guarantee and a registered social landlord.

Governing Document:

The charity's name is The Cyrenians Limited, however the charity operates under the name of Changing Lives. It is a charity registered in the United Kingdom, charity No. 500640, and a company limited by guarantee, registered in England, Company No. 00995799.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association, revised in 2017.

Appointment of trustees:

Trustees are appointed at the Annual General Meeting and the term of office is four years, after which they have the opportunity to be re-elected for a further period of four years.

The charity undertakes a regular skills audit of the board, and when vacancies arise it tries to recruit from areas in which the Board has no professional background. There is also a strong focus on the recruitment of board members with "lived experience" of the areas of focus for the charity.

Trustee induction and training:

A new member's Induction Package includes the following:

- Governance Handbook
- Membership Form
- Companies House Form
- DBS Form
- The Role of the Board of Directors
- Board Members information Sheets
- Information around any training requirements
- Organisational Chart
- Most recent audited accounts
- Changing Lives Strategic and Business Plan
- Board Meeting Schedule

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

- Copies of the last three Board Meeting minutes.

The Chair encourages new members to visit Changing Lives projects to better understand the work that we undertake.

Changing Lives trustees understand that effective governance is crucial to the running of the charity. The charity governance code is a key tool in ensuring that this is achieved. Trustees will be working through the principles of the good governance toolkit culminating in a self-evaluation, and Changing Lives is arranging for a range of training for board members.

Trustees participate in a range of activities to promote the charity, including hosting and attending fundraising events and influencing policy through participation at round tables and seminars on behalf of the charity. Trustees also use their professional and social networks to promote the charity, as well as joining in the conversation on social media to promote Changing Lives.

Trustees undertake regular project visits to engage with staff and people who use our services. When required trustees attend meetings with funders, commissioners and other stakeholders. The charity also commissions regular stakeholder surveys to find out views from stakeholders and the trustees receive and discuss the full reports and agree action upon the surveys.

Organisation:

Changing Lives has a board of at least 6 and up to 15 members who meet regularly and are responsible for the strategic direction and policy of the charity. At present the board has 8 members from a variety of professional backgrounds relevant to the work of the charity.

The work of the Board is supported by the following sub committees:

- Finance
- Risk and Quality
- Remuneration

The Chief Executive on behalf of the Non-Executive Directors manages the charity with the help of a Senior Leadership Team. There is a clear structure and reporting accountabilities that run throughout the organisation, and details of those matters reserved to the Board, and those areas where decision-making power is delegated are set out in a detailed policy.

Related parties and co-operation with other organisations:

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or member of the Senior Leadership Team must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. Related party transactions are reported in note 27.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Objectives and Activities

Purpose and Aims

Our charity's purpose as set out in the objects contained in the company's memorandum of association are:

To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to lead sustainably independent and fulfilled lives.

To relieve the poverty of those in need, in particular the homeless or those at risk of homelessness.

The relief of the physical and mental sickness of persons in need; through the provision of treatments, including medical or psychosocial interventions, counselling and support.

To provide, for the benefit of the public, assistance through conciliation and mediation of persons whose relationships have, or are at risk of having, broken down and to advise and help in the settlement of differences over issues connected to such relationships.

"Socially excluded" means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender reassignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards); crime (either as a victim of crime or as an offender rehabilitating into society); being a member of a socially and economically deprived community.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Our volunteers:

During 2023/24 our work was supported by a committed total of over 450 volunteers donated time either through regular volunteering or one-off events such as Christmas Dinner events). Close to 8,000 hours of volunteering time were registered which based on minimum wage this is more than £90,000 in volunteer time. Volunteers support us across our services in a variety of roles including counselling, mentoring, services such as gardening and in our central services.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Public Benefit:

We promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to lead sustainably independent and fulfilled lives.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and Performance:

Review of Operations

Changing Lives was set up over 50 years ago to look after people without a home. Many were experiencing addiction, mental and physical health issues and had been in and out of the prison system. We are immensely proud that the ethos and the values from those early days still stand today and the drive to help and support people to improve their lives has never been stronger. We support over 13,000 people every year, we employ over 550 staff, have over 150 volunteers and are passionate about working in partnership with other like-minded organisations.

In this financial year our social media presence reached over 950,000 people across all channels. We featured over 60 times in press features ranging from regional to national coverage across both written media and broadcast television footage. Our Christmas warm meal appeal campaign in partnership with NE Offers received significant media attention whilst raising over £120k to providing food provision. We continue to benefit from fundraising activities all year round which provide vital funds to support our front-line services, these range from the Great North Run to golf days and comedy nights. All funds received are crucial in widening our reach and impact to those we support.

In May 2024 we held our annual '50k Your Way' challenge to raise funds and awareness to support the 5,666 women and Children that were being supported by our front-line services and projects to flee domestic abuse and change their lives for the better.

We would like to thank those organisations who have continued to support Changing Lives throughout the year and note those who have included Changing Lives as one of their nominated Charity of the Year Partners. We also recognise the value of volunteering time from some of our corporate partners which provided over 1000 hours of volunteering in the financial year.

A review of our services by "Pillar" is below.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Homelessness Services

Across 1st April 2023 to 31st March 2024, we supported 2315 individuals to access safe accommodation and support, with the gender split approximately 78% male and 22% female and 19% under the age of 24.

75% of individuals secured positive outcomes which is an improvement of last year's figure and above the sector average, with the main move on outcome to further supported accommodation or a secure tenancy.

At Changing Lives we believe that Homelessness is more than a housing problem and should be seen as a transitional time in a person's life and in order to ensure we are providing the very best services to individuals over the last year we have introduced additional mechanisms to consult and seek the voices of individuals using our services and this has been achieved in several different ways including using University researchers, focus groups, introduction of digital QR codes and various feedback loops supported by our quality team. All this information is vital to ensure continued review of our service delivery.

The focus on quality continued by joining the Domestic Abuse Housing Alliance (DAHA) to start preparations to become accredited and ensure we are meeting the highest standards in regards to our response to domestic abuse within our accommodation settings and also the long-awaited introduction of OFSTED for our provision accommodating looked after children and care leavers aged 16-17.

Across the year we successfully retained several key contracts and achieved several extensions. This is extremely positive in a year that saw continued budget cuts to the sector and we worked in partnership with Homeless Link as a key collaborator on the 'Keeping our Doors Open' campaign to ensure the government was listening to experts in the sector about the impact of further reductions, this led to involvement in several BBC/ITV and local news articles boosting the profile and reputation of Changing Lives.

The complexity of need continued to rise across our services and our data evidenced increased referrals where mental health issues were the primary presenting issue so we were able to embed the hospital discharge and mental health accommodation pathway at the Fells in Durham and began developing ideas around addressing health inequality across a number of our other services as some examples of responding to need.

Womens & Children's Services

This year, our Women's and Children's Services have supported 6,508 individuals. Among these, 137 referrals were male, primarily linked to our sex work and exploitation services and our domestic abuse NIDAS service. The NIDAS IDVA team has supported 80 men as victims.

We are currently supporting 2,925 individuals through our Women's Services nationwide.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

The most represented age group among the women we support is 35-44 years old, comprising 34% of the total. We've also observed an increase in the diversity of our referrals or improved recording, with the percentage of unknown ethnicity dropping from 18% in 2023 to 16% in 2024. Among our referrals, 783 people (12.6%) identify as black, mixed race, or from a minority background. Additionally, 48 people this year are from travelling communities.

The most common reason for people leaving our services is exiting from MOJ contracts based on probation practitioners' professional judgment, accounting for 27%, followed by declining support at 25%.

The Apps Team is now developing the new Case Management System, which is scheduled to launch in Q2 of FY 25/26. This system will enhance our data collection and improve outcomes for women by specifically reporting on access to justice levels, recovery from violence and abuse, and reducing re-offending.

In July 2023 in partnership with the Agenda Alliance we published the Dismantling Disadvantage report which was covered by National News including the Guardian & Big Issue as well as local and regional press such as BBC Look North & ITV Tyne Tees. The report highlighted that too many women are dying from disadvantage with the findings identifying that in 2021 a woman in the Northeast of England was 1.7 times more likely to die early as a result of suicide, addiction, or murder by a partner or family member than in the rest of England and Wales. This highlights the continuing need for services such as those provided by Changing Lives.

Developments

Net-Reach - Our Netreach team is based across our exploitation and sex work projects nationally. Together we have a presence in each area on online forums, platforms and communities, supporting people affected by online harms, abuse and sexual exploitation. In 2023/24 our Net reach project marked day 11 of 16 of Action Against Gender-Based Violence held their first webinar to share insights and findings alongside key guest speakers and researchers within the field of adult sexual exploitation and sex work.

STAGE - We continue to work in partnership with women's organisations across the North to deliver the STAGE partnership supporting adult victims of sexual exploitation and raising awareness, through a series of reports and webinars of the impact of exploitation on adults who often do not have access to appropriate services. In the year in collaboration with our partners we launched the findings of our report into the project which called for the government to #changethenarrative.

Looking ahead to 2024/25 we continue to act as the lead partner for the relaunched Adult Sexual Exploitation (ASE) Partnership alongside seven partners across North East and Yorkshire.

NIDAS - In December 2023 we became the lead partner delivering the Integrated Domestic Abuse Service within Newcastle. Prior to this we had been a sub-contractor delivering an element of the support. Together with our partners Action for Children & Rape Crisis we are able to offer specialist support, we aim to reduce the long-term risk of violence and abuse, helping people to live safely and independently. We know that everybody's life is different, so we will listen to what is important to people, and we will discuss options. In being the lead partner, we are now able to offer Refuge Accommodation, outreach and IDVA/ISVA support.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Middlesbrough Refuge - in the year we had the opportunity to deliver trauma-informed-therapeutic interventions for the children in our service in partnership with My Sisters Place.

Red Umbrella - The Red Umbrella project based in Merseyside supports people involved in sex work, selling sex and/or experiencing sexual exploitation to combat instances of violence and crimes against them and bring perpetrators to justice. In December we held an event in Liverpool to mark International Day to End Violence Against Sex Workers (IDEVASW). We brought together partner agencies to talk about the work that we are doing through our Red Umbrella project to support those who are sex working, including survival sex and sexual exploitation.

Criminal Justice - we continue to deliver our core criminal justice services for vulnerable women whilst on license within custody or within the community. We have now been successful in further funding from the MoJ Innovation fund in Northumbria & Stoke-on-Trent which will help to deliver domestic abuse and outreach support that may be required to help create a life away from criminal activity and pursue future goals.

In September 2023 we launched our 'Story Chair' at Newcastle Cathedral, a powerful partnership between Changing Lives, the women who use our services, Northumbria University, the Cathedral and the National Trust, supported by Northumbria Probation, the Ministry of Justice and the British Academy. Story Chair encompasses all of the elements of support that Changing Lives delivers including the importance of having safe, protected and nourishing spaces in which women can find peer support and express themselves in different ways.

Looking ahead to the coming year our plans will be to looking at the next phase of our work within the criminal justice framework including an evaluation of the work delivered to date to gather learning and evidence of our current delivery models.

Recovery & Wellbeing

This year has seen some significant challenges and change across Recovery and Wellbeing services with the demobilisation of some long-term contracts.

The numbers of individuals supported throughout the year has fluctuated with the demobilisation of these projects, however aside from both Northumberland and York we continue to support on average 442 individuals per month on our caseloads as well on average around 600 individuals access our group work offer.

Some of the challenges faced are in relation to current and existing partnerships, which have been in place for some time. There appears to be strategies in place for some partners to move towards sub-contracting a single provider rather than multiple sub-contracts and/or develop preferred providers, which has not been favourable for Changing Lives in these circumstances. This is coupled with the fact that a new law was introduced on 1st January 2024 which allows commissioners to go through a PSR (Provider Selection Regime) route rather than traditional tender processes when procuring drug and alcohol treatment services. Although this can have its benefits, this has presented significant challenge for Changing Lives due to the dominance in the recovery sector at present by some large-scale recovery organisations, meaning that opportunities to expand have become less frequent.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

We have made progress this year in our data collection and reporting and we are now in a position whereby the majority of our recovery and wellbeing services data (pending NTRP) is being pulled into a Power BI report which allows us to look at referral numbers, exits and demographics, which historically has been challenging due to services using different recoding systems. We are now in the process of capturing outcomes and reporting on whether people have met their own goals upon discharge from our services, which moving into 2024-25 we should be able to report on in more detail.

Our strategy moving forward is to focus on the development of new partnerships with key and lead organisations who can deliver the clinical and/or recovery coordination element of large-scale contracts. Our intention is not to lead on public health contracts but offer a specialism to larger organisations around recovery and abstinence (ie. our Oaktrees model), women's specific recovery options, which is gaining traction and increased interest and/or an assertive outreach model to engage those who services have previously failed to engage.

There remains to be risk moving forward in relation to retention as a number of our existing contracts involve working in partnership with those who have ended elsewhere, however we are looking to begin balancing this out with the development of new partnerships which could bring about opportunity nationally. We also plan to strengthen our gender specific recovery-based offer and look to gather some evidence base behind our women in recovery work.

Employment Services

The end of the financial year saw our final European funded project Get Ahead end. We continue to actively look for an seek opportunities to support with employment services with the objective of employment ultimately being one success measure of our work with those who Changing Lives services support.

Although unemployment levels nationally are low, for people who have experienced homelessness, addiction or other challenging circumstances, it is still difficult to move into employment. Barriers include stigma, navigating the benefits system, confidence and lack of support with the soft skills needed to retain employment.

Funding to support employment for people furthest from the labour market is vital, the barriers still exist for the people we support.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Developments

IPS Doncaster - We have launched our individual placement and support (IPS) services in Doncaster which deliver intensive employment support by employment specialists as part of the multi-disciplinary drug and alcohol service delivered by our partner Aspire.

Gateshead GWL - Gateshead Go, Work, Live (GWL) is delivered by Changing Lives and Education Development Trust on behalf of Gateshead Council. It is funded through Gateshead Council's Shared Prosperity Fund by the UK Government. GWL is a community-based project which offers free 1-2-1 support to help with access to courses, benefits and support with job applications.

Local Jobs for Local People - this project was launched to support Doncaster residents that have a history or are currently experiencing substance misuse that are not currently accessing support from Aspire Drug and Alcohol Service.

Looking ahead to 2024/25 we are excited to have secured funding to deliver our Pathways to Progress service which is based in West-Yorkshire and will support individuals into employment and related opportunities, addressing immediate needs while fostering personal growth and community connections.

Future Plans

We recognise the continued challenging environment and ahead of 2024-25 we have committed to the largest pay award in the Charity's history which focusses on staff retention and the aim of reducing our staff turnover. Ultimately investing in our staff provides a greater service to those who are using our services. The continued rise in national minimum wage creates pressure on contract budgets however the Charity has always paid in excess of the minimum wage to ensure staff are recognised for the incredible work they do.

Although the incredibly tight financial margins remain, the Charity is optimistic about its outlook. In the previous year we focussed on existing business and ensuring services remained financially viable, as we look into 2024/25, we recognise that there are opportunities for growth and we are excited to be able to deliver additional services in our core geographical areas as well as increasing our reach nationally.

In 2024/25 there will be a general election which will inevitably provide a new outlook on the sector. We hope that the result of the election will be able to deliver on the following pledges.

- **Prevention:** Prioritise tackling the challenges that people face before they escalate.
- **Resilience:** Ensure that people can access stable and resilient public services, including those delivered by the third sector.
- **Support:** Consider the needs of and empower those experiencing the greatest levels of disadvantage and social exclusion.
- **Equality:** Ensure that the gender-specific needs of women are considered across government policy

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

We will use the election as an opportunity to review our longer-term strategy and focus on the priorities agreed as a board.

As the organisation is now debt free, we are focussed on generating as much as possible from our funds and ensuring that the balance sheet continues to remain strong moving forward.

For 2024/25 the board has set three key priorities; Welfare & Wellbeing, Operations and new business & Technology& Use of AI. The Senior Leadership and executive teams have formed small working groups with a range of actions to be able to achieve significant progress. Advisory groups including board members will meet throughout the year to monitor and map progress. Alongside this operational teams will work towards KPI's set by the board to help achieve these objectives.

As a board we believe the steps taken above will continue to put our services in the best place to continue delivering exceptional services across all of our pillars of work.

Our Workforce - Employee Engagement:

Changing Lives staff are based nationally and across a wide range of locations. To ensure all staff are able to engage we continue to offer all staff the opportunity to pose questions directly to our CEO through our monthly 'Ask Stephen' feature. These queries are met with video responses, ensuring that every message is not only heard but responded to with a commitment to improvement.

In November 2023 we launched our new staff benefits provider which replaced the existing offering. This platform provided staff with a wide range of services such as 24/7 access to a virtual GP, a wider Employee Assistance Service offering face-to-face counselling as well as financial and legal advice. Regular briefings and updates are available via our intranet CLIVE which supports staff with making the most use of the platform.

Acknowledging the challenges posed by the cost of living, we are actively seeking input from our staff through platforms like the staff forum to understand where 'charitable efforts can begin at home'. This inclusive approach ensures that the concerns of each employee are considered, fostering a sense of community and shared responsibility.

As part of our commitment to our workforce we have recruited a 'Welfare and Lives Experience Advisor' which supports the welfare of existing staff but also provides support to those with lived experience who want to begin a career with Changing Lives.

Our dedication to development and career pathways remains unwavering. We continually review volunteering programs, placing development and training at the core of our initiatives. Internal moves and development opportunities are actively explored, shaping a multi-skilled, engaged workforce that thrives on growth and adaptability.

At the heart of our organisational philosophy is the unwavering commitment to transforming lives and reshaping the future of work. Through cutting-edge initiatives in data-driven innovation and automation, we are not just redefining how we work; we are unlocking new possibilities and efficiencies. This commitment extends seamlessly to our approach to employee engagement, where modern methods enable us to work differently, adapting to the ever-evolving landscape.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Central to our ethos is the integration of compassion into every facet of our operations. We don't just hear; we strive to truly understand the unique perspectives and needs of everyone. Together, we're creating a workplace that not only meets the challenges of today but shapes a future where every employee thrives.

Staff Welfare is one of the dedicated strategic priorities heading into the next financial year, a full review of policies and procedures will be undertaken to ensure they are aligned to our objectives relating to employee engagement.

We look forward to welcoming staff to our bi-annual staff conference in 2025 which will be an exciting and engaging day focussed on staff wellbeing, welfare and organisational priorities.

Energy and Carbon Usage:

The Charity's work is around housing and homelessness. At the end of the financial year, the group had 1032 (2023:1108) housing units. Properties vary from individual rooms to multi occupancy buildings, houses, and offices. Throughout the year, we employed an energy agency to manage our gas and electricity suppliers.

As can be seen from the table below, we own/lease few vehicles and emissions from owned transport contributes less than 5% of the Charity's carbon emissions.

UK Greenhouse gas emissions and energy use data for the year ended 31 March 2024	2024	2023
Energy consumption used to calculate emissions (kwh):		
Gas	5,736,649	5,800,857
Electricity	1,749,124	1,320,903
Transport fuel	544,416	450,861
Total	8,030,189	7,572,621
Scope 1 emissions in metric tonnes CO ₂ e		
Gas Consumption	1,045.16	1,056.86
Owned Transport	50.07	47.71
Total Scope 1	1,095.23	1,104.57
Scope 2 emissions in metric tonnes CO ₂ e		
Purchased Electricity	338.25	255.44
Scope 3 emissions in metric tonnes CO ₂ e		
Business travel in <u>employee owned</u> vehicles	112.55	88.62
Total gross emissions in metric tonnes CO ₂ e	1,546.02	1,448.62
Intensity ratio Tonnes CO ₂ e per unit	1.24	1.27

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company reporting (as updated September 2022).

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per housing unit, the most relevant measure as most our emissions arise from our housing and homelessness activities.

Pay Policy:

The Remuneration Committee is established to recommend to the main Board an overall remuneration policy that is aligned with its long-term business strategy and objectives, enable the recruitment, retention and development of senior executives and the wider workforce whilst also complying with the requirements of regulation. The work of the Committee includes:

- To recommend and monitor the level and structure of remuneration for senior management team
- Agreeing and recommending to the Board the annual staff pay award and its distribution relative to performance ratings.
- Commissioning and considering market testing information relating to pay awards of Chief Executive, Executive Directors, and Directors pay.
- Receiving reports on recruitment, turnover, sickness trends, employment conditions, staff benefits and other related issues
- Reporting annually to the main Board on the work undertaken by the Committee.

Financial review:

The group achieved a total deficit of £237,599, the unrestricted income net movement in funds was £493,083.

During the year our operational performance provided a strong surplus. The statutory accounts results included the repayment of a capital grant from 2018 which has negatively impacted the surplus reported.

Internally developments have been made to improve financial literacy across the organisation with updated financial dashboards and forecasting tools being made available to managers across the organisation.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Financial performance has focussed around three Key Performance Indicators; agency spend, bad debt and void loss. Significant focussed efforts have been made towards these three KPI's.

As part of the strategy noted above the commercial viability of contracts continues to be monitored closely with the Senior Management team taking appropriate action to protect the long-term future of the organisation.

The Charity has successfully repaid all outstanding bank loans and recognises the improved balance sheet position.

Investment policy:

The trustees, having regard to the liquidity requirements of operating the charity, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index.

All outstanding loans were fully repaid in September 2023, with no further borrowing being obtained.

During the year the Charity has deposited funds in a longer term higher interest-bearing account with the aim of maximising returns from its reserves as part of its long-term strategy.

Reserves policy and going concern

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charitable company to hold free reserves those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. Resulting from this, the trustees consider it prudent to maintain unrestricted free reserves at a level sufficient to cover between two to four months of staff costs and lease commitments which equates to approx. £3million. At the 31 March 2024 the level of free reserves held by the charity was £1,109,547 (2023 £1,631,615). The level of unrestricted reserves held by the charity at the year-end was £7,992,090 (2023 - £7,499,007).

As part of the reserves policy the trustees have designated the following funds: Sinking fund of £875,752 (2023 - £640,591); Core Properties fund and the revaluation reserve £3,082,582 (2023 - £4,126,468 and Property Investment Fund £1,200,000 (2023: £nil). Narrative for these funds can be found in note 24 of the financial statements.

During the year the trustees have reviewed ongoing sinking fund liability and have chosen to transfer funds during the year recognising the expected future dilapidations.

Overall funds of £13,467,257 (2023 - £13,704,856) were held at 31 March 2024 which included restricted amounts of £5,475,167 (2023 - £6,205,849).

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Risk management

The directors have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks where necessary.

The Covid-19 pandemic and its knock-on impacts around staffing and use of agency staff are significant risks, there are other external risks around changes in policy that may also impact on funding. This has led to the development of strategic plans which are regularly revised and allow for the diversification of funding and activities. Internal risks are minimized by the implementation of procedures for authorization of all transactions and projects.

The charity maintains a risk register to ensure management of strategic risks, the Risk and Quality Committee has responsibility for oversight and quarterly review of the risk register, all strategic non-compliances and major strategic and operational risks to include safeguarding and health & safety. This Committee is chaired by a trustee, and reports into the main Board.

The charity has significantly reduced its financial risk through repayment of the loan previously held with Barclays. The risk committee does however continue to recognise the external financial environment as a high-level risk. The funding landscape continues to be uncertain and so although the charity has a significant proportion of income being generated through housing benefit which does have inflationary uplifts annually we recognise the long-term risk to contract income. Stakeholder engagement continues to be a priority with discussions continuing across funders to deliver uplifts where possible.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Our approach to fundraising activities:

The Charity complies with the Code of Fundraising Practice. All funds raised by the Charity will be spent for the purpose for which they are raised. All funds raised through sponsorship activities will be banked into the Charity's bank account before deduction of expenses. All literature will properly describe what donations will be used for. All fundraising activities will be conducted in an open honest and transparent manner. Changing Lives does not employ the services of outside professional fundraisers. During the period under review no complaints have been received. Changing Lives values the contribution made by all our donors. Changing Lives will treat all donors with respect and dignity. Changing Lives do not, and will not make, unsolicited calls to members of the public requesting donations.

Statement of Responsibilities

The trustees (who are also the directors of The Cyrenians Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

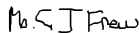
Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 19 December 2024 and signed on its behalf by:



Glynis Frew 19 Dec 2024 11:47:25 GMT (UTC +0)

.....
Glynis Frew
Trustee

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Opinion

We have audited the financial statements of The Cyrenians Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Responsibilities (set out on page 19), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- reviewing board minutes;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- review financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Building and Fire safety regulations including; employment law (including the Working Time Directive); Care Quality Commission and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Simon Brown 19 Dec 2024 14:50:01 GMT (UTC +0)

.....
Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date:..... 19 December 2024

Azets Audit Services is a trading name of Azets Audit Services Limited.

The Cyrenians Limited

operating as Changing Lives

Consolidated Statement of Financial Activities for the Year Ended 31 March 2024 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	3	301,123	65,611	366,734	291,347
Charitable activities	4	29,719,939	4,509,902	34,229,841	32,975,078
Other trading activities	5	167,942	10,237	178,179	153,690
Investment income	6	64,134	-	64,134	26,141
Total Income		<u>30,253,138</u>	<u>4,585,750</u>	<u>34,838,888</u>	<u>33,446,256</u>
Expenditure on:					
Raising funds		(16,873)	(1,197)	(18,070)	(6,553)
Charitable activities	7	<u>(29,848,132)</u>	<u>(5,210,285)</u>	<u>(35,058,417)</u>	<u>(33,406,408)</u>
Total Expenditure		<u>(29,865,005)</u>	<u>(5,211,482)</u>	<u>(35,076,487)</u>	<u>(33,412,961)</u>
Net income/(expenditure)		388,133	(625,732)	(237,599)	33,295
Transfers between funds		<u>104,950</u>	<u>(104,950)</u>	<u>-</u>	<u>-</u>
Net movement in funds		493,083	(730,682)	(237,599)	33,295
Reconciliation of funds					
Total funds brought forward		<u>7,499,007</u>	<u>6,205,849</u>	<u>13,704,856</u>	<u>13,671,561</u>
Total funds carried forward	24	<u><u>7,992,090</u></u>	<u><u>5,475,167</u></u>	<u><u>13,467,257</u></u>	<u><u>13,704,856</u></u>

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown is shown in note 24.

The Cyrenians Limited

operating as Changing Lives

Comparative Consolidated Statement of Financial Activities for the Year Ended 31 March 2023 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	289,696	1,651	291,347
Charitable activities	4	28,240,884	4,734,194	32,975,078
Other trading activities	5	153,690	-	153,690
Investment income	6	26,141	-	26,141
Total income		<u>28,710,411</u>	<u>4,735,845</u>	<u>33,446,256</u>
Expenditure on:				
Raising funds		(6,553)	-	(6,553)
Charitable activities	7	<u>(28,716,758)</u>	<u>(4,689,650)</u>	<u>(33,406,408)</u>
Total expenditure		<u>(28,723,311)</u>	<u>(4,689,650)</u>	<u>(33,412,961)</u>
Net (expenditure)/income		(12,900)	46,195	33,295
Transfers between funds		<u>155,126</u>	<u>(155,126)</u>	<u>-</u>
Net movement in funds		142,226	(108,931)	33,295
Reconciliation of funds				
Total funds brought forward		<u>7,356,781</u>	<u>6,314,780</u>	<u>13,671,561</u>
Total funds carried forward	24	<u><u>7,499,007</u></u>	<u><u>6,205,849</u></u>	<u><u>13,704,856</u></u>

The Cyrenians Limited

operating as Changing Lives

(Registration number: 00995799)

Consolidated Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	14	-	4,691
Tangible assets	15	9,807,302	10,316,730
		<u>9,807,302</u>	<u>10,321,421</u>
Current assets			
Assets held for sale	17	-	3,310,307
Debtors	18	4,229,132	4,851,620
Cash at bank and in hand	19	4,794,844	2,102,121
		<u>9,023,976</u>	<u>10,264,048</u>
Creditors: Amounts falling due within one year	20	<u>(5,364,021)</u>	<u>(6,880,613)</u>
Net current assets		<u>3,659,955</u>	<u>3,383,435</u>
Net assets		<u>13,467,257</u>	<u>13,704,856</u>
Funds of the group:			
Restricted		<u>5,475,167</u>	<u>6,205,849</u>
Unrestricted income funds			
Designated funds		5,158,334	4,767,059
General funds		2,833,756	2,731,948
Total unrestricted funds		<u>7,992,090</u>	<u>7,499,007</u>
Total funds	24	<u>13,467,257</u>	<u>13,704,856</u>

The financial statements on pages 25 to 57 were approved by the trustees, and authorised for issue on 19 December 2024 and signed on their behalf by:



Glynis Frew 19 Dec 2024 11:47:25 GMT (UTC +0).....

Glynis Frew
Trustee

The Cyrenians Limited

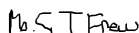
operating as Changing Lives

(Registration number: 00995799) Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	14	-	4,691
Tangible assets	15	9,616,137	10,069,912
		<u>9,616,137</u>	<u>10,074,603</u>
Current assets			
Assets held for sale	17	-	3,310,307
Debtors	18	4,158,668	4,407,497
Cash at bank and in hand	19	3,363,694	1,760,056
		7,522,362	9,477,860
Creditors: Amounts falling due within one year	20	<u>(5,206,070)</u>	<u>(6,654,683)</u>
Net current assets		<u>2,316,292</u>	<u>2,823,177</u>
Total assets less current liabilities		11,932,429	12,897,780
Creditors: Amounts falling due after more than one year	21	<u>(4,639,196)</u>	<u>(4,938,176)</u>
Net assets		<u>7,293,233</u>	<u>7,959,604</u>
Funds of the charity:			
Restricted			
		-	636,572
Unrestricted income funds			
Designated funds		5,158,334	4,767,059
Unrestricted funds		2,134,899	2,555,973
Total unrestricted funds		<u>7,293,233</u>	<u>7,323,032</u>
Total funds	24	<u>7,293,233</u>	<u>7,959,604</u>

The charity made a deficit after tax for the financial year of £666,371 (2023 - deficit of £75,256).

The financial statements on pages 25 to 57 were approved by the trustees, and authorised for issue on 19 December 2024 and signed on their behalf by:



Glynis Frew 19 Dec 2024 11:47:25 GMT (UTC +0)

Glynis Frew
Trustee

The Cyrenians Limited

operating as Changing Lives

Consolidated Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (expenditure)/income		(237,599)	33,295
Adjustments to cash flows from non-cash items			
Depreciation		584,979	722,866
Amortisation		4,691	4,691
Investment income	6	(64,134)	(26,141)
Interest payable		26,284	80,683
		<u>314,221</u>	<u>815,394</u>
Working capital adjustments			
Decrease/(increase) in debtors	18	622,488	(1,428,717)
Increase in creditors	20	47,657	238,709
Increase/(decrease) in deferred income	21	162,808	(841,230)
Net cash flows from operating activities		<u>1,147,174</u>	<u>(1,215,844)</u>
Cash flows from investing activities			
Interest receivable and similar income	6	64,134	26,141
Purchase of tangible fixed assets	15	(75,551)	(119,106)
Sale of tangible fixed assets		3,310,307	787,469
Net cash flows from investing activities		<u>3,298,890</u>	<u>694,504</u>
Cash flows from financing activities			
Interest payable and similar charges		(26,284)	(80,683)
Repayment of loans and borrowings	20	(1,727,057)	(1,013,998)
Net cash flows from financing activities		<u>(1,753,341)</u>	<u>(1,094,681)</u>
Net increase/(decrease) in cash and cash equivalents		2,692,723	(1,616,021)
Cash and cash equivalents at 1 April		<u>2,102,121</u>	<u>3,718,142</u>
Cash and cash equivalents at 31 March		<u><u>4,794,844</u></u>	<u><u>2,102,121</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: H26 The Avenues Eleventh Avenue North, Team Valley Trading Estate, Gateshead, Tyne and Wear, NE11 0NJ.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

The Cyrenians Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in Sterling which is the functional currency.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertaking drawn up to 31 March 2024.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a deficit after tax for the financial year of £666,371, (2023 - deficit of £75,256).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiary is identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. The charity and its trading subsidiaries have strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Determine whether leases entered into by Changing Lives either as a lessor or lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determine whether there are any indicators of impairment of Changing Lives tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. The carrying amount is £9,807,302 (2023 - £10,316,730).

Income and endowments

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations and legacies

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS102). Further detail is given in the Trustees' Annual Report.

Grants receivable

Revenue grants receivable are credited to income immediately where entitlement is not conditional on the delivery of specific performance criteria by the group. Where grants relate to performance and specific deliverables, income is accounted for as the group earns its right to consideration by its performance.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Other trading activities

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

Investment income

Interest is included when receivable by the group.

Charitable activities

The recognition of income received in relation to the Social Housing Grant within the consolidated accounts is done so using the performance model in line with the charities SORP.

Other income

Net Assets transferred on the acquisition of entities into the group are recorded within voluntary income at the value that the assets are worth on the date of the transfer.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's (and the group's) activities. These costs, which have not been directly apportioned, have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in the Support Cost note.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Rebranding	10% straight line

Tangible fixed assets

Individual fixed assets are initially recorded at cost.

Where fixed assets have been previously carried at a revalued amount, upon transition to FRS102 deemed cost was adopted.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold property improvements	Straight line over the period of the lease
Freehold property	2% - 15% straight line
Motor vehicles	25% straight line
Furniture and equipment	25% - 33% straight line

No depreciation is provided on land.

Impairment of fixed assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

Fixed asset investments

Investments in subsidiaries are recognised at cost.

Investments in associates are measured at cost less impairment.

Assets held for sale

Assets actively held for sale at the year end, measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the group.

The group has designated certain funds for specific purposes. These are explained in more detail in the notes. The directors have decided that setting aside funds in this way is a useful financial discipline, which will help the group make the best use of its resources, even though there is no legal force to the designation.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Operating leases

Assets held for use in operating leases are included as a separate category in fixed assets at cost and depreciated over their useful life.

Rental income from operating leases is recognised on a straight line basis over the term of the lease.

Pensions and other post retirement obligations

The group also operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the group. The annual contributions payable are charged to the income and expenditure account.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Donations and legacies;			
Donations	301,123	65,611	366,734
	<u>301,123</u>	<u>65,611</u>	<u>366,734</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Donations and legacies;			
Donations	289,696	1,651	291,347
	<u>289,696</u>	<u>1,651</u>	<u>291,347</u>

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Homelessness including Day Centre & Outreach	21,178,758	536,976	21,715,734
Addictions and Recovery	2,567,412	1,811,882	4,379,294
Employment and Training	373,226	4,246	377,472
Womens Services including Family	5,600,543	2,156,798	7,757,341
	<u>29,719,939</u>	<u>4,509,902</u>	<u>34,229,841</u>

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Homelessness including Day Centre & Outreach	20,248,414	947,095	21,195,509
Addictions and Recovery	2,862,843	1,897,982	4,760,825
Employment and Training	651,573	29,132	680,705
Womens Services including Family	4,478,054	1,859,985	6,338,039
	<u>28,240,884</u>	<u>4,734,194</u>	<u>32,975,078</u>

5 Income from other trading activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Other income from other trading activities	167,942	10,237	178,179
	<u>167,942</u>	<u>10,237</u>	<u>178,179</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted funds General £	Total 2023 £
Trading income;		
Sales of goods and services	54,714	54,714
Other income from other trading activities	98,976	98,976
	<u>153,690</u>	<u>153,690</u>

6 Investment income

	Unrestricted funds General £	Total 2024 £
Interest receivable and similar income;		
Interest receivable on bank deposits	64,134	64,134
	<u>64,134</u>	<u>64,134</u>

	Unrestricted funds General £	Total 2023 £
Interest receivable and similar income;		
Interest receivable on bank deposits	26,141	26,141
	<u>26,141</u>	<u>26,141</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Homelessness including Day Centre & Outreach	21,903,491	503,835	22,407,326
Addictions and Recovery	2,044,792	2,536,371	4,581,163
Employment and Training	419,063	40,492	459,555
Womens Services including Family	5,480,786	2,129,587	7,610,373
	<u>29,848,132</u>	<u>5,210,285</u>	<u>35,058,417</u>
	Unrestricted funds General £	Restricted funds £	Total 2023 £
Homelessness including Day Centre & Outreach	20,576,065	919,264	21,495,329
Addictions and Recovery	2,877,037	1,903,449	4,780,486
Employment and Training	854,036	26,656	880,692
Womens Services including Family	4,409,620	1,840,281	6,249,901
	<u>28,716,758</u>	<u>4,689,650</u>	<u>33,406,408</u>
	Activity undertaken directly £	Activity support costs £	2024 £
Homelessness including Day Centre & Outreach	21,864,816	542,510	22,407,326
Addictions and Recovery	4,428,320	152,843	4,581,163
Employment and Training	436,041	23,514	459,555
Womens Services including Family	7,402,103	208,270	7,610,373
	<u>34,131,280</u>	<u>927,137</u>	<u>35,058,417</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

	Activity undertaken directly £	Activity support costs £	2023 £
Homelessness including Day Centre & Outreach	20,563,165	932,164	21,495,329
Addictions and Recovery	4,434,738	345,748	4,780,486
Employment and Training	789,170	91,522	880,692
Womens Services including Family	5,877,035	372,866	6,249,901
	<u>31,664,108</u>	<u>1,742,300</u>	<u>33,406,408</u>

In addition to the expenditure analysed above, there are also governance costs of £111,608 (2023 - £102,228) which relate directly to charitable activities. See note 8 for further details.

8 Analysis of support costs

Support costs allocated to charitable activities

	Basis of allocation	Governance costs £	Other support costs £	Total 2024 £	Total 2023 £
Homelessness including Day Centre & Outreach	Estimate of staff time	111,608	430,902	542,510	932,164
Addictions and Recovery	Estimate of staff time	-	152,843	152,843	345,748
Employment and Training	Estimate of staff time	-	23,514	23,514	91,522
Womens Services including Family	Estimate of staff time	-	208,270	208,270	372,866
		<u>111,608</u>	<u>815,529</u>	<u>927,137</u>	<u>1,742,300</u>

Governance costs

	Total 2024 £	Total 2023 £
Salary costs	39,008	45,885
Audit fees and other professional fees	72,600	56,343
	<u>111,608</u>	<u>102,228</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

9 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2024	2023
	£	£
Audit fees	45,000	37,550
Depreciation of fixed assets	584,979	722,866
Amortisation of goodwill	4,691	4,691
	<u>4,691</u>	<u>4,691</u>

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2024	2023
	£	£
Staff costs during the year were:		
Wages and salaries	14,281,941	14,340,771
Social security costs	1,205,001	1,279,938
Pension costs	889,720	855,766
Compensation payments	135,290	95,172
	<u>16,511,952</u>	<u>16,571,647</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2024 No	2023 No
Corporate Services	67	85
Health and Addictions	87	102
Housing and Homeless	323	322
Women and Criminal Justice	121	110
Employment & Training	14	27
	<u>612</u>	<u>646</u>

During the year, the group made redundancy and/or termination payments which totalled £135,290 (2023 - £95,172).

The number of employees whose emoluments fell within the following bands was:

	2024 No	2023 No
£60,001 - £70,000	1	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	1
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
	<u>1</u>	<u>-</u>

The total contributions paid to the defined contribution pension scheme during the year for key management personnel was £72,286 (2023 - £38,043).

The total employee benefits of the key management personnel of the group were £381,518 (2023 - £377,355).

12 Auditors' remuneration

	2024 £	2023 £
Audit of the financial statements	<u>45,000</u>	<u>37,550</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

13 Taxation

The group is a registered charity and is therefore potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

14 Intangible fixed assets

Group and Charity

	Rebranding £
Cost	
At 1 April 2023	<u>46,911</u>
At 31 March 2024	<u>46,911</u>
Amortisation	
At 1 April 2023	42,220
Charge for the year	<u>4,691</u>
At 31 March 2024	<u>46,911</u>
Net book value	
At 31 March 2024	<u><u>-</u></u>
At 31 March 2023	<u><u>4,691</u></u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

15 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2023	16,104,698	1,992,650	108,042	18,205,390
Additions	<u>10,000</u>	<u>65,551</u>	<u>-</u>	<u>75,551</u>
At 31 March 2024	<u>16,114,698</u>	<u>2,058,201</u>	<u>108,042</u>	<u>18,280,941</u>
Depreciation				
At 1 April 2023	6,168,319	1,629,853	90,488	7,888,660
Charge for the year	<u>320,624</u>	<u>258,953</u>	<u>5,402</u>	<u>584,979</u>
At 31 March 2024	<u>6,488,943</u>	<u>1,888,806</u>	<u>95,890</u>	<u>8,473,639</u>
Net book value				
At 31 March 2024	<u>9,625,755</u>	<u>169,395</u>	<u>12,152</u>	<u>9,807,302</u>
At 31 March 2023	<u>9,936,379</u>	<u>362,797</u>	<u>17,554</u>	<u>10,316,730</u>

Included within the net book value of land and buildings above is £9,468,492 (2023 - £9,725,493) in respect of freehold land and buildings and £157,263 (2023 - £210,886) in respect of leaseholds.

Certain freehold land and buildings included above were recognised using the previous valuation, as deemed cost on transition to FRS102. Therefore, at the year end the land and buildings are held at their deemed historic cost.

The valuation of Elliot House, performed by Lambert Smith Hampton on 12 August 2021, was prepared on the basis of value in use within the charitable company's objectives and gave rise to an impairment of its cost.

During the prior year, properties included within land & buildings, with a net book value of £3,310,307 had been transferred from non-current assets to assets held for sale in note 17. These have all been sold during the year.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2023	15,934,410	1,763,396	107,247	17,805,053
Additions	<u>-</u>	<u>65,551</u>	<u>-</u>	<u>65,551</u>
At 31 March 2024	<u>15,934,410</u>	<u>1,828,947</u>	<u>107,247</u>	<u>17,870,604</u>
Depreciation				
At 1 April 2023	6,148,309	1,497,139	89,693	7,735,141
Charge for the year	<u>317,162</u>	<u>196,762</u>	<u>5,402</u>	<u>519,326</u>
At 31 March 2024	<u>6,465,471</u>	<u>1,693,901</u>	<u>95,095</u>	<u>8,254,467</u>
Net book value				
At 31 March 2024	<u>9,468,939</u>	<u>135,046</u>	<u>12,152</u>	<u>9,616,137</u>
At 31 March 2023	<u>9,786,101</u>	<u>266,257</u>	<u>17,554</u>	<u>10,069,912</u>

Included within the net book value of land and buildings above is £9,311,676 (2023 - £9,575,215) in respect of freehold land and buildings and £157,263 (2023 - £210,886) in respect of leaseholds.

Certain freehold land and buildings included above were recognised using the previous valuation, as deemed cost on transition to FRS102. Therefore, at the year end the land and buildings are held at their deemed historic cost.

The valuation of Elliot House, performed by Lambert Smith Hampton on 12 August 2021, was prepared on the basis of value in use within the charitable company's objectives and gave rise to an impairment of its cost.

During the prior year, properties included within land & buildings, with a net book value of £3,310,307 had been transferred from non-current assets to assets held for sale in note 17. These have all been sold during the year.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

16 Fixed asset investments

Charity

	2024 £	2023 £
Investment in subsidiary	<u>-</u>	<u>-</u>

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2024	2023	
Subsidiary undertakings					
TCUK Homes Limited	England	Limited by Guarantee	100%	100%	Provision of social housing

Subsidiaries

The profit for the financial period of TCUK Homes Limited was £416,463 (2023 - £43,991) and the aggregate amount of capital and reserves at the end of the period was £433,427 (2023 - £16,964).

17 Assets held for sale

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Properties held for sale	<u>-</u>	<u>3,310,307</u>	<u>-</u>	<u>3,310,307</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

18 Debtors

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Trade debtors	2,543,196	1,975,190	2,153,654	1,815,444
Due from group undertakings	-	-	324,323	389,962
Prepayments	510,885	723,327	505,640	639,876
Accrued income	588,433	706,920	588,433	706,920
Other debtors	586,618	1,446,183	586,618	855,295
	<u>4,229,132</u>	<u>4,851,620</u>	<u>4,158,668</u>	<u>4,407,497</u>

Group Other Debtors includes a bad debt provision of £1,780,775 (2023 - £633,918).

Charity Other Debtors includes a bad debt provision of £1,239,597 (2023 - £542,990).

19 Cash and cash equivalents

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Cash on hand	7,154	6,179	7,154	6,179
Cash at bank	1,631,150	542,280	200,000	200,215
Short-term deposits	3,156,540	1,553,662	3,156,540	1,553,662
	<u>4,794,844</u>	<u>2,102,121</u>	<u>3,363,694</u>	<u>1,760,056</u>

20 Creditors: amounts falling due within one year

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Bank loans	-	1,727,057	-	1,727,057
Trade creditors	1,100,687	1,050,997	871,371	971,715
Other taxation and social security	279,146	300,589	279,146	277,897
Other creditors	205,164	166,823	199,483	160,564
Accruals	1,427,868	1,446,799	1,270,914	1,265,102
Deferred income	2,351,156	2,188,348	2,585,156	2,252,348
	<u>5,364,021</u>	<u>6,880,613</u>	<u>5,206,070</u>	<u>6,654,683</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

Deferred income

Group

	2024 £	2023 £
Deferred income at 1 April 2023	2,188,348	3,029,578
Resources deferred in the period	2,351,156	2,188,348
Amounts released from previous periods	<u>(2,188,348)</u>	<u>(3,029,578)</u>
Deferred income at year end	<u>2,351,156</u>	<u>2,188,348</u>

Charity

	2024 £	2023 £
Deferred income at 1 April 2023	2,252,348	3,029,578
Resources deferred in the period	2,585,156	2,252,348
Amounts released from previous periods	<u>(2,252,348)</u>	<u>(3,029,578)</u>
Deferred income at year end	<u>2,585,156</u>	<u>2,252,348</u>

21 Creditors: amounts falling due after one year

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Other creditors	<u>-</u>	<u>-</u>	<u>4,639,196</u>	<u>4,938,176</u>

Bank Loans

Repayable Date	Interest Rate	Total 2023 £
31 July 2024	Base rate plus 1.60%	<u>1,727,057</u>
		<u>1,727,057</u>

The bank loans were secured by way of a legal charge over Elliott House, 1-3 Bentinck Terrace, 156 & 158 Hotspur Street, The Fells, 36 Bentinck Road and Ridley Villas. These have been fully repaid during the year.

Other Creditors within the charity's balance sheet relate to a lease premium and long term liability due to its subsidiary TCUK Homes Limited.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

22 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Land and buildings				
Within one year	1,668,791	1,151,884	1,345,840	835,960
Between one and five years	783,290	207,935	337,898	9,650
After five years	3,497	-	-	-
	<u>2,455,578</u>	<u>1,359,819</u>	<u>1,683,738</u>	<u>845,610</u>
Other				
Within one year	13,917	18,260	13,917	18,260
Between one and five years	4,823	25,052	4,823	25,052
	<u>18,740</u>	<u>43,312</u>	<u>18,740</u>	<u>43,312</u>

23 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £889,720 (2023 - £855,766).

Contributions totalling £67,321 (2023 - £74,970) were payable to the scheme at the end of the year and are included in creditors.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

24 Funds

Group

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
<i>General</i>					
Unrestricted funds	2,731,948	30,253,138	(29,865,005)	(286,325)	2,833,756
<i>Designated</i>					
Core properties	3,474,688	-	-	(1,043,886)	2,430,802
Property sinking fund	640,591	-	-	235,161	875,752
Revaluation reserve	651,780	-	-	-	651,780
Property investment fund	-	-	-	1,200,000	1,200,000
	<u>4,767,059</u>	<u>-</u>	<u>-</u>	<u>391,275</u>	<u>5,158,334</u>
Total unrestricted funds	7,499,007	30,253,138	(29,865,005)	104,950	7,992,090
Restricted funds					
Restricted Funds	<u>6,205,849</u>	<u>4,585,750</u>	<u>(5,211,482)</u>	<u>(104,950)</u>	<u>5,475,167</u>
Total funds	<u>13,704,856</u>	<u>34,838,888</u>	<u>(35,076,487)</u>	<u>-</u>	<u>13,467,257</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
General					
Unrestricted funds	2,030,787	28,710,411	(28,723,311)	714,061	2,731,948
Designated					
Core properties	4,033,623	-	-	(558,935)	3,474,688
Property sinking fund	640,591	-	-	-	640,591
Revaluation reserve	651,780	-	-	-	651,780
	<u>5,325,994</u>	<u>-</u>	<u>-</u>	<u>(558,935)</u>	<u>4,767,059</u>
Total unrestricted funds	7,356,781	28,710,411	(28,723,311)	155,126	7,499,007
Restricted funds					
Restricted Funds	<u>6,314,780</u>	<u>4,735,845</u>	<u>(4,689,650)</u>	<u>(155,126)</u>	<u>6,205,849</u>
Total funds	<u>13,671,561</u>	<u>33,446,256</u>	<u>(33,412,961)</u>	<u>-</u>	<u>13,704,856</u>

The analysis of Restricted Funds can be found at note 28.

Property Sinking Fund

The charity has a portfolio of both leased and owned properties, all of which should be maintained to a high standard to improve quality of service and standards of living. The sinking fund allows for future major repairs/refurbishment to the assets. Each year part of the sinking fund is spent on internal/external redecoration and upgrading and a separate amount is ring-fenced for future spends. The amount ring fenced represents the estimate of works to be carried out on owned buildings over the next 10 years.

Core Properties

The directors have reviewed the reserves policy and have now designated a property fund equal in value to the book value of the properties less any associated borrowings. The properties included are those core properties which are considered to be long term assets of the charity which could not be easily sold or mortgages obtained against in the event of requiring additional working capital.

Revaluation Reserve

The revaluation reserve relates to the upwards valuations of the core properties prior to the transition to deemed cost.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

Property Investment Fund

The Property Investment Fund is part of an annual strategy to replace leased dispersed properties with purchased properties.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

25 Analysis of net assets between funds

Group

	Unrestricted			Total funds at 31 March 2024 £
	General £	Designated £	Restricted £	
Tangible fixed assets	1,724,209	3,082,582	5,000,511	9,807,302
Net current assets/(liabilities)	<u>1,109,547</u>	<u>2,075,752</u>	<u>474,656</u>	<u>3,659,955</u>
Total net assets	<u><u>2,833,756</u></u>	<u><u>5,158,334</u></u>	<u><u>5,475,167</u></u>	<u><u>13,467,257</u></u>

	Unrestricted			Total funds at 31 March 2023 £
	General £	Designated £	Restricted £	
Intangible fixed assets	4,691	-	-	4,691
Tangible fixed assets	1,095,642	4,126,467	5,094,621	10,316,730
Net current assets/(liabilities)	<u>1,631,615</u>	<u>640,592</u>	<u>1,111,228</u>	<u>3,383,435</u>
Total net assets	<u><u>2,731,948</u></u>	<u><u>4,767,059</u></u>	<u><u>6,205,849</u></u>	<u><u>13,704,856</u></u>

26 Analysis of net funds

Group

	At 1 April 2023 £	Financing cash flows £	At 31 March 2024 £
	Cash at bank and in hand	2,102,121	2,692,723
Debt due within one year	<u>(1,727,057)</u>	<u>1,727,057</u>	<u>-</u>
Net debt	<u><u>375,064</u></u>	<u><u>4,419,780</u></u>	<u><u>4,794,844</u></u>
	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	3,718,142	(1,616,021)	2,102,121
Debt due within one year	(195,941)	(1,531,116)	(1,727,057)
Debt due after more than one year	<u>(2,545,114)</u>	<u>2,545,114</u>	<u>-</u>
Net (debt)/funds	<u><u>977,087</u></u>	<u><u>(602,023)</u></u>	<u><u>375,064</u></u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2024

27 Related party transactions

During the year the group made the following related party transactions:

TCUK Homes Limited

(Subsidiary)

During the year, the charity charged management charges of £218,241 (2023 - £436,481) and recharged expenses of £151,956 (2023 - £151,956). At the balance sheet date the amount due from TCUK Homes Limited was £324,323 (2023 - £389,962).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the year ended 31 March 2024

28 Restricted Funds

Housing and Homelessness		Opening	Income	Expenditure	Transfer	Closing
Funder	Purpose of Funding					
National Lottery	Peer research in partnership with Crisis	1,875	-	-	-	1,875
Big Lottery Fund	Supporting people with multiple needs in Newcastle and Gateshead	21,650	-	(692)	(20,958)	-
ABF – The Soldiers Charity	Support ex armed forces personnel to transition to civilian lives in Gateshead.	14,591	20,000	(34,591)	-	-
City of York Council	Mental Health Housing First officer in York	-	76,700	(76,700)	-	-
Sunderland City Council	Support for rough sleepers in Sunderland	12,423	69,500	(69,500)	-	12,423
Sunderland City Council	Additional COVID related support for families in Sunderland	1,820	98,154	(58,548)	-	41,426
South Tyneside CCG	To support people with mental health needs by providing two self-contained flats for short-term, 24-hour crisis accommodation to reduce delays in hospital discharge/risk of admission or readmission to hospital	53,469	60,000	(60,000)	-	53,469
NHS Vale of York CCG	To assist hospital staff in York to prevent avoidable admissions and facilitate effective discharge.	43,774	83,489	(64,679)	-	62,584
Homes England	Purchase of homes for homeless people	2,246,468	-	-	(16,339)	2,230,129
Homes England	Refurbishment and Redevelopment of Elliot House into 36 flats.	2,848,153	-	-	(54,698)	2,793,455
South Tyneside Council	CDAS	-	75,652	(68,177)	-	7,475
Safe Unit Newcastle	Sanctum (Safe Houses Sunderland)	-	73,024	(72,599)	-	425
Total Housing and Homelessness		5,244,223	556,519	(505,486)	(91,995)	5,203,261

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the year ended 31 March 2024

Drug and Alcohol

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
City of York Council	Establishment of a drug recovery centre in York	645,794	1,320,515	(2,045,210)	-	78,901
North Yorkshire County Council via Humankind	Partnership work in North Yorkshire – aftercare and recovery support	73,536	496,908	(491,380)	-	79,064
Total Drug and Alcohol		719,330	1,817,423	(2,536,590)	-	163

Women and Children

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
National Lottery Community Fund	Fund Support Workers and other posts in Wolverhampton	17,026	176,631	(175,573)	-	18,084
Merseyside PCC	Supporting sex workers in Merseyside to improve their safety and report crimes against them	11,832	-	-	-	11,832
MHCLG via Newcastle City Council – Safe Newcastle Unit	Part funding of Outreach Workers in Newcastle	12,547	120,692	(117,852)	-	15,387
Home Office	Violence against women and girls (VAWG)	24,267	426,203	(439,084)	-	11,386
National Lottery Community Fund	Support for 120 individuals within the Northumbria Police region who have been groomed for exploitation.	12,976	3,097	(12,412)	-	3,661
Police, Fire and Crime Commissioner for North Yorkshire Community Fund	Sex work project in North Yorkshire	11,379	-	-	-	11,379
DCMS	Support to overcoming trauma for adult survivors of grooming and sexual exploitation	12,492	465,324	(465,064)	-	12,752
Notts PCC	Conditional Caution	17	-	-	-	17
People’s Postcode Trust	Support girls in Nottingham who experience period poverty	4,051	-	-	-	4,051
West Midlands PCC	Victim support in West Midlands	1,038	-	(99)	-	939
ADDER PCC	Red Umbrella sex worker project in Liverpool	544	76,204	(73,147)	-	3,601
Halton Borough Council	Provision of Domestic Abuse refuge and community support in Halton borough	5,118	-	-	(5,118)	-
PCC via MSS	Domestic Abuse safe accommodation around COVID in Cheshire	12,250	-	-	-	12,250
Newcastle City Council – Fairer Housing Unit	Provision of Domestic Abuse Health Advisor and Service Navigator	43,880	545,144	(525,109)	-	63,915
National Lottery via North East Law Centre	Employ Senior Support Worker as partner supporting disadvantaged groups	12,020	13,776	(13,776)	-	12,020

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the year ended 31 March 2024

Northumbria PCC – COVID Fund	As above but specifically with reference to issues arising from COVID	31,180	104,828	(80,451)	-	55,557
Durham PCC	GAP - Beyond Trauma Program (Durham PCC)	-	55,962	(48,781)	-	7,181
South Yorkshire PCC	Doncaster Stage	-	14,761	(14,761)	-	-
North Yorkshire Police, Fire & Crime Commissioner	York Women's Wellness	-	121,589	(121,439)	-	150
Total Women and Children		212,617	2,124,211	(2,087,548)	(5,118)	244,162

Employment

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
Newcastle City Council – Newcastle Fund	Peer mentoring programme in Newcastle	5,375	-	-	(5,375)	-
Business in the Community	Prepare unemployed people in Newcastle for work	2,684	-	-	(2,684)	-
Groundworks	ROAD	-	40,270	(40,492)	222	-
Total Employment		8,059	40,270	(40,492)	(7,837)	-

Criminal Justice

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
Ministry of Justice	MOJ Innovation Staffordshire	-	8,149	(6,782)	-	1,367
Ministry of Justice	Women's Community Sector -(WM)	-	4,535	-	-	4,535
Nottinghamshire PCC	Working with Notts police to provide early intervention support	21,620	34,643	(34,584)	-	21,679
Total Criminal Justice		21,620	47,327	(41,366)	-	27,581

Grand Total

6,205,849	4,585,750	(5,211,482)	(104,950)	5,475,167
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THE CYRENIANS LTD

England & Wales - Charity number 500640

Accounts

Company registration number: 00995799

Charity registration number: 500640

THE CYRENIANS LIMITED

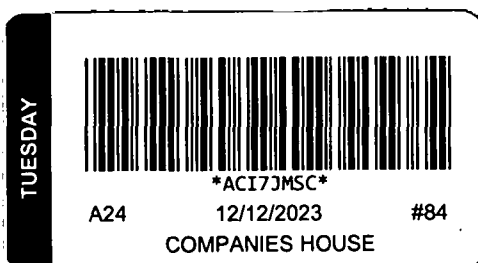
operating as

CHANGING LIVES

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023



The Cyrenians Limited
operating as Changing Lives

Contents

Chairman's Statement	1
Reference and Administrative Details	2
Trustees' Report	3 to 16
Independent Auditors' Report	17 to 20
Consolidated Statement of Financial Activities	21
Comparative Consolidated Statement of Financial Activities	22
Consolidated Balance Sheet	23
Balance Sheet	24
Consolidated Statement of Cash Flows	25
Notes to the Financial Statements	26 to 54

The Cyrenians Limited

operating as Changing Lives

The trustees (who are also the Directors of the Company for the purposes of company law) are pleased to present their annual directors' report, including Strategic Report, together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Charities Statement of Recommended Practice ("Charities SORP") (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102) issued in October 2019.

Chair's Report

I joined as Chair of Changing Lives in January 2023. The organisation has a special place in my heart because many years ago, in 1979, my mother started working for YACRO (York Association for the Care and Rehabilitation of Offenders). That organisation was later taken over by Changing Lives. She was totally committed to the philosophy of helping people facing the most challenging of circumstances make positive change - for good. I was therefore both honoured and delighted to be given the opportunity to be part of that force for good as Chair of Trustees.

During the year I have visited many projects covering different geographic locations and each time I visit I am blown away by the dedication, compassion, hard work, and insight demonstrated by the staff that work for Changing Lives. This is often in very difficult circumstances.

It is easy to say that everyone deserves a safe home, a rewarding job and a life free from addiction or abuse. It is easy to say that with the right support, anyone can change their life for the better. However, it is not so easy to achieve it, especially against the backdrop of a Cost-of-Living Crisis but each member of staff or project leader I have spoken to, is totally committed to that goal. They see each person as an individual and totally care what happens to the people using their services.

2023 has been a challenging year on many levels. We have no reason to believe 2024 will be much easier, but with the outstanding people working for Changing Lives at all levels, with their passion that amazes the Board of Trustees every day, we are confident that Changing Lives is in a strong position and ready to face the challenges the next year will bring.

I would like to take this opportunity to recognise and thank all the staff and the Trustees for their hard work and commitment shown during the year, I look forward to working with you going forward.

Glynis Frew
Chair of Trustees

The Cyrenians Limited

operating as Changing Lives

Reference and Administrative Details

Trustees Glynis Frew, Chair (appointed 12 January 2023)
Stephen Guyon, Vice Chair
Lesley Telford, Treasurer
Dean Fielding
Michael Barton
Pete Brown
Catherine Hearne
Geraldine Kay

Secretary Susan Carr

Key Management Personnel Stephen Bell, Chief Executive
Neil Baird, Operations Director
Alexandra Shirley, Director of Development
David Bassam, Business Services Director
Lewis Murton, Finance Director

Registered Office H26 The Avenues Eleventh Avenue North
Team Valley Trading Estate
Gateshead
Tyne and Wear
NE11 0NJ

The charity is incorporated in England.

Company Registration Number 00995799

Charity Registration Number 500640

Solicitors Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

Womble Bond Dickinson LLP
112 Quayside
Newcastle upon Tyne
NE1 3DX

Bankers Barclays Bank plc
Newcastle City 9
49 - 51 Northumberland Street
Newcastle upon Tyne
NE1 7AF

Auditor Azets Audit Services
Chartered Accountants and Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Structure, Governance and Management

The Charity group is comprised of the parent company, The Cyrenians Ltd and its wholly owned subsidiary TCUK Homes Ltd, the latter a charitable company limited by guarantee and a registered social landlord.

Governing Document:

The charity's name is The Cyrenians Limited, however the charity operates under the name of Changing Lives. It is a charity registered in the United Kingdom, charity No. 500640, and a company limited by guarantee, registered in England, Company No. 00995799.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association, revised in 2017.

Appointment of trustees:

Trustees are appointed at the Annual General Meeting and the term of office is four years, after which they have the opportunity to be re-elected for a further period of four years.

The charity undertakes a regular skills audit of the board, and when vacancies arise it tries to recruit from areas in which the Board has no professional background. There is also a strong focus on the recruitment of board members with "lived experience" of the areas of focus for the charity.

Trustee induction and training:

A new member's Induction Package includes the following:

- Governance Handbook
- Membership Form
- Companies House Form
- DBS Form
- The Role of the Board of Directors
- Board Members information Sheets
- Information around any training requirements
- Organisational Chart
- Most recent audited accounts
- Changing Lives Strategic and Business Plan
- Board Meeting Schedule
- Copies of the last three Board Meeting minutes.

The Chair encourages new members to visit Changing Lives projects to better understand the work that we undertake.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Changing Lives trustees understand that effective governance is crucial to the running of the charity. The charity governance code is a key tool in ensuring that this is achieved. Trustees will be working through the principles of the good governance toolkit culminating in a self-evaluation, and Changing Lives is arranging for a range of training for board members.

Trustees participate in a range of activities to promote the charity, including hosting and attending fundraising events and influencing policy through participation at round tables and seminars on behalf of the charity. Trustees also use their professional and social networks to promote the charity, as well as joining in the conversation on social media to promote Changing Lives.

Trustees undertake regular project visits to engage with staff and people who use our services. When required trustees attend meetings with funders, commissioners and other stakeholders. The charity also commissions regular stakeholder surveys to find out views from stakeholders and the trustees receive and discuss the full reports and agree action upon the surveys.

Equality and Diversity

Changing Lives welcomes applications for employment from all prospective employees. Changing Lives is committed to developing practices that not only meet the requirements of equalities legislation but which actively promote equality of opportunity and maximise the abilities, skills, and experience of all employees. This includes ensuring that employees are managed in an inclusive way, taking into account individual differences and giving employees the confidence to disclose a Protected Characteristic should they so wish. EG if an employee discloses that they have a disability, we will engage in a discussion with them to determine what they need to be successful in their role and seek to make reasonable adjustments to facilitate this. These could include training, specialist technology or equipment, for example. In deciding what is reasonable, the practicalities and resources available to Changing Lives should be taken into account.

Organisation:

Changing Lives has a board of at least 6 and up to 15 members who meet regularly and are responsible for the strategic direction and policy of the charity. At present the board has 8 members from a variety of professional backgrounds relevant to the work of the charity.

The work of the Board is supported by the following sub committees:

- Finance
- Risk and Quality
- Remuneration

The Chief Executive on behalf of the Non-Executive Directors manages the charity with the help of a Senior Leadership Team. There is a clear structure and reporting accountabilities that run throughout the organisation, and details of those matters reserved to the Board, and those areas where decision-making power is delegated are set out in a detailed policy.

Related parties and co-operation with other organisations:

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or member of the Senior Leadership Team must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. Related party transactions are reported in note 27.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Objectives and Activities

Purpose and Aims

Our charity's purpose as set out in the objects contained in the company's memorandum of association are:

To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to lead sustainably independent and fulfilled lives.

To relieve the poverty of those in need, in particular the homeless or those at risk of homelessness.

The relief of the physical and mental sickness of persons in need; through the provision of treatments, including medical or psychosocial interventions, counselling and support.

To provide, for the benefit of the public, assistance through conciliation and mediation of persons whose relationships have, or are at risk of having, broken down and to advise and help in the settlement of differences over issues connected to such relationships.

"Socially excluded" means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender reassignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards); crime (either as a victim of crime or as an offender rehabilitating into society); being a member of a socially and economically deprived community.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our work

Our main objectives for the year continued to be delivering high quality services through our "Four Pillars".

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Four Pillars

Housing and Homelessness Service:

There are a range of circumstances which mean people find themselves homeless, including family breakdown, addictions, mental and physical ill health and leaving prison or hospital. We want homelessness to be a brief transitory period in someone's life, not a permanent label or a cycle from which people find it hard to escape. Our homelessness services provide a safe place to stay, help to sort out practical issues, and strengths-based support. The ultimate aim is for people to transition out of homelessness and tough times in their lives quickly and positively, with a whole new community-based network of support built around them ready for the next steps in their journey.

Drug and Alcohol Service:

Addiction is one of the biggest factors in social exclusion, and the two often go hand-in-hand. Our dedicated drug and alcohol services offer tailored support to adults who are thinking about abstinence from drugs, alcohol, and/or substitute medications, and those who are taking active steps towards it. Across the Northeast and Yorkshire, we are on hand to help people take their first steps towards abstinence, support their ongoing recovery, and celebrate the recovery community.

Women and Children's Service:

Changing Lives' Women's Services reach out and support women and girls at risk and who may experience a range of complex needs. At Changing Lives, we provide support around vulnerabilities which are directly affected by gender, often relating to experiences of childhood trauma and abuse, which can continue into adolescence and adulthood.

Our dedicated staff members support women:

- with experience of sex work, survival sex and/or sexual exploitation
- with experience of domestic abuse
- with experience of the Criminal Justice System
- in need of recovery services for themselves and their family
- experiencing homelessness

Through our supported accommodation, women's centres, outreach services and community hubs, we take a women-centred approach to supporting our clients to lead fulfilling lives. This means:

- Women-only spaces
- Safe and trusted environments
- Trauma-informed approach, based on empathy, consistency, boundaries and an acknowledgement of the reality of each individual's life
- Strengths based approach that fosters empowerment and choice
- Recovery-focused work, including peer support and opportunities to share common experiences

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Employment Services:

Employment Services help people who face barriers to the job market get employment-ready and secure sustainable jobs.

We support people to gain the confidence and skills they need to access employment by matching every person with an employment coach who will work with them on a one-to-one basis.

We work to empower people to take control of their futures. But we understand that often, people come to us with low self-esteem and no confidence in their abilities, because of past trauma and abuse.

We therefore prioritise workshops that can help boost confidence, as well as offering support developing CVs and setting up work placements.

Our volunteers:

Our work is supported by a committed team of over 150 volunteers who collectively contributed over 16,000 hours in 2022/23, based on minimum wage this is more than £165,000 in volunteer time. Volunteers support us across our services in a variety of roles including counselling, mentoring and in our central services.

Public Benefit:

We promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to lead sustainably independent and fulfilled lives.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and Performance:

Review of Operations

Changing Lives was set up over 50 years ago to look after people without a home. Many were experiencing addiction, mental and physical health issues and had been in and out of the prison system. We are immensely proud that the ethos and the values from those early days still stand today and the drive to help and support people to improve their lives has never been stronger. We support around 15,000 people every year, we employ just over 600 staff, have over 150 volunteers and are passionate about working in partnership with other like-minded organisations.

The Cost of Living Crisis has hit the people we work with hard, and in August 2022 we published Priced Out, to highlight the impact of inflation and make recommendations on welfare, housing, employment, financial inclusion and funding for public services.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Homelessness Services

We have worked with 2,733 people in our homelessness services., average length of stay was 169 days (just under 6 months).

At Changing Lives we believe that Homelessness is more than a housing problem and should be seen as a transitional time in a person's life. We value co-design across all that we do striving for the highest standards in our property portfolio to achieve systemic change not just a quick fix, avoiding silo thinking and silo acting.

Developments

We have gained new funding to deliver -

- Mental health support services from the Fells, Durham to focus on addressing mental health support needs, brokering between services and ensuring successful move on with the correct support in place.
- Rough Sleeping Initiative funding In Westminster to support with an engagement worker at Bruce House as part of the wider Westminster response to rough sleeping.
- Retained a number of contracts that deliver excellence services and continually reflect and review if it meets the presenting needs of individuals.

Demand on most of our services has increased as has demand on the majority of statutory services so we want to ensure we can offer in-reach where possible and work with partners to ensure health inequalities are not further increased through the pressure on services.

We are seeing people with increasing complexity of need, compounded by the cost of living crisis. We are a key supporter of Homeless Link's Keep our doors open campaign to collectively apply necessary pressure on government to bring about changes we need to see.

We want to see a clear direction from the government in response to prevention and tackling homelessness and rough sleeping, with a focus on seeing this as a public health emergency.

Our projects span a large part of the country from Northumberland down to Westminster. Each project differs in local geography and local challenges but has a shared commonality of delivering excellent services which care about the impact they have.

Our plans include ensuring our offers of support are as inclusive as they possibly can be, which includes a digital offer. Ensuring our property standards meet all the new supported accommodation regulations to ensure the best possible standards of living in all of our properties. Enhancing our young person's offer and welcoming the new Ofsted regulations for supported accommodation. We have recently joined the #planforthe129k campaign advocating for a governmental strategy to end youth homelessness. Working with other providers and partners to ensure a collaborative approach is taken to commissioning with the hope that we can influence joint commissioning across areas such as health. We will also look to develop more partnerships working across the whole system to influence change.

Womens & Children's Services

This year our Women's and Children's Services have supported 5,010 people, 101 of these referrals were male, which is linked specifically to our sex work and exploitation services and our domestic abuse NIDAS service. 63 men have been supported as victims by the NIDAS IDVA team.

We are currently supporting 4,044 people across our Womens Services nationally.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

The highest age range of women supported is 25-34 years old at 32% and we have seen an increase in the ethnicity of our referrals or improved recording. 501 women identified as either black, mixed race or from a minority background. 30 women this year are from travelling communities.

The highest reason for women leaving our services is when women have declined support at 27% followed by 18% when women required a dedicated housing support offer from an external agency.

We look forward to co-producing the new Case Management System this year to help improve our data collection and impact outcomes for women, and to specifically report on access to justice levels, recovery from violence and abuse, and reducing re-offending.

Developments

Net-Reach - Our Netreach team is based across our exploitation and sex work projects nationally. Together we have a presence in each area on online forums, platforms and communities, supporting people affected by online harms, abuse and sexual exploitation. With our findings we hope to inform the current and future work of government and its partners to support people, inform education and ensure our practice influences VAWG and Online Harms policies for future change.

STAGE - We continue to work in partnership with women's organisations across the North to deliver the STAGE partnership supporting adult victims of sexual exploitation and raising awareness, through a series of reports and webinars of the impact of exploitation on adults who often do not have access to appropriate services.

Over the coming year our plans include rolling out our story chair unique learning programme nationally following successful delivery in local region. Our other areas of focus will be; Transforming Services for Women's futures, Adult Sexual exploitation statutory definition and Men & Relationships.

Recovery & Wellbeing

On average we are working with over 1,300 people in our recovery and wellbeing services every month.

We have seen 81 people successfully complete our abstinence based Oaktrees programme over the last twelve months.

We have recently changed the name of our Recovery and Addictions theme to 'Recovery and Wellbeing' to include our Mental Health services and recognise the importance of wider health and wellbeing for the people we work with.

We have developed new roles in our services to better support people involved in the Criminal Justice System and experiencing addiction. Through additional funding from the Office for Health Improvement and Disparities, we can now work intensively with people on court orders including Alcohol Treatment Requirements (ATR's) and Drug Rehabilitation Requirements (DRR's) to support them into treatment, this includes counsellors and in-reach into police stations to engage people who are testing positive for drug use on arrest.

We have launched Digital Oaktrees - an online recovery programme for people who can't attend in-person services during the day. It provides on-line resources and one to one support.

The Recovery field has seen a recent injection of funding into services Nationwide following a review of services by Dame Carol Black. This funding has seen new priorities and targets be introduced to Recovery services and there is a goal to increase the number of places available in treatment services nationally, with a view that services offered should be 'world class services'.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

There is a call to acknowledge that with competing priorities, increasing numbers into treatment does not necessarily come hand in hand with an increase in quality. Our Recovery and Wellbeing services have been impacted by the national recruitment crisis as well as the cost of living crisis in recent times and this has had a significant impact on the ability to recruit and retain staff to deliver these services. We would like to see the pending changes in the NDTMS dataset (National Drug Treatment Monitoring System) reflect these competing priorities and acknowledge that success for people in recovery can come in many different formats, many of which sit outside the current remit of a successful completion. There needs to be a focus on quality services, which allow for a more intensive approach of support rather than a qualitative focus on numbers coming into treatment. With a more intensive and high-quality approach we will inevitably see more people completing treatment by reaching their own perceived goals and successes and this will inevitably pave way for more people to access.

As a pillar the focus moving forward is to further enhance our digital offer. We will look to develop new partnerships and explore new opportunities for growth whilst continuing to review our models of treatment to ensure we are delivering trauma informed and consistent services across the pillar.

Employment Services

Our Employment services began to see the impact of European funding ending with no significant replacement, with Step Forward Tees Valley and Moving on Tyne & Wear, which we delivered as part of a wider partnership, ending delivery. 2023/24 will see our other European Funding employment programmes end. Some local authorities and mayoral authorities have been able to fund smaller pieces of work, including the Multiply programmes in Gateshead and North of Tyne, which deliver support to increase numeracy skills for people using practical activities to embed learning.

Although unemployment levels are low, for people who have experienced homelessness, addiction or other challenging circumstances, it is still difficult to move into employment. Barriers include stigma, navigating the benefits system, confidence and lack of support with the soft skills needed to retain employment.

Funding to support employment for people furthest from the labour market is vital, the barriers still exist for the people we support.

We are excited to begin delivery of IPS services in Doncaster - intensive employment support delivered by employment specialists and provided as part of the multi-disciplinary drug and alcohol service delivered by our partner Aspire.

Future Plans

The external environment continues to be challenging. Brexit, the pandemic and more recently the cost-of-living crisis has made the operating environment in which we provide services incredibly challenging. This is not only from a delivery point, but also staff retention and incredibly tight financial margins in which we operate. All funders expect more for less and all costs have risen. Our turnover of staff over the past three years is at an all-time high and it is understandable considering their challenging roles and the low pay they receive, along with their own increased expenses.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Minimum wage has risen nearly 20% in the last three years, and this has put incredible pressure on us a charity because we always pay above the minimum wage. However, the difference between our lowest pay and the minimum wage, has reduced by over £2K per annum and in 2023/24 we only gave a pay rise to those who earned the least within the charity. We are committed to being fair to all staff moving forward.

Since the financial year end, we have completed on a planned sale of some of our existing portfolio enabling us to pay off our bank loans and move away from high mortgage rates. Our balance sheet remains strong and moving forward we now have more flexibility due to the removal of existing covenants attached to the borrowings.

We will restructure our teams looking at all levels within the organisation to ensure that we are nimble and financially robust enough to cope with the challenges that lie ahead. We have had 13 years of austerity and some of our contracts have not seen a financial increase during this period, we have delivered 'more for less' but we can't do this anymore. We must be more business focused to ensure that the charity is here for the people it was set up for, those using our services.

In early 2024 we will be delivering a new targeted two-year strategy, a new business plan to cope with the external pressures and will look to see how Artificial Intelligence (AI) can help support the people we work with. Although the environment is difficult, the steps the charity has taken and continues to take, there is no doubt that services such as ours will be in growing demand in the next few years and we are confident that the quality work provided within our front line will continue for many years to come.

Our Workforce - Employee Engagement:

In the dynamic landscape of our organisation, we have taken bold strides to engage with our employees on a profound level. Beyond the innovative channels mentioned earlier, we've instituted a monthly opportunity for every employee to pose questions directly to our CEO. These queries are met with video responses, ensuring that every message is not only heard but responded to with a commitment to improvement.

In our relentless pursuit of employee well-being, we regularly assess the fitness of our staff benefit forums and place a paramount focus on well-being in every facet of our operations. Recognising the importance of accessible healthcare, we have reviewed EAP offerings and provided all staff with access to a virtual GP, emphasising the significance of health in our collective journey.

Acknowledging the challenges posed by the cost of living, we are actively seeking input from our staff through platforms like the staff forum to understand where 'charitable efforts can begin at home'. This inclusive approach ensures that the concerns of each employee are considered, fostering a sense of community and shared responsibility.

Our dedication to development and career pathways remains unwavering. We continually review volunteering programs, placing development and training at the core of our initiatives. Internal moves and development opportunities are actively explored, shaping a multi-skilled, engaged workforce that thrives on growth and adaptability.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

At the heart of our organisational philosophy is the unwavering commitment to transforming lives and reshaping the future of work. Through cutting-edge initiatives in data-driven innovation and automation, we are not just redefining how we work; we are unlocking new possibilities and efficiencies. This commitment extends seamlessly to our approach to employee engagement, where modern methods enable us to work differently, adapting to the ever-evolving landscape.

Central to our ethos is the integration of compassion into every facet of our operations. We don't just hear; we strive to truly understand the unique perspectives and needs of everyone. Together, we're creating a workplace that not only meets the challenges of today but shapes a future where every employee thrives.

Energy and Carbon Usage:

The Charity's work is around housing and homelessness. At the end of the financial year, the group had 1108 (2022:1145) housing units. Properties vary from individual rooms to multi occupancy buildings, houses, and offices. Throughout the year, we employed an energy agency to manage our gas and electricity suppliers.

As can be seen from the table below, we own/lease few vehicles and emissions from owned transport contributes less than 5% of the Charity's carbon emissions.

UK Greenhouse gas emissions and energy use data for the year ended 31 March 2023	2023	2022
Energy consumption used to calculate emissions (kwh):		
Gas	5,800,857	4,968,198
Electricity	1,320,903	1,388,435
Transport fuel	450,861	341,834
Total	7,572,621	6,698,467
Scope 1 emissions in metric tonnes CO2e		
Gas Consumption	1,056.86	905.16
Owned Transport	47.71	56.34
Total Scope 1	1,104.57	961.50
Scope 2 emissions in metric tonnes CO2e		
Purchased Electricity	255.44	268.50
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	88.62	38.44
Total gross emissions in metric tonnes CO2e	1,448.62	1,268.43
Intensity ratio Tonnes CO2e per unit	1.27	1.11

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company reporting (as updated September 2022).

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per housing unit, the most relevant measure as most of our emissions arise from our housing and homelessness activities.

Pay Policy:

The Remuneration Committee is established to recommend to the main Board an overall remuneration policy that is aligned with its long-term business strategy and objectives, enable the recruitment, retention and development of senior executives and the wider workforce whilst also complying with the requirements of regulation. The work of the Committee includes:

- To recommend and monitor the level and structure of remuneration for senior management team
- Agreeing and recommending to the Board the annual staff pay award and its distribution relative to performance ratings.
- Commissioning and considering market testing information relating to pay awards of Chief Executive, Executive Directors, and Directors pay.
- Receiving reports on recruitment, turnover, sickness trends, employment conditions, staff benefits and other related issues
- Reporting annually to the main Board on the work undertaken by the Committee.

Financial review:

The group achieved a total surplus of £33,295, the unrestricted income net movement in funds was £142,226.

The result is considered positive given the challenges faced with many contracts being pressured by costs rising with inflation. The organisation has performed strategic reviews on all its services to ensure they remain viable moving forward.

During the year we transitioned away from our existing accounting software and housing management database. The implementation has given an improved visibility to staff across the organisation of financial performance, this will continue to be a focus over the next year with improved internal reporting enabling improved financial understanding in a challenging external financial environment.

As part of the strategy noted above the commercial viability of contracts continues to be monitored closely with the Senior Management team taking appropriate action to protect the long-term future of the organisation.

Investment policy:

The trustees, having regard to the liquidity requirements of operating the charity, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

During the year, trustees took the opportunity to repay certain bank loans to reduce the interest cost to the charity. As at September 2023 the charity had no outstanding loan facility and is now able to focus on maximising returns from its reserves as part of its long term strategy.

Reserves policy and going concern

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charitable company to hold free reserves those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. Resulting from this, the trustees consider it prudent to maintain unrestricted free reserves at a level sufficient to cover between two to four months of staff costs and lease commitments which equates to approx. £3million. At the 31 March 2023 the level of free reserves held by the charity was £650,872 (2022 (£558,543)). The level of unrestricted reserves held by the charity at the year-end was £7,499,007 (2022 - £7,356,781).

As part of the reserves policy the trustees have designated the following funds: Sinking fund of £640,591 (2022 - £640,591); Core Properties fund and the revaluation reserve £4,126,468 (2022 - £4,605,583). Narrative for these funds can be found in note 24 of the financial statements.

Overall funds of £13,704,856 (2022 - £13,671,561) were held at 31 March 2023 which included restricted amounts of £6,205,849 (2022 - £6,314,780).

Risk management

The directors have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks where necessary.

The Covid-19 pandemic and its knock-on impacts around staffing and use of agency staff are significant risks, there are other external risks around changes in policy that may also impact on funding. This has led to the development of strategic plans which are regularly revised and allow for the diversification of funding and activities. Internal risks are minimized by the implementation of procedures for authorization of all transactions and projects.

The charity maintains a risk register to ensure management of strategic risks, the Risk and Quality Committee has responsibility for oversight and quarterly review of the risk register, all strategic non-compliances and major strategic and operational risks to include safeguarding and health & safety. This Committee is chaired by a trustee, and reports into the main Board.

The charity has significantly reduced its financial risk through repayment of the loan previously held with Barclays. The risk committee does however continue to recognise the external financial environment as a high-level risk. The funding landscape continues to be uncertain and so although the charity has a significant proportion of income being generated through housing benefit which does have inflationary uplifts annually we recognise the long-term risk to contract income. Stakeholder engagement continues to be a priority with discussions continuing across funders to deliver uplifts where possible.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Our approach to fundraising activities:

The Charity complies with the Code of Fundraising Practice. All funds raised by the Charity will be spent for the purpose for which they are raised. All funds raised through sponsorship activities will be banked into the Charity's bank account before deduction of expenses. All literature will properly describe what donations will be used for. All fundraising activities will be conducted in an open honest and transparent manner. Changing Lives does not employ the services of outside professional fundraisers. During the period under review no complaints have been received. Changing Lives values the contribution made by all our donors. Changing Lives will treat all donors with respect and dignity. Changing Lives do not, and will not make, unsolicited calls to members of the public requesting donations.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of The Cyrenians Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Cyrenians Limited
operating as Changing Lives
Trustees' Report

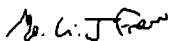
Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 08/12/2023... and signed on its behalf by:



.....
Glynis Frew 08 Dec 2023 13:34:14 GMT (UTC +0)

Glynis Frew
Chair

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Opinion

We have audited the financial statements of The Cyrenians Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 15), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- reviewing board minutes;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- review financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; Building and fire safety regulations including; employment law (including the Working Time Directive); Care Quality Commission and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown 08 Dec 2023 13:58:10 GMT (UTC +0)

Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 08/12/2023

Azets Audit Services is a trading name of Azets Audit Services Limited.

The Cyrenians Limited

operating as Changing Lives

Consolidated Statement of Financial Activities for the Year Ended 31 March 2023

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Donations and legacies	3	289,696	1,651	291,347	545,576
Charitable activities	4	28,240,884	4,734,194	32,975,078	30,519,115
Other trading activities	5	153,690	-	153,690	324,812
Investment income	6	26,141	-	26,141	919
Total Income		28,710,411	4,735,845	33,446,256	31,390,422
Expenditure on:					
Raising funds		(6,553)	-	(6,553)	(14,455)
Charitable activities	7	(28,716,758)	(4,689,650)	(33,406,408)	(31,027,700)
Total Expenditure		(28,723,311)	(4,689,650)	(33,412,961)	(31,042,155)
Net (expenditure)/income		(12,900)	46,195	33,295	348,267
Transfers between funds		155,126	(155,126)	-	-
Other recognised gains and losses					
Gains/losses on revaluation of fixed assets		-	-	-	(273,919)
Net movement in funds		142,226	(108,931)	33,295	74,348
Reconciliation of funds					
Total funds brought forward		7,356,781	6,314,780	13,671,561	13,597,213
Total funds carried forward	24	7,499,007	6,205,849	13,704,856	13,671,561

Included in expenditure on charitable activities above is a tax provision of £Nil (2022: £24,000).

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 24.

The Cyrenians Limited

operating as Changing Lives

Comparative Consolidated Statement of Financial Activities for the Year Ended 31 March 2022 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	296,840	248,736	545,576
Charitable activities	4	25,106,506	5,412,609	30,519,115
Other trading activities	5	324,812	-	324,812
Investment income	6	919	-	919
Total income		<u>25,729,077</u>	<u>5,661,345</u>	<u>31,390,422</u>
Expenditure on:				
Raising funds		(14,455)	-	(14,455)
Charitable activities	7	<u>(25,643,718)</u>	<u>(5,383,982)</u>	<u>(31,027,700)</u>
Total expenditure		<u>(25,658,173)</u>	<u>(5,383,982)</u>	<u>(31,042,155)</u>
Net income		70,904	277,363	348,267
Transfers between funds		(20,343)	20,343	-
Other recognised gains and losses				
Gains/losses on revaluation of fixed assets		<u>(273,919)</u>	<u>-</u>	<u>(273,919)</u>
Net movement in funds		(223,358)	297,706	74,348
Reconciliation of funds				
Total funds brought forward		<u>7,580,139</u>	<u>6,017,074</u>	<u>13,597,213</u>
Total funds carried forward	24	<u>7,356,781</u>	<u>6,314,780</u>	<u>13,671,561</u>

The Cyrenians Limited

operating as Changing Lives

(Registration number: 00995799)

Consolidated Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	14	4,691	9,382
Tangible assets	15	10,316,730	15,018,266
		<u>10,321,421</u>	<u>15,027,648</u>
Current assets			
Assets held for sale	17	3,310,307	-
Debtors	18	4,851,620	3,422,903
Cash at bank and in hand	19	2,102,121	3,718,142
		<u>10,264,048</u>	<u>7,141,045</u>
Creditors: Amounts falling due within one year	20	<u>(6,880,613)</u>	<u>(5,952,018)</u>
Net current assets		<u>3,383,435</u>	<u>1,189,027</u>
Total assets less current liabilities		13,704,856	16,216,675
Creditors: Amounts falling due after more than one year	21	<u>-</u>	<u>(2,545,114)</u>
Net assets		<u>13,704,856</u>	<u>13,671,561</u>
Funds of the group:			
Restricted		<u>6,205,849</u>	<u>6,314,780</u>
Unrestricted income funds			
Designated funds		4,767,059	5,325,994
General funds		<u>2,731,948</u>	<u>2,030,787</u>
Total unrestricted funds		<u>7,499,007</u>	<u>7,356,781</u>
Total funds	24	<u>13,704,856</u>	<u>13,671,561</u>

The financial statements on pages 21 to 54 were approved by the Trustees, and authorised for issue on 08/12/2023..... and signed on their behalf by:



Glynis Frew 08 Dec 2023 13:34:14 GMT (UTC +0)

Glynis Frew
Chair

The Cyrenians Limited

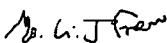
operating as Changing Lives

(Registration number: 00995799)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	14	4,691	9,382
Tangible assets	15	10,069,912	14,746,497
		<u>10,074,603</u>	<u>14,755,879</u>
Current assets			
Assets held for sale	17	3,310,307	-
Debtors	18	4,407,497	3,841,136
Cash at bank and in hand	19	1,760,056	2,722,482
		9,477,860	6,563,618
Creditors: Amounts falling due within one year	20	<u>(6,654,683)</u>	<u>(5,626,444)</u>
Net current assets		<u>2,823,177</u>	<u>937,174</u>
Total assets less current liabilities		12,897,780	15,693,053
Creditors: Amounts falling due after more than one year	21	<u>(4,938,176)</u>	<u>(7,658,193)</u>
Net assets		<u>7,959,604</u>	<u>8,034,860</u>
Funds of the charity:			
Restricted		<u>636,572</u>	<u>632,324</u>
Unrestricted income funds			
Designated funds		4,767,059	5,316,666
Unrestricted funds		2,555,973	2,085,870
Total unrestricted funds		<u>7,323,032</u>	<u>7,402,536</u>
Total funds	24	<u>7,959,604</u>	<u>8,034,860</u>

The charity made a deficit after tax for the financial year of £75,256 (2022 - deficit of £21,963).

The financial statements on pages 21 to 54 were approved by the Trustees, and authorised for issue on 08/12/2023..... and signed on their behalf by:



Glynis Frew 08 Dec 2023 13:34:14 GMT (UTC +0)

Glynis Frew
Chair

The Cyrenians Limited
operating as Changing Lives

**Consolidated Statement of Cash Flows for the Year Ended 31
 March 2023**

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash income		33,295	348,267
Adjustments to cash flows from non-cash items			
Depreciation		722,866	535,371
Amortisation		4,691	4,691
Investment income	6	(26,141)	(919)
Interest payable		80,683	48,387
		<u>815,394</u>	<u>935,797</u>
Working capital adjustments			
Increase in debtors	18	(1,428,717)	(452,447)
Increase in creditors	20	238,709	506,390
(Decrease)/increase in deferred income	21	(841,230)	688,386
Net cash flows from operating activities		<u>(1,215,844)</u>	<u>1,678,126</u>
Cash flows from investing activities			
Interest receivable and similar income	6	26,141	919
Purchase of tangible fixed assets	15	(119,106)	(641,508)
Sale of tangible fixed assets		787,469	-
Sale of investments		-	10,929
Net cash flows from investing activities		<u>694,504</u>	<u>(629,660)</u>
Cash flows from financing activities			
Interest payable and similar charges		(80,683)	(48,387)
Repayment of loans and borrowings	20	(1,013,998)	(298,738)
Net cash flows from financing activities		<u>(1,094,681)</u>	<u>(347,125)</u>
Net (decrease)/increase in cash and cash equivalents		(1,616,021)	701,341
Cash and cash equivalents at 1 April		<u>3,718,142</u>	<u>3,016,801</u>
Cash and cash equivalents at 31 March		<u><u>2,102,121</u></u>	<u><u>3,718,142</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: H26 The Avenues Eleventh Avenue North, Team Valley Trading Estate, Gateshead, Tyne and Wear, NE11 0NJ.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

The Cyrenians Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in Sterling which is the functional currency.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertaking drawn up to 31 March 2023.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a deficit after tax for the financial year of £75,256, (2022 - deficit of £21,963).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiary is identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. The charity and its trading subsidiaries have strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Determine whether leases entered into by Changing Lives either as a lessor or lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determine whether there are any indicators of impairment of Changing Lives tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. The carrying amount is £10,316,730 (2022 - £15,018,266).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

Income and endowments

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations and legacies

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS102). Further detail is given in the Trustees' Annual Report.

Grants receivable

Revenue grants receivable are credited to income immediately where entitlement is not conditional on the delivery of specific performance criteria by the group. Where grants relate to performance and specific deliverables, income is accounted for as the group earns its right to consideration by its performance.

Deferred Income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Other trading activities

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raised funds and is recognised when entitlement has occurred.

Investment income

Interest is included when receivable by the group.

Charitable activities

The recognition of income received in relation to the Social Housing Grant within the consolidated accounts is done so using the performance model in line with the charities SORP.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

Other income

Net Assets transferred on the acquisition of entities into the group are recorded within voluntary income at the value that the assets are worth on the date of the transfer.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's (and the group's) activities. These costs, which have not been directly apportioned, have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in the Support Cost note.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Rebranding	10% straight line

Tangible fixed assets

Individual fixed assets are initially recorded at cost.

Where fixed assets have been previously carried at a revalued amount, upon transition to FRS102 deemed cost was adopted.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold property improvements	Straight line over the period of the lease
Freehold property	2% - 15% straight line
Motor vehicles	25% straight line
Furniture and equipment	25% - 33% straight line

No depreciation is provided on land.

Impairment of fixed assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

Fixed asset investments

Investments in subsidiaries are recognised at cost.

Investments in associates are measured at cost less impairment.

Assets held for sale

Assets actively held for sale at the year end, measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the group.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

The group has designated certain funds for specific purposes. These are explained in more detail in the notes. The directors have decided that setting aside funds in this way is a useful financial discipline, which will help the group make the best use of its resources, even though there is no legal force to the designation.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Operating leases

Assets held for use in operating leases are included as a separate category in fixed assets at cost and depreciated over their useful life.

Rental income from operating leases is recognised on a straight line basis over the term of the lease.

Pensions and other post retirement obligations

The group also operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the group. The annual contributions payable are charged to the income and expenditure account.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Donations and legacies;			
Donations	289,696	1,651	291,347
	<u>289,696</u>	<u>1,651</u>	<u>291,347</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 £
Donations and legacies;			
Donations	291,611	112,265	403,876
Legacies	5,229	-	5,229
Grants, including capital grants;			
Government grants	-	136,471	136,471
	<u>296,840</u>	<u>248,736</u>	<u>545,576</u>

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Homelessness including Day Centre & Outreach	20,248,414	947,095	21,195,509
Addictions and Recovery	2,862,843	1,897,982	4,760,825
Employment and Training	651,573	29,132	680,705
Womens Services including Family	4,478,054	1,859,985	6,338,039
	<u>28,240,884</u>	<u>4,734,194</u>	<u>32,975,078</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 £
Homelessness including Day Centre & Outreach	17,707,550	2,038,632	19,746,182
Addictions and Recovery	2,997,513	2,005,460	5,002,973
Employment and Training	525,916	34,517	560,433
Womens Services including Family	3,875,527	1,334,000	5,209,527
	<u>25,106,506</u>	<u>5,412,609</u>	<u>30,519,115</u>

5 Income from other trading activities

	Unrestricted funds General £	Total 2023 £
Trading income;		
Sales of goods and services	54,714	54,714
Other income from other trading activities	98,976	98,976
	<u>153,690</u>	<u>153,690</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

	Unrestricted funds General £	Total 2022 £
Trading income;		
Sales of goods and services	69,077	69,077
Events income;		
Fundraising	16,902	16,902
Property rental income	79,759	79,759
Other income from other trading activities	159,074	159,074
	<u>324,812</u>	<u>324,812</u>

6 Investment income

	Unrestricted funds General £	Total 2023 £
Interest receivable and similar income;		
Interest receivable on bank deposits	26,141	26,141
	<u>26,141</u>	<u>26,141</u>

	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income;		
Interest receivable on bank deposits	919	919
	<u>919</u>	<u>919</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Homelessness including Day Centre & Outreach	20,576,065	919,264	21,495,329
Addictions and Recovery	2,877,037	1,903,449	4,780,486
Employment and Training	854,036	26,656	880,692
Womens Services including Family	<u>4,409,620</u>	<u>1,840,281</u>	<u>6,249,901</u>
	<u>28,716,758</u>	<u>4,689,650</u>	<u>33,406,408</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 £
Homelessness including Day Centre & Outreach	18,002,700	2,346,396	20,349,096
Addictions and Recovery	2,843,058	1,696,417	4,539,475
Employment and Training	717,217	70,469	787,686
Womens Services including Family	<u>4,080,743</u>	<u>1,270,700</u>	<u>5,351,443</u>
	<u>25,643,718</u>	<u>5,383,982</u>	<u>31,027,700</u>
	Activity undertaken directly £	Activity support costs £	2023 £
Homelessness including Day Centre & Outreach	20,667,282	828,047	21,495,329
Addictions and Recovery	4,473,356	307,130	4,780,486
Employment and Training	799,393	81,299	880,692
Womens Services including Family	<u>5,918,682</u>	<u>331,219</u>	<u>6,249,901</u>
	<u>31,858,713</u>	<u>1,547,695</u>	<u>33,406,408</u>

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

	Activity undertaken directly £	Activity support costs £	2022 £
Homelessness including Day Centre & Outreach	19,347,400	1,001,696	20,349,096
Addictions and Recovery	4,243,581	295,894	4,539,475
Employment and Training	725,250	62,436	787,686
Womens Services including Family	5,101,698	249,745	5,351,443
	<u>29,417,929</u>	<u>1,609,771</u>	<u>31,027,700</u>

Included in expenditure on charitable activities above is a tax provision of £Nil (2022: £24,000).

In addition to the expenditure analysed above, there are also governance costs of £102,228 (2022 - £65,883) which relate directly to charitable activities. See note 8 for further details.

8 Analysis of support costs

Support costs allocated to charitable activities

	Basis of allocation	Governance costs £	Other support costs £	Total 2023 £	Total 2022 £
Homelessness including Day Centre & Outreach	Estimate of staff time	102,228	725,819	828,047	1,001,696
Addictions and Recovery	Estimate of staff time	-	307,130	307,130	295,894
Employment and Training	Estimate of staff time	-	81,299	81,299	62,436
Womens Services including Family	Estimate of staff time	-	331,219	331,219	249,745
		<u>102,228</u>	<u>1,445,467</u>	<u>1,547,695</u>	<u>1,609,771</u>

Governance costs

	Total 2023 £	Total 2022 £
Salary costs	45,885	43,443
Audit fees and other professional fees	56,343	22,440
	<u>102,228</u>	<u>65,883</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

9 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2023	2022
	£	£
Audit fees	31,500	26,220
Other non-audit services	-	16,800
Depreciation of fixed assets	722,866	535,371
Amortisation of goodwill	<u>4,691</u>	<u>4,691</u>

Included in other recognised gains and losses is the impairment on the refurbishment of Elliot House totalling £Nil (2022 - £273,919).

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2023	2022
	£	£
Staff costs during the year were:		
Wages and salaries	14,340,771	13,462,240
Social security costs	1,279,938	1,145,943
Pension costs	855,766	819,513
Compensation payments	<u>95,172</u>	<u>19,132</u>
	<u>16,571,647</u>	<u>15,446,828</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2023 No	2022 No
Corporate Services	85	78
Health and Addictions	102	109
Housing and Homeless	322	369
Women and Criminal Justice	110	92
Employment & Training	27	23
	<u>646</u>	<u>671</u>

During the year, the group made redundancy and/or termination payments which totalled £95,172 (2022 - £19,132).

The number of employees whose emoluments fell within the following bands was:

	2023 No	2022 No
£60,001 - £70,000	1	-
£70,001 - £80,000	1	2
£80,001 - £90,000	1	-
£110,001 - £120,000	-	1
£120,001 - £130,000	<u>1</u>	<u>-</u>

The total contributions paid to the defined contribution pension scheme during the year for higher paid staff was £38,043 (2022 - £31,970).

The total employee benefits of the key management personnel of the group were £377,355 (2022 - £452,698).

12 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	<u>31,500</u>	<u>26,220</u>

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

13 Taxation

The group is a registered charity and is therefore potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

14 Intangible fixed assets

Group and Charity

	Rebranding £
Cost	
At 1 April 2022	<u>46,911</u>
At 31 March 2023	<u>46,911</u>
Amortisation	
At 1 April 2022	37,529
Charge for the year	<u>4,691</u>
At 31 March 2023	<u>42,220</u>
Net book value	
At 31 March 2023	<u>4,691</u>
At 31 March 2022	<u>9,382</u>

The Cyrenians Limited
operating as **Changing Lives**

Notes to the Financial Statements for the Year Ended 31 March 2023

15 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2022	21,217,350	1,895,149	86,437	23,198,936
Additions	-	97,501	21,605	119,106
Disposals	(982,515)	-	-	(982,515)
Transfers	(4,130,137)	-	-	(4,130,137)
At 31 March 2023	<u>16,104,698</u>	<u>1,992,650</u>	<u>108,042</u>	<u>18,205,390</u>
Depreciation				
At 1 April 2022	6,668,994	1,425,239	86,437	8,180,670
Charge for the year	514,201	204,614	4,051	722,866
Eliminated on disposals	(195,046)	-	-	(195,046)
Transfers	(819,830)	-	-	(819,830)
At 31 March 2023	<u>6,168,319</u>	<u>1,629,853</u>	<u>90,488</u>	<u>7,888,660</u>
Net book value				
At 31 March 2023	<u>9,936,379</u>	<u>362,797</u>	<u>17,554</u>	<u>10,316,730</u>
At 31 March 2022	<u>14,548,356</u>	<u>469,910</u>	<u>-</u>	<u>15,018,266</u>

Included within the net book value of land and buildings above is £9,725,493 (2022 - £14,314,589) in respect of freehold land and buildings and £210,886 (2022 - £233,767) in respect of leaseholds.

Certain freehold land and buildings included above were recognised using the previous valuation, as deemed cost on transition to FRS102. Therefore, at the year end the land and buildings are held at their deemed historic cost.

The valuation of Elliot House, performed by Lambert Smith Hampton on 12 August 2021, was prepared on the basis of value in use within the charitable company's objectives.

Impairment

Freehold property

Following the refurbishment of Elliot House, which had a completion date during the 2022 financial year, the maximum was £2,300,000. This resulted in an impairment as shown in the note above. The amount of impairment loss included in the SoFA is £Nil (2022 - £273,919). The impairment loss is included in land & buildings.

During the year, properties included within land & buildings, with a net book value of £3,310,307 have been transferred from non-current assets to assets held for sale in note 17.

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2022	21,047,062	1,673,855	85,642	22,806,559
Additions	-	89,541	21,605	111,146
Disposals	(982,515)	-	-	(982,515)
Transfers	(4,130,137)	-	-	(4,130,137)
At 31 March 2023	<u>15,934,410</u>	<u>1,763,396</u>	<u>107,247</u>	<u>17,805,053</u>
Depreciation				
At 1 April 2022	6,613,386	1,361,034	85,642	8,060,062
Charge for the year	549,799	136,105	4,051	689,955
Eliminated on disposals	(195,046)	-	-	(195,046)
Transfers	(819,830)	-	-	(819,830)
At 31 March 2023	<u>6,148,309</u>	<u>1,497,139</u>	<u>89,693</u>	<u>7,735,141</u>
Net book value				
At 31 March 2023	<u>9,786,101</u>	<u>266,257</u>	<u>17,554</u>	<u>10,069,912</u>
At 31 March 2022	<u>14,433,676</u>	<u>312,821</u>	<u>-</u>	<u>14,746,497</u>

Included within the net book value of land and buildings above is £9,575,215 (2022 - £14,199,909) in respect of freehold land and buildings and £210,886 (2022 - £233,767) in respect of leaseholds.

Certain freehold land and buildings included above were recognised using the previous valuation, as deemed cost on transition to FRS102. Therefore, at the year end the land and buildings are held at their deemed historic cost.

The valuation of Elliot House, performed by Lambert Smith Hampton on 12 August 2021, was prepared on the basis of value in use within the charitable company's objectives.

Impairment

Freehold property

Following the refurbishment of Elliot House, which had a completion date during the 2022 financial year, the maximum was £2,300,000. This resulted in an impairment as shown in the note above. The amount of impairment loss included in the SoFA is £Nil (2022 - £273,919). The impairment loss is included in land & buildings.

During the year, properties included within land & buildings, with a net book value of £3,310,307 have been transferred from non-current assets to assets held for sale in note 17.

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

16 Fixed asset investments

Charity

	2023 £	2022 £
Investment in subsidiary	<u>-</u>	<u>-</u>

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2023	2022	
Subsidiary undertakings					
TCUK Homes Limited	England	Limited by Guarantee	100%	100%	Provision of social housing

Subsidiaries

The profit for the financial period of TCUK Homes Limited was £43,991 (2022 - £17,658) and the aggregate amount of capital and reserves at the end of the period was £16,964 (2022 - (£27,027)).

17 Assets held for sale

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Properties held for sale	<u>3,310,307</u>	<u>-</u>	<u>3,310,307</u>	<u>-</u>

The assets held for sale above, are properties actively listed at the year end which have all been sold post year end.

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

18 Debtors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	1,975,190	1,278,361	1,815,444	1,248,887
Due from group undertakings	-	-	389,962	995,256
Prepayments	723,327	533,930	639,876	482,919
Accrued income	706,920	589,531	706,920	589,531
Other debtors	1,446,183	1,021,081	855,295	524,543
	<u>4,851,620</u>	<u>3,422,903</u>	<u>4,407,497</u>	<u>3,841,136</u>

Group other debtors includes a bad debt provision of £633,918 (2022 - £636,123).

Charity other debtors includes a bad debt provision of £542,990 (2022 - £490,244).

19 Cash and cash equivalents

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Cash on hand	6,179	7,909	6,179	7,909
Cash at bank	542,280	1,191,604	200,215	195,944
Short-term deposits	1,553,662	2,518,629	1,553,662	2,518,629
	<u>2,102,121</u>	<u>3,718,142</u>	<u>1,760,056</u>	<u>2,722,482</u>

20 Creditors: amounts falling due within one year

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Bank loans	1,727,057	195,941	1,727,057	195,941
Trade creditors	1,050,997	1,328,958	971,715	1,135,295
Other taxation and social security	300,589	311,943	277,897	289,251
Other creditors	166,823	99,665	160,564	97,876
Accruals	1,446,799	985,933	1,265,102	878,503
Deferred income	2,188,348	3,029,578	2,252,348	3,029,578
	<u>6,880,613</u>	<u>5,952,018</u>	<u>6,654,683</u>	<u>5,626,444</u>

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

Deferred income

Group

	2023 £	2022 £
Deferred income at 1 April 2022	3,029,578	2,341,192
Resources deferred in the period	2,188,348	3,029,578
Amounts released from previous periods	<u>(3,029,578)</u>	<u>(2,341,192)</u>
Deferred income at year end	<u>2,188,348</u>	<u>3,029,578</u>

Charity

	2023 £	2022 £
Deferred income at 1 April 2022	3,029,578	2,341,192
Resources deferred in the period	2,252,348	3,029,578
Amounts released from previous periods	<u>(3,029,578)</u>	<u>(2,341,192)</u>
Deferred income at year end	<u>2,252,348</u>	<u>3,029,578</u>

21 Creditors: amounts falling due after one year

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Bank loans	-	2,545,114	-	2,545,114
Other creditors	<u>-</u>	<u>-</u>	<u>4,938,176</u>	<u>5,113,079</u>
	<u>-</u>	<u>2,545,114</u>	<u>4,938,176</u>	<u>7,658,193</u>

Bank Loans

	Repayable Date	Interest Rate	Total 2023 £	Total 2022 £
Loan 10	31 July 2024	Base rate plus 1.60%	<u>1,727,057</u>	<u>2,741,055</u>
			<u>1,727,057</u>	<u>2,741,055</u>

The bank loans are secured by way of a legal charge over Elliott House, 1-3 Bentinck Terrace, 156 & 158 Hotspur Street, The Fells, 36 Bentinck Road and Ridley Villas.

Other creditors within the Charity's balance sheet relate to a lease premium and long term liability due to its subsidiary TCUK Homes Limited.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

22 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Land and buildings				
Within one year	1,151,884	2,341,759	835,960	1,972,187
Between one and five years	207,935	1,012,628	9,650	630,890
After five years	-	13,036	-	13,036
	<u>1,359,819</u>	<u>3,367,423</u>	<u>845,610</u>	<u>2,616,113</u>
Other				
Within one year	18,260	45,292	18,260	45,292
Between one and five years	25,052	7,729	25,052	7,729
	<u>43,312</u>	<u>53,021</u>	<u>43,312</u>	<u>53,021</u>

23 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £855,766 (2022 - £819,513).

Contributions totalling £74,970 (2022 - £73,606) were payable to the scheme at the end of the year and are included in creditors.

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

24 Funds

Group

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
<i>General</i>					
Unrestricted funds	2,030,787	28,710,411	(28,723,311)	714,061	2,731,948
<i>Designated</i>					
Core properties	4,033,623	-	-	(558,935)	3,474,688
Property sinking fund	640,591	-	-	-	640,591
Revaluation reserve	651,780	-	-	-	651,780
	<u>5,325,994</u>	<u>-</u>	<u>-</u>	<u>(558,935)</u>	<u>4,767,059</u>
Total unrestricted funds	7,356,781	28,710,411	(28,723,311)	155,126	7,499,007
Restricted funds					
Restricted Funds	<u>6,314,780</u>	<u>4,735,845</u>	<u>(4,689,650)</u>	<u>(155,126)</u>	<u>6,205,849</u>
Total funds	<u>13,671,561</u>	<u>33,446,256</u>	<u>(33,412,961)</u>	<u>-</u>	<u>13,704,856</u>

The Cyrenians Limited
operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2022 £
Unrestricted funds					
<i>General</i>					
Unrestricted funds	2,227,345	25,729,077	(25,658,173)	(267,462)	2,030,787
<i>Designated</i>					
Core properties	4,060,423	-	-	(26,800)	4,033,623
Property sinking fund	640,591	-	-	-	640,591
Revaluation reserve	651,780	-	-	-	651,780
	<u>5,352,794</u>	<u>-</u>	<u>-</u>	<u>(26,800)</u>	<u>5,325,994</u>
Total unrestricted funds	7,580,139	25,729,077	(25,658,173)	(294,262)	7,356,781
Restricted funds					
Restricted Funds	<u>6,017,074</u>	<u>5,661,345</u>	<u>(5,383,982)</u>	<u>20,343</u>	<u>6,314,780</u>
Total funds	<u>13,597,213</u>	<u>31,390,422</u>	<u>(31,042,155)</u>	<u>(273,919)</u>	<u>13,671,561</u>

The analysis of Restricted Funds can be found at note 29.

Property Sinking Fund

The charity has a portfolio of both leased and owned properties, all of which should be maintained to a high standard to improve quality of service and standards of living. The sinking fund allows for future major repairs/refurbishment to the assets. Each year part of the sinking fund is spent on internal/external redecoration and upgrading and a separate amount is ring-fenced for future spends. The amount ring fenced represents the estimate of works to be carried out on owned buildings over the next 10 years.

Core Properties

The directors have reviewed the reserves policy and have now designated a property fund equal in value to the book value of the properties less any associated borrowings. The properties included are those core properties which are considered to be long term assets of the charity which could not be easily sold or mortgages obtained against in the event of requiring additional working capital.

Revaluation Reserve

The revaluation reserve relates to the upwards valuations of the core properties.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

25 Analysis of net assets between funds

Group

	Unrestricted			Total funds at 31 March 2023 £
	General £	Designated £	Restricted £	
Intangible fixed assets	4,691	-	-	4,691
Tangible fixed assets	2,076,385	3,145,724	5,094,621	10,316,730
Net current assets/(liabilities)	<u>650,872</u>	<u>1,621,335</u>	<u>1,111,228</u>	<u>3,383,435</u>
Total net assets	<u>2,731,948</u>	<u>4,767,059</u>	<u>6,205,849</u>	<u>13,704,856</u>

	Unrestricted			Total funds at 31 March 2022 £
	General £	Designated £	Restricted £	
Intangible fixed assets	9,382	-	-	9,382
Tangible fixed assets	5,125,062	4,685,403	5,207,801	15,018,266
Net current assets/(liabilities)	(558,543)	640,591	1,106,979	1,189,027
Creditors over 1 year	<u>(2,545,114)</u>	<u>-</u>	<u>-</u>	<u>(2,545,114)</u>
Total net assets	<u>2,030,787</u>	<u>5,325,994</u>	<u>6,314,780</u>	<u>13,671,561</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

26 Analysis of net funds

Group

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	3,718,142	(1,616,021)	2,102,121
Debt due within one year	(195,941)	(1,531,116)	(1,727,057)
Debt due after more than one year	<u>(2,545,114)</u>	<u>2,545,114</u>	<u>-</u>
Net (debt)/funds	<u>977,087</u>	<u>(602,023)</u>	<u>375,064</u>

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	3,016,801	701,341	3,718,142
Debt due within one year	(299,651)	103,710	(195,941)
Debt due after more than one year	<u>(2,740,142)</u>	<u>195,028</u>	<u>(2,545,114)</u>
Net (debt)/funds	<u>(22,992)</u>	<u>1,000,079</u>	<u>977,087</u>

27 Related party transactions

During the year the group made the following related party transactions:

TCUK Homes Limited

(Subsidiary)

During the year, the charity charged management charges of £436,481 (2022 - £414,888), recharged expenses of £151,956 (2022 - £297,924) and was recharged expenses of £Nil (2022 - £115,000). At the balance sheet date the amount due from TCUK Homes Limited was £389,962 (2022 - £995,256).

Karbon Homes

(An employee, the Assistant Director of Development Delivery, of the entity is a director of TCUK Homes Limited)

Rental and repair charges incurred to the value of £186,247 (2022 - £118,467). At the balance sheet date the amount due to Karbon Homes was £3,911 (2022 - £531).

Hobson Golf Club Limited

(A director of the entity was also a trustee of the charity.)

The charity received donations of £Nil (2022 - £2,100). At the balance sheet date the amount due to/from Hobson Golf Club Limited was £Nil (2022 - £Nil).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

29 Restricted Funds

Housing and Homelessness

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
National Lottery	Peer research in partnership with Crisis	1,875	-	-	-	1,875
Big Lottery Fund	Supporting people with multiple needs in Newcastle and Gateshead	25,250	140,607	(144,207)	-	21,650
ABF – The Soldiers Charity	Support ex armed forces personnel to transition to civilian lives in Gateshead	19,753	83,975	(89,137)	-	14,591
Sunderland City Council	Support for rough sleepers in Sunderland	10,135	69,500	(67,212)	-	12,423
Virgin Money Foundation	Establishment of the Athena project in Sunderland	22,617	-	-	(22,617)	-
Sunderland City Council	Additional COVID related support for families in Sunderland	29,390	28,120	(55,690)	-	1,820
South Tyneside CCG	To support people with mental health needs by providing two self-contained flats for short-term, 24-hour crisis accommodation to reduce delays in hospital discharge/risk of admission or readmission to hospital	-	542,681	(489,212)	-	53,469
NHS Vale of York CCG	To assist hospital staff in York to prevent avoidable admissions and facilitate effective discharge	35,203	82,377	(73,806)	-	43,774
Homes England	Purchase of homes for homeless people	2,285,881	-	-	(39,413)	2,246,468

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

29 Restricted Funds (continued)

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
Homes England	Refurbishment and Redevelopment of Elliot House into 36 flats	2,921,919	-	-	(73,766)	2,848,153
Total Housing and Homelessness		5,352,023	947,260	(919,264)	(135,796)	5,244,223

Drug and Alcohol

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
City of York Council	Establishment of a drug recovery centre in York	680,703	1,404,995	(1,439,904)	-	645,794
North Yorkshire County Council via Humankind	Partnership work in North Yorkshire – aftercare and recovery support	43,450	493,631	(463,545)	-	73,536
Total Drug and Alcohol		724,153	1,898,626	(1,903,449)	-	719,330

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

29 Restricted Funds (continued)

Women and Children

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
National Lottery Community Fund	Fund Support Workers and other posts in Wolverhampton	9,903	159,456	(152,333)	-	17,026
The Vardy Foundation	Develop Theory of Change model to influence training and service delivery	19,384	-	(54)	(19,330)	-
Merseyside PCC	Supporting sex workers in Merseyside to improve their safety and report crimes against them	5,263	150,293	(143,724)	-	11,832
MHCLG via Newcastle City Council – Safe Newcastle Unit	Part funding of Outreach Workers in Newcastle	26,134	120,458	(134,045)	-	12,547
Home Office	Violence against women and girls (VAWG)	-	233,999	(209,732)	-	24,267
National Lottery Community Fund	Support for 120 individuals within the Northumbria Police region who have been groomed for exploitation.	13,515	98,838	(99,377)	-	12,976
Police, Fire and Crime Commissioner for North Yorkshire Community Fund	Sex work project in North Yorkshire	11,954	129,381	(129,956)	-	11,379
DCMS	Support to overcoming trauma for adult survivors of grooming and sexual exploitation	13,487	463,172	(464,167)	-	12,492
Notts PCC	Conditional Caution	-	20,612	(20,595)	-	17

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

29 Restricted Funds (continued)

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
People's Postcode Trust	Support girls in Nottingham who experience period poverty	4,051	-	-	-	4,051
West Midlands PCC	Victim support in West Midlands	1,219	-	(181)	-	1,038
ADDER PCC	Red Umbrella sex worker project in Liverpool	-	69,133	(68,589)	-	544
Halton Borough Council	Provision of Domestic Abuse refuge and community support in Halton borough	5,851	-	(733)	-	5,118
PCC via MSS	Domestic Abuse safe accommodation around COVID in Cheshire	12,250	-	-	-	12,250
Newcastle City Council – Fairer Housing Unit	Provision of Domestic Abuse Health Advisor and Service Navigator	41,815	285,023	(282,958)	-	43,880
National Lottery via North East Law Centre	Employ Senior Support Worker as partner supporting disadvantaged groups	209	23,329	(11,518)	-	12,020
Northumbria PCC – COVID Fund	As above but specifically with reference to issues arising from COVID	46,489	107,010	(122,319)	-	31,180
Total Women and Children		211,524	1,860,704	(1,840,281)	(19,330)	212,617

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2023

29 Restricted Funds (continued)

Employment

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
Newcastle City Council – Newcastle Fund	Peer mentoring programme in Newcastle	5,460	-	(85)	-	5,375
Business in the Community	Prepare unemployed people in Newcastle for work	-	29,255	(26,571)	-	2,684
Total Employment		5,460	29,255	(26,656)	-	8,059

Criminal Justice

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
Nottinghamshire PCC	Working with Notts police to provide early intervention support	21,620	-	-	-	21,620
Total Criminal Justice		21,620	-	-	-	21,620

Grant Total

6,3,14,780	4,735,845	(4,689,650)	(155,126)	6,205,849
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THE CYRENIANS LTD

England & Wales - Charity number 500640

Accounts

Company registration number: 00995799

Charity registration number: 500640

THE CYRENIANS LIMITED

operating as

CHANGING LIVES

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

The Cyrenians Limited
operating as Changing Lives

Contents

Chairman's Statement	1
Reference and Administrative Details	2
Trustees' Report	3 to 16
Independent Auditors' Report	17 to 20
Consolidated Statement of Financial Activities	21
Comparative Consolidated Statement of Financial Activities	22
Consolidated Balance Sheet	23
Balance Sheet	24
Consolidated Statement of Cash Flows	25
Notes to the Financial Statements	26 to 57

The Cyrenians Limited

operating as Changing Lives

The trustees (who are also the Directors of the Company for the purposes of company law) are pleased to present their annual directors' report, including Strategic Report, together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Charities Statement of Recommended Practice ("Charities SORP") (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102) issued in October 2019.

Chair's Report

Changing Lives helps people facing the most challenging of circumstances make positive change - for good.

We believe that everyone deserves a safe home, a rewarding job and a life free from addiction or abuse. We know that with the right support, anyone can change their life for the better.

The last year has been a challenging one, starting as we emerged from the third national Coronavirus lockdown with continued uncertainty and challenges with recruiting people and ending with increasing concerns about the impact of the rises in cost of living on the people we work with, our teams and the organisation.

Being Becoming Belonging continues to be our focus for working with people, and we know to achieve this we need to work on shifting power away from the centre of the organization and create space for flexibility, adaptability and focusing on what matters to the people we work with.

The continued impact of the Covid19 pandemic, political uncertainty, Brexit, the war in Ukraine and other global pressures have resulted in an operating environment where many variables are beyond our control and are having a disproportionate impact on the people who use our services, and equally on our ability to attract, hire and retain our workforce. At a time when Changing Lives services are needed more than ever, our 18-month strategy has been set to ensure we are:

- Delivering Excellent Services
- Being Sustainable
- Improving Diversity and Inclusion
- Influencing Social Change

The next couple of years will undoubtedly be challenging, Changing Lives is in a strong position and this strategy will help guide us and ensure we keep our focus on what matters most to the people who use our services.

Dean Fielding
Chair of Trustees

The Cyrenians Limited

operating as Changing Lives

Reference and Administrative Details

Trustees	Dean Fielding, Chair Stephen Guyon, Vice Chair Lesley Telford, Treasurer Michael Barton Pete Brown Catherine Hearne Geraldine Kay
Secretary	Susan Carr
Key Management Personnel	Stephen Bell, Chief Executive Becky Elton, Deputy Chief Executive Laura Seebohm, Executive Director of External Affairs (April 21 - Jan 22) Nigel Dawson, Interim Director of Finance Lesley-Anne Knowles, Executive Director, People
Registered Office	Unit D13 Marquis Court Team Valley Trading Estate Gateshead Tyne and Wear NE11 0RU The charity is incorporated in England.
Company Registration Number	00995799
Charity Registration Number	500640
Solicitors	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne NE1 3DX Womble Bond Dickinson LLP 112 Quayside Newcastle upon Tyne NE1 3DX
Bankers	Barclays Bank plc Newcastle City 9 49 - 51 Northumberland Street Newcastle upon Tyne NE1 7AF
Auditor	Azets Audit Services Chartered Accountants and Statutory Auditor Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Structure, Governance and Management

The Charity group is comprised of the parent company, The Cyrenians Ltd and its wholly owned subsidiary TCUK Homes Ltd, the latter a charitable company limited by guarantee on 11 February 2022. TCUK Homes Ltd is also a registered social landlord.

Governing Document:

The charity's name is The Cyrenians Limited, however the charity operates under the name of Changing Lives. It is a charity registered in the United Kingdom, charity No. 500640, and a company limited by guarantee, registered in England, Company No. 00995799.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association, revised in 2017.

Appointment of trustees:

Trustees are appointed at the Annual General Meeting and the term of office is four years, after which they have the opportunity to be re-elected for a further period of four years.

The charity undertakes a regular skills audit of the board, and when vacancies arise it tries to recruit from areas in which the Board has no professional background. There is also a strong focus on the recruitment of board members with "lived experience" of the areas of focus for the charity.

Trustee induction and training:

A new member's Induction Package includes the following:

- Governance Handbook
- Membership Form
- Companies House Form
- DBS Form
- The Role of the Board of Directors
- Board Members information Sheets
- Information around any training requirements
- Organisational Chart
- Most recent audited accounts
- Changing Lives Strategic and Business Plan
- Board Meeting Schedule
- Copies of the last three Board Meeting minutes.

The Chair encourages new members to visit Changing Lives projects to better understand the work that we undertake.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Changing Lives trustees understand that effective governance is crucial to the running of the charity. The charity governance code is a key tool in ensuring that this is achieved. Trustees will be working through the principles of the good governance toolkit culminating in a self-evaluation, and Changing Lives is arranging for a range of training for board members.

Trustees participate in a range of activities to promote the charity, including hosting and attending fundraising events and influencing policy through participation at round tables and seminars on behalf of the charity. Trustees also use their professional and social networks to promote the charity, as well as joining in the conversation on social media to promote Changing Lives.

Trustees undertake regular project visits to engage with staff and people who use our services. When required trustees attend meetings with funders, commissioners and other stakeholders. The charity also commissions regular stakeholder surveys to find out views from stakeholders and the trustees receive and discuss the full reports and agree action upon the surveys.

Organisation:

Changing Lives has a Board of at least 6 and up to 15 members who meet regularly and are responsible for the strategic direction and policy of the charity. At present the board has 7 members from a variety of professional backgrounds relevant to the work of the charity.

The work of the Board is supported by the following sub committees:

- Finance
- Risk and Quality
- Remuneration

The Chief Executive on behalf of the Non-Executive Directors manages the charity with the help of a Senior Leadership Team. There is a clear structure and reporting accountabilities that run throughout the organisation, and details of those matters reserved to the Board, and those areas where decision-making power is delegated are set out in a detailed policy.

Related parties and co-operation with other organisations:

None of our Trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or member of the Senior Leadership Team must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. Related party transactions are reported in note 27.

Objectives and Activities

Purpose and Aims

Our charity's purpose as set out in the objects contained in the company's memorandum of association are:

To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to lead sustainably independent and fulfilled lives.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

To relieve the poverty of those in need, in particular the homeless or those at risk of homelessness.

The relief of the physical and mental sickness of persons in need; through the provision of treatments, including medical or psychosocial interventions, counselling and support.

To provide, for the benefit of the public, assistance through conciliation and mediation of persons whose relationships have, or are at risk of having, broken down and to advise and help in the settlement of differences over issues connected to such relationships.

"Socially excluded" means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender reassignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards); crime (either as a victim of crime or as an offender rehabilitating into society); being a member of a socially and economically deprived community.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our work

Our main objectives for the year continued to be delivering high quality services through our "Four Pillars".

Four Pillars

Housing and Homelessness Service:

There are a range of circumstances which mean people find themselves homeless, including family breakdown, addictions, mental and physical ill health and leaving prison or hospital. We want homelessness to be a brief transitory period in someone's life, not a permanent label or a cycle from which people find it hard to escape. Our homelessness services provide a safe place to stay, help to sort out practical issues, and strengths-based support. The ultimate aim is for people to transition out of homelessness and tough times in their lives quickly and positively, with a whole new community-based network of support built around them ready for the next steps in their journey.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Drug and Alcohol Service:

Addiction is one of the biggest factors in social exclusion, and the two often go hand-in-hand. Our dedicated drug and alcohol services offer tailored support to adults who are thinking about abstinence from drugs, alcohol, and/or substitute medications, and those who are taking active steps towards it. Across the Northeast and Yorkshire, we are on hand to help people take their first steps towards abstinence, support their ongoing recovery, and celebrate the recovery community.

Women and Children's Service:

Changing Lives' Women's Services reach out and support women and girls at risk and who may experience a range of complex needs. At Changing Lives, we provide support around vulnerabilities which are directly affected by gender, often relating to experiences of childhood trauma and abuse, which can continue into adolescence and adulthood.

Our dedicated staff members support women:

- with experience of sex work, survival sex and/or sexual exploitation
- with experience of domestic abuse
- with experience of the Criminal Justice System
- in need of recovery services for themselves and their family
- experiencing homelessness

Through our supported accommodation, women's centres, outreach services and community hubs, we take a women-centred approach to supporting our clients to lead fulfilling lives. This means:

- Women-only spaces
- Safe and trusted environments
- Trauma-informed approach, based on empathy, consistency, boundaries and an acknowledgement of the reality of each individual's life
- Strengths based approach that fosters empowerment and choice
- Recovery-focused work, including peer support and opportunities to share common experiences

Employment Services:

Employment Services help people who face barriers to the job market get employment-ready and secure sustainable jobs.

We support people to gain the confidence and skills they need to access employment by matching every person with an employment coach who will work with them on a one-to-one basis.

We work to empower people to take control of their futures. We understand that often people come to us with low self-esteem and no confidence in their abilities, because of past trauma and abuse.

We therefore prioritise workshops that can help boost confidence, as well as offering support developing CVs and setting up work placements.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

In 2021/22 we worked with around 12,000 people across our services and four pillars, in the Midlands, the North and Westminster to integrate services and develop new approaches that are person-led.

Our volunteers:

Our work is supported by a committed team of over 149 volunteers who collectively contributed over 14,000 hours in 2021/22. Volunteers support us across our services in a variety of roles including counselling, mentoring and in our central services.

Public Benefit:

We promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to lead sustainably independent and fulfilled lives.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and Performance:

Review of Operations

2021/22 was a challenging year for Changing Lives' operational services. Having tirelessly worked to support people through a year of lockdowns and uncertainty caused by the pandemic, the after effects, plus national and global events continued to cause hardship for the people we work with and continued challenges for our teams. In common with many organisations' recruitment was challenging and we had to adapt to changing patterns of demand and usage of our services. Despite all of this, our teams continued to focus on the people using our services, delivering, and ensuring consistent, positive support to help people overcome trauma and build on their strengths.

Our services continued to develop, we significantly expanded the delivery of women's criminal justice services with direct contracts with the Ministry of Justice in Northumbria, Cleveland, South Yorkshire West Midlands, Staffordshire, Leicestershire and Warwickshire. To deliver these contracts we work in close partnership with other women's organisations in the areas in which we work. As part of the mobilisation of this work we also achieved ISO27001 accreditation.

We welcomed the Middlesbrough Domestic Abuse Refuge, providing a safe space and support for women and families fleeing abuse, with plans to develop dispersed accommodation accessible for all people experiencing domestic abuse.

In partnership with Durham County Council, we opened a new service in Spennymoor, the North Eastern, providing supported accommodation for people experiencing homelessness in the county.

In Northumberland and North Tyneside, Mental Health Outreach services launched, providing strengths based support to people leaving hospital to help them stay well and access services in their communities.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Our influencing work continued, including via the STAGE project, a partnership project which works with women experiencing sexual exploitation across the North of England and aims to influence their treatment and access to support, including access to justice, access to safe housing, how we support black and minoritized women, access to good health services and transitional ages. The STAGE influencing group continues to be chaired by Jess Phillips, MP, and involves key partners.

In April, then Civil Society Minister Baroness Diana Barran gave a keynote speech at our 50th Celebration Roundtable breakfast event 'Recovery from the Pandemic: How do we support people and communities in the Northeast to Build Back Better?', and in July we hosted a roundtable for the Better Way Network, 'Doing Things Differently in the North'.

Our 'Learning to Listen Again' report, produced jointly with the Centre for Public Impact, was published in May, and the potential of this methodology to change power dynamics so people who are seldom heard can be involved in democratic processes has attracted wide interest.

We have highlighted the potential of dispersed housing as a community-led response to homelessness. In September, our flagship project, Bentinck Terrace, was officially opened by the Government's former rough sleeping advisor Baroness Louise Casey.

In October, our STAGE partnership hosted an online parliamentary event chaired by the Victims' Commissioner Dame Vera Baird and featuring key MPs and peers to raise awareness of sexual exploitation. This coincided with our announcement of £1m funding from the National Lottery Community Fund to continue our work to raise awareness of adult sexual exploitation.

Future Plans

Our 2022/24 Strategy sets out our overarching objectives for the year ahead.

1. Excellent Services

Our wide range of services for people experiencing challenging times, disadvantage and discrimination are underpinned by our Theory of Change, – Being Becoming Belonging – enabling those we support to live flourishing lives. We will continue to improve, adapt and develop our services, both operational and enabling, to ensure we are delivering the best possible support where we are needed. To do this we will:

- Continue our "Working with Purpose" work so services are led locally, can better listen to and focus on what matters to people we work with and are supported to be creative, agile, flexible and sustainable.
- Ensure Being Becoming Belonging continues to be relevant and useful to our services and the people we work with.
- Focus on quality across all our services, both operational and enabling.
- Provide learning and development opportunities for everyone who works for Changing Lives to create and maintain happy, skilled and supported teams
- Develop our IT and data systems to ensure that services can thrive and maximise time spent with people we work with, and we are digitally fit for the future.
- Continue to improve our understanding and measurement of what really matters to the people we work with, allowing us to better reflect on and learn from practice.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

2. Sustainability

The organisation and the people we work with are facing pressures on costs the like of which we have not seen for over 30 years and climate change needs to be urgently addressed by us all. We will focus on sustainable growth, quality, efficiency and environmental responsibility in order to ensure we can continue to respond to what matters to the people who use our services in the short, medium and long term. To do this we will:

- Define a strategy for sustainable growth which outlines the main opportunities to March 2024, focusing in and around our geographical footprint.
- Continue to develop trust and confidence in Changing Lives' brand, strengthening relationships with our partners, supporters, donors and commissioners.
- Conduct a strategic review of all services, operational and enabling, with a focus on quality, impact and sustainability.
Review organizational budgets and procurement processes to identify efficiencies in order to maximize resources available to offset cost of living increases, considering both salaries and how we support people.
- Engage with all commissioners and funders to explore impact of inflation and how funding can be increased or agree greater flexibility in how services are specified and delivered.
Influence our strategic partners and infrastructure organisations to increase the voice of the sector on impact of the rising cost of living and the wider economic context, on both the organisation and the people we work with.
- Develop a plan to achieve a just transition to net-zero by 2030.
Liquidate assets that are no longer fit for purpose or under-utilized in order to pay down loans and increase financial flexibility - combine utilization of assets used for general needs housing to supported accommodation in order to reduce reliance on private landlords.

3. Diversity & Inclusion

Systemic discrimination is a significant factor for many of the people we work with, keeping people trapped in the system and unable to fulfil their potential. We recognise that at Changing Lives we must be proactively anti-discriminatory and in particular to be anti-racist. We want our staff teams and leadership to reflect the communities in which we work and be open and relevant for people who need our services. We commit to improving diversity and inclusion at all levels of the organisation. To do this we will:

- Recruit, including senior staff and board members, to better reflect communities in which we work and ensure our decisions are informed by diverse perspectives.
Ensure we are accessible, inclusive and engaged with all minoritised groups in our communities, working with colleagues, people who use our services and partner organizations.
- Support our employee forums, including Staff Voice, Solidarity, LGBTQIA and Lived Experience, to influence organisational developments and delivery.
Continue to listen and respond to, and raise the voices of, people who experience racism and other forms of discrimination, including our colleagues, people who use services and the communities in which we operate.
- Ensure all colleagues have access to relevant and ongoing training on diversity and inclusion.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

- Develop a clear and measurable diversity and inclusion action plan in collaboration with colleagues and people we work with.

4. Social Change

Changing Lives delivers services that primarily respond to people experiencing crisis, however we know that this alone will not create longer term change and ultimately social justice. We want to challenge the assumption that crisis is inevitable, promote preventative action and improve responses across the system. To do this we will:

- Work to influence policy, systems and practice through demonstrating and sharing our learning, raising the voices of people we support and working collaboratively to influence change together
- Focus on understanding how the Cost-of-Living crisis is affecting the people we work with and our staff teams to shape our own response and influence responses locally and nationally.
- Build on the work we have been doing to measure impact and listen to people we work with, to understand, articulate and evidence what really matters to people.
- Meaningfully involve people who use our services in creating and influencing policy and practice.
- Connect with people and organisations who are working on social change, in particular in relation to the thematic areas we work in and the overarching areas of poverty, health inequality and social justice
- Work with and support partnerships concerned with systems change, including Changing Futures and York Multiple Complex Needs network.
- Celebrate and promote how our services support people in innovative ways to achieve a flourishing life.

Our Workforce - Employee Engagement:

The end of the third national lockdown in April 2021 marked the beginning of the financial year and a gradual easing of restrictions and move towards wider social contact. For the people who work with us, this impacted in different ways. For colleagues working in our services, the changes meant a continuation of working arrangements that had continued throughout the pandemic whereby our focus was on delivering support and managing any risk as far as we were able. For colleagues working within our enabling support functions, this meant a gradual return to office-based working and in-person contact. We had to accept that the world had fundamentally changed and therefore it was important to use our experiences and insights to think carefully about ways of working and connecting for the future. This came about through our commitment to "Working with Purpose" whereby efforts focussed on local service delivery and what really matters to the people we support and the people we work with. This included thinking carefully about how our teams connect both across operational services but also with our enabling support functions and how we could work towards a "one-team" approach.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

We tackled this in various ways, one solution included beginning a programme of system and process improvements to remove barriers with the aim of connecting teams whilst also supporting colleagues in our services to carry out their roles in the best way possible. This included the introduction of an automated recruitment platform to attract and hire new colleagues in a more timely and efficient way thus significantly reducing the burden on operational colleagues. This had the effect of building stronger relationships across operational and enabling teams given the shared purpose for improvement at the time of the national recruitment crisis during the autumn of 2021.

Connecting colleagues across our different services and geographies was also a key focus coming out of the pandemic and particularly for new colleagues who had joined us and whose onboarding experience had been affected. We invested effort in ensuring our communications were informative, relevant and accessible to all colleagues. The senior leadership team also took the opportunity, when restrictions allowed, to increase project visits to meet with, and hear from, our colleagues and encouraged others to do the same. Similarly, our Staff Voice Forum continued to reach out to colleagues and supported the work of various support networks in holding safe spaces for colleague connection, support and sharing of experiences. Our much loved and highly anticipated annual staff celebration event was postponed for the second year running with plans to hold an in-person event during summer 2022. We used the date set aside for the annual event for teams to celebrate their efforts and successes locally.

It was important during this period for us to think carefully about the effects of the past two years on our colleagues and to ensure our support provisions were relevant and accessible to everyone. We carefully monitored colleague behaviours during this period, e.g. sickness and other absence and continued our efforts to deliver wellbeing support that promoted good health whilst delivering timely support when things were not right. We particularly focussed efforts on mental wellbeing given we had identified a rise in absence rates, whilst at the same time looking at ways to improve work and the associated challenges which were occasionally associated with periods of absence. Our efforts saw us maintaining absence rates at workable levels, i.e. around 9% at the end of the previous financial year (FY20/21) which were reduced to around 3.8% at the end of this financial year (FY(21/22).

A significant time during the latter part of this year was committed to responding to what was coined “the Great Resignation” at a time when demand for jobs nationally far exceeded supply, the effects of which saw high turnover for Changing Lives coupled with significant difficulty in hiring new staff. Whilst efforts to turn this around were a priority, including reducing resultant reliance on temporary workers, the impacts upon staff could not be underestimated. Pay appeared to be a contributory factor for increased turnover whereby employers with ability to increase pay rates were successful in attracting talent. In addition, we saw high turnover within our lowest paid roles, i.e. night shift support workers, as a consequence of which we uplifted pay rates during the end of 2021 to address. This saw some improvement and assisted us in maintaining safe resourcing levels however we recognised that this is likely to be a temporary solution at a time of significant change in the world of work.

We ended the year with a clear understanding of the people related challenges and where our focus needed to be as we entered into the new financial year. Specifically, this is continuation of efforts to review our approach to work including how we are resourcing our services in the best way possible; ensuring we give the people we work with the best experience and tools to do their jobs, helping them to develop whilst valuing and supporting their efforts; and continuing our way to connect across all of our services by working as one team with one shared purpose.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Energy and Carbon Usage:

The Charity's work is around housing and homelessness. At the end of the financial year, the group had 1145 (2021:998) housing units. Properties vary from individual rooms to multi occupancy buildings, houses, and offices. Throughout the year, we employed an energy agency to manage our gas and electricity suppliers.

As can be seen from the table below, we own/lease few vehicles and emissions from owned transport contributes less than 6% of the Charity's carbon emissions.

UK Greenhouse gas emissions and energy use data for the year ended 31 March 2022	2022	2021
Energy consumption used to calculate emissions (kwh):		
Gas	4,968,198	5,128,271
Electricity	1,388,435	1,208,914
Transport fuel	341,834	295,376
Total	6,698,467	6,632,561
Scope 1 emissions in metric tonnes CO2e		
Gas Consumption	905.16	939.29
Owned Transport	56.34	48.68
Total Scope 1	961.50	987.97
Scope 2 emissions in metric tonnes CO2e		
Purchased Electricity	268.50	256.69
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	38.44	33.96
Total gross emissions in metric tonnes CO2e	1,268.43	1,278.62
Intensity ratio Tonnes CO2e per unit	1.11	1.28

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company reporting (as updated September 2022).

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per housing unit, the most relevant measure as most our emissions arise from our housing and homelessness activities.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Pay Policy:

The Remuneration Committee is established to recommend to the main Board an overall remuneration policy that is aligned with its long-term business strategy and objectives, enable the recruitment, retention and development of senior executives and the wider workforce whilst also complying with the requirements of regulation. The work of the Committee includes:

- To recommend and monitor the level and structure of remuneration for senior management team
- Agreeing and recommending to the Board the annual staff pay award and its distribution relative to performance ratings.
- Commissioning and considering market testing information relating to pay awards of Chief Executive, Executive Directors, and Directors pay.
- Receiving reports on recruitment, turnover, sickness trends, employment conditions, staff benefits and other related issues
- Reporting annually to the main Board on the work undertaken by the Committee.

Financial review:

The group achieved a total surplus of £74,348 of which £297,706 surplus relates to restricted income funds.

The results for the past three years have been significantly impacted by the timing and accounting treatment of the work on Elliot House, a property in the West of Newcastle. In 2019 we secured grant funding from Homes England to renovate and restructure the interior to provide 36 flats. The grant funding has allowed us to achieve our aims of providing high quality accommodation to those in need, however the ceiling price of the property has been restricted due to its location and as a result the cost of the work has been impaired to the market value.

The grant funding has been treated as restricted funds income, with the impairment being charged against unrestricted income. The impact of the work on Elliot House on the net movement in funds, for the two financial years, is illustrated below:

Description	Unrestricted Funds 2021	Restricted Funds 2021	Total 2021	Unrestricted Funds 2022	Restricted Funds 2022	Total 2022
Net Movement in Funds	(£2,058,9770	(£45,983)	(£2,104,960)	(£223,358)	£297,706	£74,348
Homes England Grant		(£557,074)	(£557,074)		(£136,471)	(£136,471)
Elliot House Impairment	£3,043,916		£3,043,916	£273,919		£273,919
Net Movement in Funds	£984,939	(£603,057)	£381,882	£50,561	£161,235	£211,796

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Investment policy:

The Trustees, having regard to the liquidity requirements of operating the charity, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds rates available in the current market.

During the year, trustees took the opportunity to repay certain bank loans to reduce the interest cost to the charity

The charity gifted its investment in The Cyrenians Fareshare North East Ltd to Fareshare North East on 30 June. In addition, the joint venture company Northern Inclusion Consortium was wound up on 30 September, with the investment being impaired in the accounts to the value of the final distribution, received in April 2021.

Reserves policy and going concern

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charitable company to hold free reserves those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. Resulting from this, the trustees consider it prudent to maintain unrestricted free reserves at a level sufficient to cover between two to four months of staff costs and lease commitments which equates to approx. £3million. At the 31 March 2022 the level of free reserves held by the charity was (£558,543), (2021 (£283,625) restated). The level of unrestricted reserves held by the charity at the year-end was £7,356,781 (2021 - £7,580,139 restated).

As part of the reserves policy the trustees have designated the following funds: Sinking fund of £640,591 (2021 - £640,591); Core Properties fund and the revaluation reserve £4,685,403 (2021 - £4,712,203). Narrative for these funds can be found in note 24 of the financial statements.

Overall funds of £13,671,561 (2021 - £13,597,213 restated) were held at 31 March 2022 which included restricted amounts of £6,471,515 (2021 - £6,017,074 restated).

Risk management

The directors have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks where necessary.

The Covid-19 pandemic and its knock-on impacts around staffing and use of agency staff are significant risks, there are other external risks around changes in policy that may also impact on funding. This has led to the development of strategic plans which are regularly revised and allow for the diversification of funding and activities. Internal risks are minimized by the implementation of procedures for authorization of all transactions and projects.

The charity maintains a risk register to ensure management of strategic risks, the Risk and Quality Committee has responsibility for oversight and quarterly review of the risk register, all strategic non-compliances and major strategic and operational risks to include safeguarding and health & safety. This Committee is chaired by a trustee, and reports into the main Board.

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

The charity has a loan with Barclays bank which has a covenant attached to it to monitor certain financial KPIs. Despite this loan, the charity is not particularly highly geared and in the event of a cash shortfall would be able to raise further finance against its assets, mainly property.

A large proportion of our income is derived from Local Authority budgets via housing benefit, contracts for service and grants. The announcement in the Autumn 2021 budget of increases in both National Insurance and National Minimal Wage, when combined with rising inflation, will place considerable cost pressures on these budgets. We are in the process of writing to our funders to raise these issues for discussion and looking at the viability of our projects should suitable increases not be forthcoming.

Our approach to fundraising activities:

The Charity complies with the Code of Fundraising Practice. All funds raised by the Charity will be spent for the purpose for which they are raised. All funds raised through sponsorship activities will be banked into the Charity's bank account before deduction of expenses. All literature will properly describe what donations will be used for. All fundraising activities will be conducted in an open honest and transparent manner. Changing Lives does not employ the services of outside professional fundraisers. During the period under review no complaints have been received. Changing Lives values the contribution made by all our donors. Changing Lives will treat all donors with respect and dignity. Changing Lives do not, and will not make, unsolicited calls to members of the public requesting donations.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of The Cyrenians Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Cyrenians Limited

operating as Changing Lives

Trustees' Report

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on ~~21-12-22~~²¹⁻¹²⁻²² and signed on its behalf by:



.....
Dean Fielding
Chair

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Opinion

We have audited the financial statements of The Cyrenians Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 15), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- reviewing board minutes;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- review financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; Building and fire safety regulations including; employment law (including the Working Time Directive); Care Quality Commission and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services

Chartered Accountants

Statutory Auditor

Bulman House

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3LS

Date: 21/12/22

Azets Audit Services is a trading name of Azets Audit Services Limited.

The Cyrenians Limited

operating as Changing Lives

Consolidated Statement of Financial Activities for the Year Ended 31 March 2022

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	(As restated) Total 2021 £
Income and Endowments from:					
Donations and legacies	3	296,840	248,736	545,576	1,007,452
Charitable activities	4	25,106,506	5,412,609	30,519,115	26,174,143
Other trading activities	5	324,812	-	324,812	146,393
Investment income	6	919	-	919	482
Total Income		<u>25,729,077</u>	<u>5,661,345</u>	<u>31,390,422</u>	<u>27,328,470</u>
Expenditure on:					
Raising funds		(14,455)	-	(14,455)	(7,050)
Charitable activities	7	<u>(25,643,718)</u>	<u>(5,383,982)</u>	<u>(31,027,700)</u>	<u>(26,288,432)</u>
Total Expenditure		<u>(25,658,173)</u>	<u>(5,383,982)</u>	<u>(31,042,155)</u>	<u>(26,295,482)</u>
Net income		70,904	277,363	348,267	1,032,988
Transfers between funds		(20,343)	20,343	-	-
Other recognised gains and losses					
Gains/losses on revaluation of fixed assets		<u>(273,919)</u>	<u>-</u>	<u>(273,919)</u>	<u>(3,043,916)</u>
Net movement in funds		(223,358)	297,706	74,348	(2,010,928)
Reconciliation of funds					
Total funds brought forward		<u>7,580,139</u>	<u>6,017,074</u>	<u>13,597,213</u>	<u>15,608,141</u>
Total funds carried forward	24	<u><u>7,356,781</u></u>	<u><u>6,314,780</u></u>	<u><u>13,671,561</u></u>	<u><u>13,597,213</u></u>

Included in expenditure on charitable activities above is a tax provision of £24,000 (2021: £28,593).

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 24.

The Cyrenians Limited

operating as Changing Lives

Comparative Consolidated Statement of Financial Activities for the Year Ended 31 March 2021 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	(As restated) Total 2021 £
Income and Endowments from:				
Donations and legacies	3	444,897	562,555	1,007,452
Charitable activities	4	23,656,930	2,517,213	26,174,143
Other trading activities	5	146,393	-	146,393
Investment income	6	482	-	482
Total income		<u>24,248,702</u>	<u>3,079,768</u>	<u>27,328,470</u>
Expenditure on:				
Raising funds		(7,050)	-	(7,050)
Charitable activities	7	<u>(24,040,998)</u>	<u>(2,247,434)</u>	<u>(26,288,432)</u>
Total expenditure		<u>(24,048,048)</u>	<u>(2,247,434)</u>	<u>(26,295,482)</u>
Net income		200,654	832,334	1,032,988
Transfers between funds		784,285	(784,285)	-
Other recognised gains and losses				
Gains/losses on revaluation of fixed assets		<u>(3,043,916)</u>	-	<u>(3,043,916)</u>
Net movement in funds		(2,058,977)	48,049	(2,010,928)
Reconciliation of funds				
Total funds brought forward		<u>9,639,116</u>	<u>5,969,025</u>	<u>15,608,141</u>
Total funds carried forward	24	<u><u>7,580,139</u></u>	<u><u>6,017,074</u></u>	<u><u>13,597,213</u></u>

The Cyrenians Limited

operating as Changing Lives

(Registration number: 00995799)

Consolidated Balance Sheet as at 31 March 2022

	Note	2022 £	(As restated) 2021 £
Fixed assets			
Intangible assets	14	9,382	14,073
Tangible assets	15	15,018,266	15,186,048
Investments	16	-	10,929
		<u>15,027,648</u>	<u>15,211,050</u>
Current assets			
Debtors	17	3,422,903	2,970,456
Cash at bank and in hand	18	<u>3,718,142</u>	<u>3,016,801</u>
		7,141,045	5,987,257
Creditors: Amounts falling due within one year	19	<u>(5,952,018)</u>	<u>(4,860,952)</u>
Net current assets		<u>1,189,027</u>	<u>1,126,305</u>
Total assets less current liabilities		16,216,675	16,337,355
Creditors: Amounts falling due after more than one year	20	<u>(2,545,114)</u>	<u>(2,740,142)</u>
Net assets		<u>13,671,561</u>	<u>13,597,213</u>
Funds of the group:			
Restricted		<u>6,314,780</u>	<u>6,017,074</u>
Unrestricted income funds			
Designated funds		5,325,994	5,352,794
General funds		<u>2,030,787</u>	<u>2,227,345</u>
Total unrestricted funds		<u>7,356,781</u>	<u>7,580,139</u>
Total funds	24	<u>13,671,561</u>	<u>13,597,213</u>

The financial statements on pages 21 to 57 were approved by the Trustees, and authorised for issue on ~~21.12.22~~ and signed on their behalf by:



.....
Dean Fielding
Chair

The Cyrenians Limited

operating as Changing Lives

(Registration number: 00995799)
Balance Sheet as at 31 March 2022

	Note	2022 £	(As restated) 2021 £
Fixed assets			
Intangible assets	14	9,382	14,073
Tangible assets	15	14,746,497	14,984,225
Investments	16	-	10,929
		<u>14,755,879</u>	<u>15,009,227</u>
Current assets			
Debtors	17	3,841,136	2,789,314
Cash at bank and in hand	18	<u>2,722,482</u>	<u>2,898,221</u>
		6,563,618	5,687,535
Creditors: Amounts falling due within one year	19	<u>(5,626,444)</u>	<u>(4,671,733)</u>
Net current assets		<u>937,174</u>	<u>1,015,802</u>
Total assets less current liabilities		15,693,053	16,025,029
Creditors: Amounts falling due after more than one year	20	<u>(7,658,193)</u>	<u>(7,968,206)</u>
Net assets		<u>8,034,860</u>	<u>8,056,823</u>
Funds of the charity:			
Restricted			
		<u>632,324</u>	<u>314,354</u>
Unrestricted income funds			
Designated funds		5,316,666	5,343,466
Unrestricted funds		<u>2,085,870</u>	<u>2,399,003</u>
Total unrestricted funds		<u>7,402,536</u>	<u>7,742,469</u>
Total funds	24	<u>8,034,860</u>	<u>8,056,823</u>

The charity made a deficit after tax for the financial year of £21,963 (2021 - deficit of £2,510,052 restated).

The financial statements on pages 21 to 57 were approved by the Trustees, and authorised for issue on 23 March 2022, and signed on their behalf by:



.....
Dean Fielding
Chair

The Cyrenians Limited

operating as Changing Lives

Consolidated Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	(As restated) 2021 £
Cash flows from operating activities			
Net cash income		348,267	1,032,988
Adjustments to cash flows from non-cash items			
Depreciation		535,371	537,971
Amortisation		4,691	4,691
Investment income	6	(919)	(482)
Interest payable		48,387	77,863
Impairment loss on disposal of fixed assets held for the group's own use		-	8,609
		<u>935,797</u>	<u>1,661,640</u>
Working capital adjustments			
Decrease in stocks		-	295,150
Increase in debtors	17	(452,447)	(920,536)
Increase in creditors	19	506,390	717,337
Decrease in provisions		-	(7,298)
Increase in deferred income	20	<u>688,386</u>	<u>524,418</u>
Net cash flows from operating activities		<u>1,678,126</u>	<u>2,270,711</u>
Cash flows from investing activities			
Interest receivable and similar income	6	919	482
Purchase of tangible fixed assets	15	(641,508)	(3,067,144)
Sale of tangible fixed assets		-	108,281
Sale of investments		<u>10,929</u>	<u>-</u>
Net cash flows from investing activities		<u>(629,660)</u>	<u>(2,958,381)</u>
Cash flows from financing activities			
Interest payable and similar charges		(48,387)	(77,863)
Repayment of loans and borrowings	19	(298,738)	(1,303,878)
Repayment of capital element of finance leases and HP contracts	21	<u>-</u>	<u>(20,561)</u>
Net cash flows from financing activities		<u>(347,125)</u>	<u>(1,402,302)</u>
Net increase/(decrease) in cash and cash equivalents		701,341	(2,089,972)
Cash and cash equivalents at 1 April		<u>3,016,801</u>	<u>5,106,773</u>
Cash and cash equivalents at 31 March		<u><u>3,718,142</u></u>	<u><u>3,016,801</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: Unit D13, Marquis Court, Team Valley Trading Estate, Gateshead, Tyne and Wear, NE11 0RU.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

The Cyrenians Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in Sterling which is the functional currency.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2022.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a deficit after tax for the financial year of £21,963, after recognising an impairment on Elliott House totalling £273,919 (2021 - deficit of £2,510,052 restated).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. The charity and its trading subsidiaries have strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Determine whether leases entered into by Changing Lives either as a lessor or lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determine whether there are any indicators of impairment of Changing Lives tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. The carrying amount is £15,018,266 (2021 - £15,186,048).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

Income and endowments

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations and legacies

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS102). Further detail is given in the Trustees' Annual Report.

Grants receivable

Revenue grants receivable are credited to income immediately where entitlement is not conditional on the delivery of specific performance criteria by the group. Where grants relate to performance and specific deliverables, income is accounted for as the group earns its right to consideration by its performance.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Other trading activities

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income

Interest is included when receivable by the group.

Charitable activities

The recognition of income received in relation to the Social Housing Grant within the consolidated accounts is done so using the performance model in line with the charities SORP.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

Other income

Net Assets transferred on the acquisition of entities into the group are recorded within voluntary income at the value that the assets are worth on the date of the transfer.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's (and the group's) activities. These costs, which have not been directly apportioned, have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in the Support Cost note.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Rebranding	10% straight line

Tangible fixed assets

Individual fixed assets are initially recorded at cost.

Where fixed assets have been previously carried at a revalued amount, upon transition to FRS102 deemed cost was adopted.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold property improvements	Straight line over the period of the lease
Freehold and leasehold property	2% - 15% straight line
Motor vehicles	25% straight line
Fixtures and fittings	25% - 33% straight line

No depreciation is provided on land.

Impairment of fixed assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

Fixed asset investments

Investments in subsidiaries are recognised at cost.

Investments in associates are measured at cost less impairment.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the group.

The group has designated certain funds for specific purposes. These are explained in more detail in the notes. The directors have decided that setting aside funds in this way is a useful financial discipline, which will help the group make the best use of its resources, even though there is no legal force to the designation.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Operating leases

Assets held for use in operating leases are included as a separate category in fixed assets at cost and depreciated over their useful life.

Rental income from operating leases is recognised on a straight line basis over the term of the lease.

Pensions and other post retirement obligations

The group also operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the group. The annual contributions payable are charged to the income and expenditure account.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Donations and legacies;			
Donations	291,611	112,265	403,876
Legacies	5,229	-	5,229
Grants, including capital grants;			
Government grants	-	136,471	136,471
	<u>296,840</u>	<u>248,736</u>	<u>545,576</u>
	Unrestricted funds General £	Restricted funds £	Total 2021 £
Donations and legacies;			
Donations	132,501	-	132,501
Legacies	298	-	298
Grants, including capital grants;			
Government grants	7,076	557,074	564,150
Grants	<u>305,022</u>	<u>5,481</u>	<u>310,503</u>
	<u>444,897</u>	<u>562,555</u>	<u>1,007,452</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Homelessness including Day Centre & Outreach	17,707,550	2,038,632	19,746,182
Addictions and Recovery	2,997,513	2,005,460	5,002,973
Employment and Training	525,916	34,517	560,433
Womens Services including Family	3,875,527	1,334,000	5,209,527
	<u>25,106,506</u>	<u>5,412,609</u>	<u>30,519,115</u>

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Homelessness including Day Centre & Outreach	16,061,959	899,721	16,961,680
Addictions and Recovery	4,065,868	44,370	4,110,238
Employment and Training	865,352	10,000	875,352
Womens Services including Family	2,663,751	1,563,122	4,226,873
	<u>23,656,930</u>	<u>2,517,213</u>	<u>26,174,143</u>

5 Income from other trading activities

	Unrestricted funds General £	Total 2022 £
Trading income;		
Sales of goods and services	69,077	69,077
Events income;		
Fundraising	16,902	16,902
Property rental income	79,759	79,759
Other income from other trading activities	159,074	159,074
	<u>324,812</u>	<u>324,812</u>

The Cyrenians Limited

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Notes to the Financial Statements for the Year Ended 31 March 2022

	Unrestricted funds General £	Total 2021 £
Trading income;		
Sales of goods and services	25,547	25,547
Events income;		
Fundraising	5,144	5,144
Membership subscriptions	(987)	(987)
Property rental income	17,660	17,660
Other income from other trading activities	99,029	99,029
	<u>146,393</u>	<u>146,393</u>

6 Investment income

	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income;		
Interest receivable on bank deposits	919	919
	<u>919</u>	<u>919</u>

	Unrestricted funds General £	Total 2021 £
Interest receivable and similar income;		
Interest receivable on bank deposits	482	482
	<u>482</u>	<u>482</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Homelessness including Day Centre & Outreach	18,002,700	2,346,396	20,349,096
Addictions and Recovery	2,843,058	1,696,417	4,539,475
Employment and Training	717,217	70,469	787,686
Womens Services including Family	4,080,743	1,270,700	5,351,443
	<u>25,643,718</u>	<u>5,383,982</u>	<u>31,027,700</u>

	Unrestricted funds Designated £	General £	Restricted funds £	Total 2021 £
Homelessness including Day Centre & Outreach	144,479	16,033,021	750,529	16,928,029
Addictions and Recovery	-	4,189,224	19,405	4,208,629
Employment and Training	-	923,408	10,010	933,418
Womens Services including Family	-	2,750,866	1,467,490	4,218,356
	<u>144,479</u>	<u>23,896,519</u>	<u>2,247,434</u>	<u>26,288,432</u>

	Activity undertaken directly £	Activity support costs £	2022 £
Homelessness including Day Centre & Outreach	19,347,400	1,001,696	20,349,096
Addictions and Recovery	4,243,581	295,894	4,539,475
Employment and Training	725,250	62,436	787,686
Womens Services including Family	5,101,698	249,745	5,351,443
	<u>29,417,929</u>	<u>1,609,771</u>	<u>31,027,700</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

	Activity undertaken directly £	Activity support costs £	2021 £
Homelessness including Day Centre & Outreach	15,855,215	1,072,814	16,928,029
Addictions and Recovery	3,931,128	277,501	4,208,629
Employment and Training	853,315	80,103	933,418
Womens Services including Family	3,929,412	288,944	4,218,356
	<u>24,569,070</u>	<u>1,719,362</u>	<u>26,288,432</u>

Included in expenditure on charitable activities above is a tax provision of £24,000 (2021: £28,593).

In addition to the expenditure analysed above, there are also governance costs of £65,883 (2021 - £74,517) which relate directly to charitable activities. See note 8 for further details.

8 Analysis of support costs

Support costs allocated to charitable activities

	Basis of allocation	Governance costs £	Other support costs £	Total 2022 £	Total 2021 £
Homelessness including Day Centre & Outreach	Estimate of staff time	65,883	935,813	1,001,696	1,072,814
Addictions and Recovery	Estimate of staff time	-	295,894	295,894	277,501
Employment and Training	Estimate of staff time	-	62,436	62,436	80,103
Womens Services including Family	Estimate of staff time	-	249,745	249,745	288,944
		<u>65,883</u>	<u>1,543,888</u>	<u>1,609,771</u>	<u>1,719,362</u>

Governance costs

	Total 2022 £	Total 2021 £
Salary costs	43,443	45,238
Audit fees and other professional fees	22,440	29,279
	<u>65,883</u>	<u>74,517</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022	2021
	£	£
Audit fees	26,220	23,400
Other non-audit services	16,800	72,756
Impairment loss on disposal of fixed assets held for the group's own use	-	8,609
Depreciation of fixed assets	535,371	537,971
Amortisation of goodwill	4,691	4,691
	<u>4,691</u>	<u>4,691</u>

Included in other recognised gains and losses is the impairment on the refurbishment of Elliot House totalling £273,919 (2021 - £3,043,916).

10 Trustees remuneration and expenses

Trustees were reimbursed expenses of £Nil (2021 - £Nil).

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2022	2021
	£	£
Staff costs during the year were:		
Wages and salaries	13,462,240	13,091,476
Social security costs	1,145,943	1,063,141
Pension costs	819,513	784,874
Compensation payments	19,132	21,858
	<u>15,446,828</u>	<u>14,961,349</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2022	2021
	No	No
Corporate Services	78	75
Health and Addictions	109	97
Housing and Homeless	369	375
Women and Criminal Justice	92	101
Employment & Training	23	28
	<u>671</u>	<u>676</u>

During the year, the group made redundancy and/or termination payments which totalled £19,132 (2021 - £21,858).

The number of employees whose emoluments fell within the following bands was:

	2022	2021
	No	No
£60,001 - £70,000	-	3
£70,001 - £80,000	1	-
£80,001 - £90,000	1	1
£110,001 - £120,000	1	1
	<u>1</u>	<u>1</u>

The total contributions paid to the defined contribution pension scheme during the year for higher paid staff was £40,810 (2021 - £38,416).

The total employee benefits of the key management personnel of the group were £452,698 (2021 - £428,443).

12 Auditors' remuneration

	2022	2021
	£	£
Audit of the financial statements	<u>26,220</u>	<u>23,400</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

13 Taxation

The group is a registered charity and is therefore potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

14 Intangible fixed assets

Group and Charity

	Rebranding £
Cost	
At 1 April 2021	46,911
At 31 March 2022	46,911
Amortisation	
At 1 April 2021	32,838
Charge for the year	4,691
At 31 March 2022	37,529
Net book value	
At 31 March 2022	9,382
At 31 March 2021	14,073

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

15 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2021	20,864,231	1,606,760	86,437	22,557,428
Additions	<u>353,119</u>	<u>288,389</u>	-	<u>641,508</u>
At 31 March 2022	<u>21,217,350</u>	<u>1,895,149</u>	<u>86,437</u>	<u>23,198,936</u>
Depreciation				
At 1 April 2021	6,018,989	1,265,954	86,437	7,371,380
Impairment	273,919	-	-	273,919
Charge for the year	<u>376,086</u>	<u>159,285</u>	-	<u>535,371</u>
At 31 March 2022	<u>6,668,994</u>	<u>1,425,239</u>	<u>86,437</u>	<u>8,180,670</u>
Net book value				
At 31 March 2022	<u>14,548,356</u>	<u>469,910</u>	<u>-</u>	<u>15,018,266</u>
At 31 March 2021	<u>14,845,242</u>	<u>340,806</u>	<u>-</u>	<u>15,186,048</u>

Included within the net book value of land and buildings above is £14,314,589 (2021 - £14,576,262) in respect of freehold land and buildings and £233,767 (2021 - £268,980) in respect of leaseholds.

Certain freehold land and buildings included above were recognised using the previous valuation, as deemed cost on transition to FRS102. Therefore, at the year end the land and buildings are held at their deemed historic cost.

The valuation of Elliot House, performed by Lambert Smith Hampton on 12 August 2021, was prepared on the basis of value in use within the charitable company's objectives.

Impairment

Freehold property

Following the refurbishment of Elliot House, which has an expected completion date during the 2022 financial year, the value of the property is estimated to be £2,300,000. This has resulted in an impairment as shown in the note above. The amount of impairment loss included in the SoFA is £273,919 (2021 - £3,043,916). The impairment loss is included in land & buildings.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2021	20,693,943	1,540,035	85,642	22,319,620
Additions	<u>353,119</u>	<u>133,820</u>	-	<u>486,939</u>
At 31 March 2022	<u>21,047,062</u>	<u>1,673,855</u>	<u>85,642</u>	<u>22,806,559</u>
Depreciation				
At 1 April 2021	6,005,902	1,243,851	85,642	7,335,395
Impairment	273,919	-	-	273,919
Charge for the year	<u>333,565</u>	<u>117,183</u>	-	<u>450,748</u>
At 31 March 2022	<u>6,613,386</u>	<u>1,361,034</u>	<u>85,642</u>	<u>8,060,062</u>
Net book value				
At 31 March 2022	<u>14,433,676</u>	<u>312,821</u>	-	<u>14,746,497</u>
At 31 March 2021	<u>14,688,041</u>	<u>296,184</u>	-	<u>14,984,225</u>

Included within the net book value of land and buildings above is £14,199,909 (2021 - £14,442,530) in respect of freehold land and buildings and £233,767 (2021 - £245,511) in respect of leaseholds.

Certain freehold land and buildings included above were recognised using the previous valuation, as deemed cost on transition to FRS102. Therefore, at the year end the land and buildings are held at their deemed historic cost.

The valuation of Elliot House, performed by Lambert Smith Hampton on 12 August 2021, was prepared on the basis of value in use within the charitable company's objectives.

Impairment

Freehold property

Following the refurbishment of Elliot House, which has an expected completion date during the 2022 financial year, the value of the property is estimated to be £2,300,000. This has resulted in an impairment as shown in the note above. The amount of impairment loss included in the SoFA is £273,919 (2021 - £3,043,916). The impairment loss is included in land & buildings.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

16 Fixed asset investments

Group

	2022 £	2021 £
Other investments	-	10,929

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2022	2021	
Associates					
Northern Inclusion Consortium	England	Ordinary	0%	25%	Procurement services

Other investments

	Unlisted investments £
Cost or Valuation	
At 1 April 2021	30,000
Disposals	(30,000)
At 31 March 2022	-
Provision for impairment	
At 1 April 2021	19,071
Eliminated on disposal	(19,071)
At 31 March 2022	-
Net book value	
At 31 March 2022	-
At 31 March 2021	10,929

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

Associates

Aggregate financial information of associates

	2022 £	2021 £
Total assets	-	125,271
Total liabilities	-	(81,325)
Net assets	-	43,946
Revenues	-	1,538,544
Profit or loss	-	(69,085)

Charity

	2022 £	2021 £
Other investments	-	10,929

Other investments

	Unlisted investments £	Total £
Cost or Valuation		
At 1 April 2021	30,000	30,000
Disposals	(30,000)	(30,000)
At 31 March 2022	-	-
Provision for impairment		
At 1 April 2021	19,071	19,071
Eliminated on disposal	(19,071)	(19,071)
At 31 March 2022	-	-
Net book value		
At 31 March 2022	-	-
At 31 March 2021	10,929	10,929

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2022	2021	
Subsidiary undertakings					
TCUK Homes Limited	England	Limited by Guarantee	100%	100%	Provision of social housing

Subsidiaries

The profit for the financial period of TCUK Homes Limited was £17,658 (2021 - (£11,622)) and the aggregate amount of capital and reserves at the end of the period was (£27,027) (2021 - (£44,685)).

17 Debtors

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	1,278,361	751,285	1,248,887	750,541
Due from group undertakings	-	-	995,256	624,870
Prepayments	533,930	523,354	482,919	463,925
Accrued income	589,531	1,178,202	589,531	621,128
Other debtors	<u>1,021,081</u>	<u>517,615</u>	<u>524,543</u>	<u>328,850</u>
	<u>3,422,903</u>	<u>2,970,456</u>	<u>3,841,136</u>	<u>2,789,314</u>

Group other debtors includes a bad debt provision of £636,123 (2021 - £619,108).

Charity other debtors includes a bad debt provision of £490,244 (2021 - £429,574).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

18 Cash and cash equivalents

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Cash on hand	7,909	5,250	7,909	5,250
Cash at bank	1,191,604	318,580	195,944	200,000
Short-term deposits	2,518,629	2,692,971	2,518,629	2,692,971
	<u>3,718,142</u>	<u>3,016,801</u>	<u>2,722,482</u>	<u>2,898,221</u>

19 Creditors: amounts falling due within one year

	Group		Charity	
	2022 £	2021 £ (As restated)	2022 £	2021 £ (As restated)
Bank loans	195,941	299,651	195,941	299,651
Trade creditors	1,328,958	765,235	1,135,295	672,592
Other taxation and social security	311,943	310,408	289,251	254,607
Other creditors	99,665	114,550	97,876	112,793
Accruals	985,933	1,029,916	878,503	990,898
Deferred income	3,029,578	2,341,192	3,029,578	2,341,192
	<u>5,952,018</u>	<u>4,860,952</u>	<u>5,626,444</u>	<u>4,671,733</u>

Deferred income

Group

	2022 £	2021 £ (As restated)
Deferred income at 1 April 2021	2,341,192	1,816,774
Resources deferred in the period	3,029,578	2,341,192
Amounts released from previous periods	(2,341,192)	(1,816,774)
Deferred income at year end	<u>3,029,578</u>	<u>2,341,192</u>

At the balance sheet date the Charity was holding funds in relation to grant and contract income where the conditions attached to the funding have not been met.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

Charity

	2022 £	2021 £(As restated)
Deferred income at 1 April 2021	2,341,192	1,750,484
Resources deferred in the period	3,029,578	2,341,192
Amounts released from previous periods	<u>(2,341,192)</u>	<u>(1,750,484)</u>
Deferred income at year end	<u>3,029,578</u>	<u>2,341,192</u>

At the balance sheet date the Charity was holding funds in relation to grant and contract income where the conditions attached to the funding have not been met.

20 Creditors: amounts falling due after one year

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Bank loans	2,545,114	2,740,142	2,545,114	2,740,142
Other creditors	<u>-</u>	<u>-</u>	<u>5,113,079</u>	<u>5,228,064</u>
	<u>2,545,114</u>	<u>2,740,142</u>	<u>7,658,193</u>	<u>7,968,206</u>

Bank Loans

	Repayable Date	Interest Rate	Total 2022 £	Total 2021 £
Loan 10	31 July 2024	Base rate plus 1.60%	2,741,055	2,939,793
Big issue investment		Nil	<u>-</u>	<u>100,000</u>
			<u>2,741,055</u>	<u>3,039,793</u>

The bank loans are secured by way of a legal charge over Elliott House, 1-3 Bentinck Terrace, 156 & 158 Hotspur Street, The Fells, Roycroft House, Francis House, 36 Bentinck Road and Ridley Villas.

Other creditors within the Charity's balance sheet relate to a lease premium and long term liability due to its subsidiary TCUK Homes Limited.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

21 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Land and buildings				
Within one year	2,281,494	2,063,360	1,924,726	1,698,102
Between one and five years	1,012,628	2,405,092	630,890	1,918,468
After five years	13,036	13,014	13,036	13,014
	<u>3,307,158</u>	<u>4,481,466</u>	<u>2,568,652</u>	<u>3,629,584</u>
Other				
Within one year	45,292	44,448	45,292	44,448
Between one and five years	7,729	41,622	7,729	41,622
	<u>53,021</u>	<u>86,070</u>	<u>53,021</u>	<u>86,070</u>

22 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £819,513 (2021 - £784,874).

Contributions totalling £73,606 (2021 - £76,845) were payable to the scheme at the end of the year and are included in creditors.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

23 Commitments

Group

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2021 - £274,100).

Charity

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2021 - £274,100).

24 Funds

Group

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers and other recognised gains/(losses) £	Balance at 31 March 2022 £
Unrestricted funds					
General					
Unrestricted funds	2,227,345	25,729,077	(25,658,173)	(267,462)	2,030,787
Designated					
Core properties	4,060,423	-	-	(26,800)	4,033,623
Property sinking fund	640,591	-	-	-	640,591
Revaluation reserve	651,780	-	-	-	651,780
	<u>5,352,794</u>	<u>-</u>	<u>-</u>	<u>(26,800)</u>	<u>5,325,994</u>
Total unrestricted funds	7,580,139	25,729,077	(25,658,173)	(294,262)	7,356,781
Restricted funds					
Restricted Funds	<u>6,017,074</u>	<u>5,661,345</u>	<u>(5,383,982)</u>	<u>20,343</u>	<u>6,314,780</u>
Total funds	<u>13,597,213</u>	<u>31,390,422</u>	<u>(31,042,155)</u>	<u>(273,919)</u>	<u>13,671,561</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfer and other recognised gains/(losses) £	Balance at 31 March 2021 £ (As restated)
Unrestricted funds					
<i>General</i>					
Unrestricted funds	4,499,427	24,248,702	(23,903,569)	(2,617,215)	2,227,345
<i>Designated</i>					
Core properties	3,859,403	-	-	201,020	4,060,423
Property sinking fund	628,506	-	(144,479)	156,564	640,591
Revaluation reserve	651,780	-	-	-	651,780
	<u>5,139,689</u>	<u>-</u>	<u>(144,479)</u>	<u>357,584</u>	<u>5,352,794</u>
Total unrestricted funds	9,639,116	24,248,702	(24,048,048)	(2,259,631)	7,580,139
Restricted funds					
Restricted Funds	<u>5,969,025</u>	<u>3,079,768</u>	<u>(2,247,434)</u>	<u>(784,285)</u>	<u>6,017,074</u>
Total funds	<u>15,608,141</u>	<u>27,328,470</u>	<u>(26,295,482)</u>	<u>(3,043,916)</u>	<u>13,597,213</u>

The analysis of Restricted Funds can be found at note 29.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

Property Sinking Fund

The charity has a portfolio of both leased and owned properties, all of which should be maintained to a high standard to improve quality of service and standards of living. The sinking fund allows for future major repairs/refurbishment to the assets. Each year part of the sinking fund is spent on internal/external redecoration and upgrading and a separate amount is ring-fenced for future spends. The amount ring fenced represents the estimate of works to be carried out on owned buildings over the next 10 years.

Core Properties

The directors have reviewed the reserves policy and have now designated a property fund equal in value to the book value of the properties less any associated borrowings. The properties included are those core properties which are considered to be long term assets of the charity which could not be easily sold or mortgages obtained against in the event of requiring additional working capital.

Revaluation Reserve

The revaluation reserve relates to the upwards valuations of the core properties.

25 Analysis of net assets between funds

Group

	Unrestricted			Total funds at 31 March 2021 £
	General £	Designated £	Restricted £	
Intangible fixed assets	9,382	-	-	9,382
Tangible fixed assets	5,125,062	4,685,403	5,207,801	15,018,266
Net current assets/(liabilities)	(558,543)	640,591	1,106,979	1,189,027
Creditors over 1 year	(2,545,114)	-	-	(2,545,114)
Total net assets	<u>2,030,787</u>	<u>5,325,994</u>	<u>6,314,780</u>	<u>13,671,561</u>

	Unrestricted			Total funds at 31 March 2021 £
	General £	Designated £	Restricted £	
Intangible fixed assets	14,073	-	-	14,073
Tangible fixed assets	5,226,110	4,731,874	5,228,064	15,186,048
Fixed asset investments	10,929	-	-	10,929
Net current assets/(liabilities)	(283,625)	620,920	789,010	1,126,305
Creditors over 1 year	(2,740,142)	-	-	(2,740,142)
Total net assets	<u>2,227,345</u>	<u>5,352,794</u>	<u>6,017,074</u>	<u>13,597,213</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

26 Analysis of net funds

Group

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	3,016,801	701,341	3,718,142
Debt due within one year	(299,651)	103,710	(195,941)
Debt due after more than one year	<u>(2,740,142)</u>	<u>195,028</u>	<u>(2,545,114)</u>
Net (debt)/funds	<u>(22,992)</u>	<u>1,000,079</u>	<u>977,087</u>

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	5,106,773	(2,089,972)	3,016,801
Debt due within one year	(411,636)	111,985	(299,651)
Debt due after more than one year	<u>(3,941,381)</u>	<u>1,201,239</u>	<u>(2,740,142)</u>
Net (debt)/funds	<u>753,756</u>	<u>(776,748)</u>	<u>(22,992)</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

27 Related party transactions

During the year the group made the following related party transactions:

Karbon Homes

(An employee, the Assistant Director of Development Delivery, of the entity is a director of TCUK Homes Limited)

Rental and repair charges incurred to the value of £118,467 (2021 - £116,740). At the balance sheet date the amount due to Karbon Homes was £531 (2021 - £8,488).

Hobson Golf Club Limited

(A director of the entity was also a trustee of the charity.)

The charity received donations of £2,100 (2021 - £Nil). At the balance sheet date the amount due to/from Hobson Golf Club Limited was £Nil (2021 - £Nil).

TCUK Homes Limited

(Subsidiary)

During the year, the charity charged management charges of £414,888 (2021 - £341,001), recharged expenses of £297,924 (2021 - £1,489,126) and was recharged expenses of £115,000 (2021 - £176,655). At the balance sheet date the amount due from TCUK Homes Limited was £995,256 (2021 - £624,870).

28 Prior year adjustment

The accounts have been restated to defer charitable activity income in line with the terms of the funding received which was originally recognised in the SoFA in the year of receipt.

Charity

The restatement has resulted in a decrease in income within the 2021 year of £531,297 and an increase in creditors due within one year, resulting in a decrease in net assets and reserves within the 2021 year of £531,297.

Group

The restatement has resulted in a decrease in income within the 2021 year of £531,297 and an increase in creditors due within one year, resulting in a decrease in net assets and reserves within the 2021 year of £531,297.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

29 Restricted Funds

Housing and Homelessness

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
National Lottery	Peer research in partnership with Crisis	-	9,726	(7,851)		1,875
Community Foundation	Community Foundation	-	318,365	(348,734)	30,099	-
Community Foundation	Establishment of a health and wellbeing hub for young people	1,388	588,790	(648,764)	58,586	-
Big Lottery Fund	Supporting people with multiple needs in Newcastle and Gateshead	-	439,636	(414,386)		25,250
ABF – The Soldiers Charity	Support ex armed forces personnel to transition to civilian lives in Gateshead	20,000	76,396	(76,643)		19,753
Sunderland City Council	Support for rough sleepers in Sunderland	9,796	47,685	(47,346)		10,135
Virgin Money Foundation	Establishment of the Athena project in Sunderland	-	92,522	(69,005)		22,617
Sunderland City Council	Additional COVID related support for families in Sunderland	75,430	5,026	(51,066)		29,390
South Tyneside CCG	To support people with mental health needs by providing two self-contained flats for short-term, 24-hour crisis accommodation to reduce delays in hospital discharge/risk of admission or readmission to hospital	18,602	398,932	(468,342)	50,808	-

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

29 Restricted Funds (continued)

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
NHS Vale of York CCG	To assist hospital staff in York to prevent avoidable admissions and facilitate effective discharge	12,695	81,000	(58,492)	-	32,203
Homes England	Purchase of homes for homeless people	2,228,298	136,471	-	(78,888)	2,285,881
Homes England	Refurbishment and Redevelopment of Elliot House into 36 flats	2,999,766	-	-	(77,847)	2,921,919
Total Housing and Homelessness		5,365,975	2,194,819	(2,191,529)	(17,242)	5,352,023

Drug and Alcohol

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
City of York Council	Establishment of a drug recovery centre in York	500,000	1,416,004	(1,235,301)	-	680,703
City of York Council	Drug abstinence and recovery programme in York	-	129,061	(154,867)	25,806	-
North Yorkshire County Council via Humankind	Partnership work in North Yorkshire – aftercare and recovery support	25,000	479,566	(461,116)	-	43,450
Total Drug and Alcohol		525,000	2,024,631	(1,851,284)	25,806	724,153

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

29 Restricted Funds (continued)

Women and Children

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
National Lottery Community Fund	Fund Support Workers and other posts in Wolverhampton	-	65,168	(55,265)	-	9,903
The Vardy Foundation	Develop Theory of Change model to influence training and service delivery	19,787	20,787	(21,190)	-	19,384
Merseyside PCC	Supporting sex workers in Merseyside to improve their safety and report crimes against them	1,090	92,333	(88,160)	-	5,263
MHCLG via Newcastle City Council – Safe Newcastle Unit	Part funding of Outreach Workers in Newcastle	15,677	136,579	(126,122)	-	26,134
National Lottery Community Fund	Support for 120 individuals within the Northumbria Police region who have been groomed for exploitation.	5,202	132,426	(124,113)	-	13,515
Police, Fire and Crime Commissioner for North Yorkshire Community Fund	Sex work project in North Yorkshire	2,973	98,339	(89,358)	-	11,954
DCMS	Support to overcoming trauma for adult survivors of grooming and sexual exploitation	8,540	237,490	(232,543)	-	13,487
People's Postcode Trust	Support girls in Nottingham who experience period poverty	4,025	34	(8)	-	4,51

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

29 Restricted Funds (continued)

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
West Midlands PCC	Victim support in West Midlands	-	2,240	(1,021)	-	1,219
Halton Borough Council	Provision of Domestic Abuse refuge and community support in Halton borough	5,851	-	-	-	5,851
PCC via MSS	Domestic Abuse safe accommodation around COVID in Cheshire	6,008	-	6,242	-	12,250
Newcastle City Council – Fairer Housing Unit	Provision of Domestic Abuse Health Advisor and Service Navigator	8,020	300,180	(266,385)	-	41,815
National Lottery via North East Law Centre	Employ Senior Support Worker as partner supporting disadvantaged groups	8,485	3,945	(12,221)	-	209
Northumbria PCC – COVID Fund	As above but specifically with reference to issues arising from COVID	13,754	257,050	(244,315)	-	46,489
Total Women and Children		99,412	1,346,571	(1,234,459)	-	211,524

Employment

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
Newcastle City Council – Newcastle Fund	Peer mentoring programme in Newcastle	-	35,785	(30,325)	-	5,460
Business in the Community	Prepare unemployed people in Newcastle for work	-	24,077	(40,144)	16,067	-
Total Employment		-	59,862	(70,469)	16,067	5,460

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2022

29 Restricted Funds (continued)

Criminal Justice

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
West Midlands PCC	Support for women in Walsall and Wolverhampton to prevent reoffending	-	20,983	(21,966)	983	-
Nottinghamshire PCC	Working with Notts police to provide early intervention support	21,416	14,479	(14,275)	-	21,620
Total Criminal Justice		21,416	35,462	(36,241)	983	21,620

General

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
Community Foundation	Deliver arts based projects	2,687	-	-	(2,687)	2,687
Gateshead MBC	Provision of introductory training modules	1,234	-	-	(1,234)	1,234
Community Foundation		1,350	-	-	(1,350)	1,350
Total General		5,271	-	-	(5,271)	-

Grant Total

6,017,074	5,661,345	(5,383,982)	20,343	6,314,780
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THE CYRENIANS LTD

England & Wales - Charity number 500640

Accounts

Company registration number: 00995799

Charity registration number: 500640

THE CYRENIANS LIMITED

operating as

CHANGING LIVES

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

The Cyrenians Limited
operating as Changing Lives

Contents

Chairman's Statement	1 to 2
Reference and Administrative Details	3 to 4
Trustees' Report	5 to 19
Independent Auditors' Report	20 to 23
Consolidated Statement of Financial Activities	24
Comparative Consolidated Statement of Financial Activities	25
Consolidated Balance Sheet	26
Balance Sheet	27
Consolidated Statement of Cash Flows	28
Notes to the Financial Statements	29 to 64

The Cyrenians Ltd – Operating as Changing Lives

Report of the trustees (including Directors' Report) for the year ending 31 March 2021

The trustees (who are also the Directors of the Company for the purposes of company law) are pleased to present their annual directors' report, including Strategic Report, together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Charities Statement of Recommended Practice ("Charities SORP") (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102) issued in October 2019.

Chair's Report

Changing Lives helps people facing the most challenging of circumstances make positive change - for good.

We believe that everyone deserves a safe home, a rewarding job and a life free from addiction or abuse. We know that with the right support, anyone can change their life for the better.

In 2019 we set a two year strategy and we have achieved a huge amount in that period, given that one year in the coronavirus pandemic resulted in a seismic shift in the world, including in how we work and deliver our services.

The pandemic exposed further the inequalities faced by the people we work with, who may be experiencing homelessness, addiction, abuse and discrimination. Changing Lives' teams responded rapidly to what people told them and asked for as the coronavirus restrictions began, and we made sure to listen and learn from the people we work with as the situation changed.

Being Becoming Belonging continues to be our focus for working with people, and we know to achieve this we need to work on shifting power away from the centre of the organization and create space for flexibility, adaptability and focusing on what matters to the people we work with.

We believe our services are moving in the right direction, offering support led by the person and based on people's strengths to move on from the trauma they have experienced.

The inherent uncertainty of the next 12 months or longer, including the continued restrictions and recovery from the pandemic and Brexit, means that we need to be flexible and prepared to adapt to a changing environment.

Therefore we have set a one-year strategy that builds on our 2019 -2021 strategy and renews our focus on:

- Excellent Services
- Collaboration

**The Cyrenians Ltd – Operating as Changing Lives
Report of the trustees (including Directors' Report) for the year ending 31
March 2021**

- Diversity and Inclusion
- Raising our Voice

We are confident that Changing Lives is in a strong position and ready to face the challenges the next year will bring.

Dean Fielding
Chair of Trustees

**The Cyrenians Ltd – Operating as Changing Lives
Report of the trustees (including Directors’ Report) for the year ending 31
March 2021**

Reference and Administrative Information:

Charity Name: The Cyrenians Ltd – Trading as Changing Lives

Charity registration number: 500640

Company registration number: 00995799

Registered Office Unit D13
Marquis Court,
Team Valley Trading Estate
Gateshead
NE11 0RU

Trustees:

Dean Fielding	Chair
Steve Guyon	Vice Chair
Lesley Telford	Treasurer
Michael Barton	
Pete Brown	
Catherine Hearne	
Geraldine Kay	

Maggie Pavlou	(resigned 1 December 2020)
Fiona Wharton	(resigned 11 November 2020)

Secretary:

Susan Carr

Senior Management Team:

Stephen Bell	Chief Executive
Becky Elton	Deputy Chief Executive
Laura Seebohm	Executive Director, External Affairs
Nigel Dawson	Interim Director of Finance
Lesley-Anne Knowles	Executive Director, People

Auditors:

MHA Tait Walker
Bulman House, Regent Centre
Gosforth, Newcastle upon Tyne
NE3 3LS

**The Cyrenians Ltd – Operating as Changing Lives
Report of the trustees (including Directors' Report) for the year ending 31
March 2021**

Bankers:

Barclays Bank plc
Newcastle City 9
49 – 51 Northumberland Street
Newcastle upon Tyne, NE1 7AF

Solicitors:

Ward Hadaway LLP
Sandgate House
Newcastle upon Tyne
NE1 3DX

Womble Bond Dickinson LLP
112 Quayside
Newcastle upon Tyne
NE1 3DX

The Cyrenians Ltd – Operating as Changing Lives

Report of the trustees (including Directors' Report) for the year ending 31 March 2021

Structure, Governance and Management

The Charity group is comprised of the parent company, The Cyrenians Ltd and its wholly owned subsidiary TCUK Homes Ltd, the latter a company limited by guarantee and a registered social landlord.

Governing Document:

The charity's name is The Cyrenians Limited, however the charity operates under the name of Changing Lives. It is a charity registered in the United Kingdom, charity No. 500640, and a company limited by guarantee, registered in England, Company No. 00995799.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association, revised in 2017.

Appointment of trustees:

Trustees are appointed at the Annual General Meeting and the term of office is four years, after which they have the opportunity to be re-elected for a further period of four years.

The charity undertakes a regular skills audit of the board, and when vacancies arise it tries to recruit from areas in which the Board has no professional background. There is also a strong focus on the recruitment of board members with "lived experience" of the areas of focus for the charity.

Trustee induction and training:

A new member's Induction Package includes the following:

- Governance Handbook
- Membership Form (to be completed and returned)
- Companies House Form (to be completed and returned)
- DBS Form (to be completed and returned, and updated every three years)
- The Role of the Board of Directors
- Board Members information Sheets
- Organisational Chart
- Most recent audited accounts
- Changing Lives Strategic and Business Plan
- Board Meeting Schedule
- Copies of the last three Board Meeting minutes.

The Chair encourages new members to visit Changing Lives Projects to better understand the work that we undertake.

The Cyrenians Ltd – Operating as Changing Lives Report of the trustees (including Directors’ Report) for the year ending 31 March 2021

Changing Lives trustees understand that effective governance is crucial to the running of the charity. The charity governance code is a key tool in ensuring that this is achieved. Trustees will be working through the principles of the good governance toolkit culminating in a self-evaluation, and Changing Lives is arranging for a range of training for board members.

Trustees participate in a range of activities to promote the charity, including hosting and attending fundraising events and influencing policy through participation at round tables and seminars on behalf of the charity. Trustees also use their professional and social networks to promote the charity, as well as joining in the conversation on social media to promote Changing Lives.

Trustees undertake regular project visits to engage with staff and people who use our services. When required trustees attend meetings with funders, commissioners and other stakeholders. The charity also commissions regular stakeholder surveys to find out views from stakeholders and the trustees receive and discuss the full reports and agree action upon the surveys.

Organisation:

Changing Lives has a board of at least 6 and up to 15 members who meet regularly and are responsible for the strategic direction and policy of the charity. At present the board has 7 members from a variety of professional backgrounds relevant to the work of the charity.

The work of the Board is supported by the following sub committees:

- Finance
- Risk and Compliance
- Remuneration

The Chief Executive on behalf of the Directors manages the charity with the help of a Senior Leadership Team. There is a clear structure and reporting accountabilities that run throughout the organisation, and details of those matters reserved to the Board, and those areas where decision-making power is delegated are set out in a detailed policy.

Related parties and co-operation with other organisations:

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or member of the Senior Leadership Team must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. Related party transactions are reported in note **.

The Cyrenians Ltd – Operating as Changing Lives

Report of the trustees (including Directors' Report) for the year ending 31 March 2021

Objectives and Activities

Purpose and Aims

Our charity's purposes as set out in the objects contained in the company's memorandum of association are:

To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to lead sustainably independent and fulfilled lives.

To relieve the poverty of those in need, in particular the homeless or those at risk of homelessness.

The relief of the physical and mental sickness of persons in need; through the provision of treatments, including medical or psychosocial interventions, counselling and support.

To provide, for the benefit of the public, assistance through conciliation and mediation of persons whose relationships have, or are at risk of having, broken down and to advise and help in the settlement of differences over issues connected to such relationships.

"Socially excluded" means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender reassignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards); crime (either as a victim of crime or as an offender rehabilitating into society); being a member of a socially and economically deprived community.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our work

Our main objectives for the year continued to be delivering high quality services through our "Four Pillars".

The Cyrenians Ltd – Operating as Changing Lives

Report of the trustees (including Directors' Report) for the year ending 31 March 2021

Four Pillars

Housing and Homelessness Service:

There are a range of circumstances which mean people find themselves homeless, including family breakdown, addictions, mental and physical ill health and leaving prison or hospital. We want homelessness to be a brief transitory period in someone's life, not a permanent label or a cycle from which people find it hard to escape. Our homelessness services provide a safe place to stay, help to sort out practical issues, and strengths based support.

The ultimate aim is for people to transition out of homelessness and tough times in their lives quickly and positively, with a whole new community-based network of support built around them ready for the next steps in their journey.

Drug and Alcohol Service:

Addiction is one of the biggest factors in social exclusion, and the two often go hand-in-hand. Our dedicated drug and alcohol services offer tailored support to adults who are thinking about abstinence from drugs, alcohol, and/or substitute medications, and those who are taking active steps towards it.

Across the North East and Yorkshire, we are on hand to help people take their first steps towards abstinence, support their ongoing recovery, and celebrate the recovery community.

Women and Children's Service:

Changing Lives' Women's Services reach out and support women and girls at risk and who may experience a range of complex needs. At Changing Lives we provide support around vulnerabilities which are directly affected by gender, often relating to experiences of childhood trauma and abuse, which can continue into adolescence and adulthood.

Our dedicated staff members support women:

- with experience of sex work, survival sex and/or sexual exploitation
- with experience of domestic abuse
- with experience of the Criminal Justice System
- in need of recovery services for themselves and their family
- experiencing homelessness

Through our supported accommodation, women's centres, outreach services and community hubs, we take a women-centred approach to supporting our clients to lead fulfilling lives. This means:

- Women-only spaces
- Safe and trusted environments
- Trauma-informed approach, based on empathy, consistency, boundaries and an acknowledgement of the reality of each individual's life
- Strengths based approach that fosters empowerment and choice
- Recovery-focused work, including peer support and opportunities to share common experiences

The Cyrenians Ltd – Operating as Changing Lives

Report of the trustees (including Directors' Report) for the year ending 31 March 2021

Employment Services:

Employment Services help people who face barriers to the job market get employment-ready and secure sustainable jobs.

We support people to gain the confidence and skills they need to access employment by matching every person with an employment coach who will work with them on a one to one basis.

We work to empower people to take control of their futures. But we understand that often, people come to us with low self-esteem and no confidence in their abilities, because of past trauma and abuse.

We therefore prioritise workshops that can help boost confidence, as well as offering support developing CVs and setting up work placements.

In 2020/21 we worked with around 12,000 people across our services and four pillars, in the Midlands, the North and Westminster to integrate services and develop new approaches that are person-led. We respond to the people we are working with using our Theory of Change, Being, Becoming, Belonging.

Our volunteers:

Our work is supported by a committed team of over 122 volunteers who collectively contributed over 16,000 hours in 2020/21. Volunteers support us across our services in a variety of roles including counselling, mentoring and in our central services. We were proud to achieve Investors in Volunteers quality mark status.

Public Benefit:

We promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to lead sustainably independent and fulfilled lives.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and Performance:

Review of Operations

2020/21 was an extraordinary year for Changing Lives' operational services. We started the year in a national lockdown, which presented huge challenges to the running of our services. We quickly moved services online or over the telephone where possible but the majority of our homelessness and outreach services continued with face to face delivery. The teams on the frontline did an incredible job to adapt to the ever changing situation and keep the focus on making sure that people we work with were supported and safe.

Our services also continued to develop, in May 2020 we welcomed the Halton Homelessness Services, Brennan Lodge and Halton Lodge, into the organisation and now provide over 100

The Cyrenians Ltd – Operating as Changing Lives

Report of the trustees (including Directors' Report) for the year ending 31 March 2021

supported bedspaces in the area. We expanded into Westminster and Northamptonshire, through our partnership with Mayday Trust, who transferred 172 supported accommodation units and the Westminster Personal Transitions Service over to Changing Lives. We also secured DCMS funding to demonstrate the value of Changing Lives services delivering Trauma-Informed support to people we work with experiencing multiple disadvantage with learning internally and externally to influence public services and commissioning.

We continued to build on our aspiration that everyone has their 'own front door', that is, self-contained accommodation where they have time and space to recover from homelessness and what led them to homelessness, by nearing completion of the transformation of large 52-bed hostel in Newcastle into self-contained flats, opening in May 2021.

It was with sadness, however, that we said goodbye to our colleagues at the Halton Domestic Abuse Service and Wear Recovery when the contracts transferred to other providers.

We were also concerned with ensuring the voices of the people we support were heard during the pandemic, and completed two significant pieces of research and influencing work, Learning to Listen Again, which heard directly from people using our services about how the pandemic was affecting them, and Nowhere to Turn highlighting the increase in sexual violence during the pandemic. We also reached our final year of the DCMS Tampon Tax funded Stage Project, a partnership project which supported survivors of sexual exploitation and worked to influence policy and practice locally and nationally. The continuation funding of Stage for the next three years (to 2024) recognises the gap in provision in this area.

In common with many organisations across the country we also challenged ourselves on our Equality Diversity and Inclusion performance, and commissioned 100 White Allies to support a programme of deep listening work across our staff teams to explore experiences of race and racism and potential implications of structural racism within the organisation.

Future Plans

Our 2021/22 Strategy sets out our overarching objectives for the year ahead.

- 1. Excellent services:** Our wide range of services for people experiencing challenging times, disadvantage and discrimination are underpinned by our Theory of Change, – Being Becoming Belonging – enabling those we support to live flourishing lives. We will continue to improve, adapt and develop our services to ensure we are delivering the best possible support where we're needed. To do this we will:
 - Embed Being Becoming Belonging in all that we deliver and all of our activities, ensuring that everyone who works for Changing Lives has a strong sense of purpose and understanding of how we work.
 - Shift power and control away from the centre of the organisation, so services are led locally, can focus on what matters to people we work with and are supported to be creative, agile, flexible and sustainable.
 - Improve our understanding and measurement of what really matters to the people we work with, allowing us to better reflect on and learn from practice.

The Cyrenians Ltd – Operating as Changing Lives

Report of the trustees (including Directors' Report) for the year ending 31 March 2021

- Ensure we are rooted in the communities in which we work and develop new services alongside the people we work with and other stakeholders.
 - Learn from our response to the Coronavirus pandemic restrictions and the listening work we have undertaken to further develop our service offers, including through digital platforms.
 - Focus on Ministry of Justice dynamic framework, including putting resource into tendering across the organisation to expand our national presence in supporting women in the Criminal Justice System.
2. **Collaboration:** Relationships are central to what we do. We cannot change lives alone, to do the very best for the people we work with means collaborating, both internally and externally, with a strong shared purpose. We collaborate with the people we work with to co-create plans for the future. We join forces with other organisations and with commissioners and funders to deliver our services. However people arrive at our services, we work with colleagues in other Changing Lives and wider services, to ensure people can access what they need to move on. We will continue to strengthen collaboration across the organisation and our formal and informal partnerships by:
- Developing and sustaining strategic partnerships that help achieve our purpose, support a diverse voluntary and community sector and support the public sector to meet the needs of the people we work with.
 - Building on our Creating Impact work to develop place-based plans for each area we work in.
 - Working with Better Way Network to influence different ways of working and the move towards strengths based practice.
 - Continue to engage with influencing partnerships, including national infrastructure organisations such as Clinks, Homeless Link, and Collective Voice.
3. **Diversity and inclusion:** Systemic discrimination is a significant factor for many of the people we work with, keeping people trapped in the system and unable to fulfil their potential. We recognise that at Changing Lives we have not done enough as an organisation to be proactively anti-discriminatory and in particular to be anti-racist. We want our staff teams and leadership to reflect the communities in which we work and be open and relevant for people who need our services. We commit to improving diversity and inclusion at all levels of the organisation. To do this we will:
- Recruit senior staff and board members to better reflect communities in which we work and ensure our decisions are informed by diverse perspectives.
 - Ensure we are accessible and inclusive to all minoritised groups in our communities, working with colleagues, people who use our services and partner organizations.
 - Continue to listen and respond to people who experience racism and other forms of discrimination, both our colleagues and people who use services, and use the opportunities we have to influence policy, funders and the public to further anti-discriminatory action within society.
 - Develop a clear and measurable diversity and inclusion action plan in collaboration with colleagues and people we work with.

**The Cyrenians Ltd – Operating as Changing Lives
Report of the trustees (including Directors’ Report) for the year ending 31
March 2021**

4. **Raising Our Voice:** People we work with are often unheard in decisions that directly affect them. We are committed to raising their voices by contributing to debates at national, regional and local levels. We will be vocal advocates for the people we are here to support across our themes of homelessness, recovery, employment, women and children.
- Build on the work we have been doing to measure impact and listen to people we work with, to understand, articulate and evidence what really matters to people.
 - Connect with people who are working on social change, in particular through devolution, levelling up the north and Integrated Care Systems.
 - Work in collaboration with other charities and networks to influence change together.
 - Use our 50th Anniversary year to share our learning about what works and what matters with a wide range of stakeholders.

**The Cyrenians Ltd – Operating as Changing Lives
Report of the trustees (including Directors’ Report) for the year ending 31
March 2021**

Energy and Carbon Usage:

The charity is reporting under this disclosure requirement for the first time and has taken advantage of the exemption this year with regard to reporting prior year comparisons.

Much of our work is around housing and homelessness. At the end of the financial year, the group had 998 housing units. Our types of property vary from individual rooms, to multi occupancy buildings, houses and offices. During the year we employed an energy agency to manage our gas and electricity suppliers and the process of review, consolidation of suppliers, seeking best value etc. is ongoing.

Despite the size of the organisation, we own/lease few vehicles and around 25% of our direct vehicle fuel costs for the year related to our subsidiary Fareshare, which we disposed of on 30 June 2020.

UK Greenhouse gas emissions and energy use data for the year ended 31 March 2021	Current reporting year 2021
Energy consumption used to calculate emissions (kwh):	
Gas	5,128,271
Electricity	1,208,914
Transport fuel	295,376
Total	6,632,561
Scope 1 emissions in metric tonnes CO ₂ e	
Gas Consumption	939.29
Owned Transport	48.68
Total Scope 1	987.97
Scope 2 emissions in metric tonnes CO ₂ e	
Purchased Electricity	256.69
Scope 3 emissions in metric tonnes CO ₂ e	
Business travel in employee owned vehicles	33.96
Total gross emissions in metric tonnes CO ₂ e	1,278.62
Intensity ratio Tonnes CO ₂ e per unit	1.28

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government’s Conversion Factors for Company Reporting

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per housing unit, the most relevant measure as most of our emissions arise from our housing and homelessness work.

The Cyrenians Ltd – Operating as Changing Lives

Report of the trustees (including Directors' Report) for the year ending 31 March 2021

Measures taken to improve efficiency rating

We have increased the use of video conferencing technology for staff and other meeting

Employees

Employee Engagement:

Engaging our employees through the pandemic presented many new challenges and opportunities. As our services adapted rapidly during the pandemic, to make sure we could continue to deliver our vital services safely, so too did our ways of engaging with employees. As an organisation that previously relied heavily on face-to-face engagement between directors and employees, we rapidly had to find new communication channels.

“Open door” sessions via Microsoft Teams were set up in order to create a direct dialogue between directors and employees during the height of the pandemic. Every fortnight, all employees were invited to speak with two members of the executive team about whatever was on their minds. Topics ranged from experiences of lockdown, to wellbeing, to digital poverty, giving the executive team insight into some of the challenges facing colleagues in different parts of the organisation.

Directors also meet on a quarterly basis with members of the Staff Voice Forum, whose role it is to advocate for staff around the issues that are most important to them. Employee resource groups, the Solidarity forum (for black and ethnic minority employees) and the LGBTQIA+ wellbeing group have also been set up in the past year, who liaise with the Staff Voice Forum to represent the views of their members. Relationships have also been built between our director team and the Solidarity forum to hear the views of our colleagues using a reverse mentoring approach. For our directors, hearing the views of teams across Changing Lives enables better decision making, to create a better, more inclusive workplace for everyone.

We also conducted an all-staff survey at the end of 2020, to give employees a voice, to measure engagement and to identify areas for improvement. Directors were involved in understanding the results and identifying organisational themes upon which to take action. Teams were engaged in local action planning sessions to understand team-level results and address challenge areas.

Since restrictions have been lifted, in addition to the new engagement mechanisms, directors have been regularly visiting services again to build and maintain close working relationships. Our CEO also regularly writes to employees via email and our intranet to communicate around issues of strategic importance.

All new employees who declare a disability are referred to an external occupational health (OH) organisation to be assessed. This assessment will result in recommended adjustments which are then implemented and monitored by our Health and Safety team. Any existing employee who becomes disabled is similarly referred.

The Cyrenians Ltd – Operating as Changing Lives

Report of the trustees (including Directors' Report) for the year ending 31 March 2021

Pay policy for senior staff:

The Remuneration Committee is established to recommend to the main Board an overall remuneration policy that is aligned with its long term business strategy and objectives, enable the recruitment, motivation and retention of senior executives whilst also complying with the requirements of regulation. This includes:

To recommend and monitor the level and structure of remuneration for senior management team.

Agreeing and recommending to the Board the annual staff pay award and its distribution relative to performance ratings.

Commissioning and considering market testing information relating to pay awards of Chief Executive, Executive Directors, and Directors pay.

Receiving reports on recruitment, turnover, sickness trends, employment conditions, staff benefits and other related issues.

Reporting annually to the main Board on the work undertaken by the Committee.

Financial review:

The group achieved a total deficit on £1,479,631 of which £566,596 surplus relates to restricted income funds.

The results for the past two years have been significantly impacted by the timing and accounting treatment of the work on Elliot House, a property in the West of Newcastle. In 2019 we secured grant funding from Homes England to renovate and restructure the interior to provide 36 flats. The grant funding has allowed us to achieve our aims of providing high quality accommodation to those in need, however the ceiling price of the property has been restricted due to its location and as a result the cost of the work has been impaired to the market value.

The grant funding has been treated as restricted funds income, with the impairment being charged against unrestricted income. The impact of the work on Elliot House on the net movement in funds, for the two financial years, is illustrated below:

**The Cyrenians Ltd – Operating as Changing Lives
Report of the trustees (including Directors’ Report) for the year ending 31
March 2021**

Description	Unrestricted Funds 2020	Restricted Funds 2020	Total 2020	Unrestricted Funds 2021	Restricted Funds 2021	Total 2021
Net Movement in Funds	(£84,843)	£1,647,567	£1,562,684	(£2,046,227)	£566,596	(£1,479,631)
Homes England Grant	-	(£1,671,224)	(£1,671,224)	-	(£557,074)	(£557,074)
Elliot House Impairment	£548,800	-	£548,800	£3,043,916	-	£3,043,916
Net Movement in Funds	£463,957	(£23,657)	£440,300	£997,689	£9,522	£1,007,211

Investment policy:

The trustees, having regard to the liquidity requirements of operating the charity, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index. Due to wider economic circumstances deposit rates have been depressed and so this aim was not achieved in the year.

During the year, trustees took the opportunity to repay certain bank loans to reduce the interest cost to the charity

The charity gifted its investment in The Cyrenians Fareshare North East Ltd to Fareshare North East on 30 June. In addition the joint venture company Northern Inclusion Consortium was wound up on 30 September, with the investment being impaired in the accounts to the value of the final distribution, received in April 2021.

Reserves policy and going concern

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charitable company to hold free reserves those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. Resulting from this, the trustees consider it prudent to maintain unrestricted free reserves at a level sufficient to cover between two to four months of staff costs and lease commitments which equates to approx. £3million. At the 31 March 2021 the level of free reserves held by the charity was (£270,875), (2020 £749,619). The level of unrestricted reserves held by the charity at the year-end was £7,592,889 (2019 - £9,639,116).

The Cyrenians Ltd – Operating as Changing Lives Report of the trustees (including Directors' Report) for the year ending 31 March 2021

As part of the reserves policy the trustees have designated the following funds; Sinking fund of £640,591 (2020 - £628,506); Core Properties fund and the revaluation reserve £4,712,203 (2020 - £4,511,183). Narrative for these funds can be found in note 26 of the financial statements.

Overall funds of £14,128,510 (2020 - £15,608,141) were held at 31 March 2021 which included restricted amounts of £6,535,621 (2020 - £5,969,025).

Risk management

The directors have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks where necessary.

The Covid-19 pandemic and its knock-on impacts around staffing and use of agency staff are significant risks, there are other external risks around changes in policy that may also impact on funding. This has led to the development of strategic plans which are regularly revised and allow for the diversification of funding and activities. Internal risks are minimized by the implementation of procedures for authorization of all transactions and projects.

The charity maintains a risk register to ensure management of strategic risks, the Risk and Quality Committee has responsibility for oversight and quarterly review of the risk register, all strategic non-compliances and major strategic and operational risks to include safeguarding and health & safety. This Committee is chaired by a trustee, and reports into the main Board.

The charity has a loan with Barclays bank which has a covenant attached to it to monitor certain financial KPIs. Despite this loan, the charity is not particularly highly geared and in the event of a cash shortfall would be able to raise further finance against its assets, mainly property.

A large proportion of our income is derived from Local Authority budgets via housing benefit, contracts for service and grants. The announcement in the Autumn 2021 budget of increases in both National Insurance and National Minimal Wage, when combined with rising inflation, will place considerable cost pressures on these budgets. We are in the process of writing to our funders to raise these issues for discussion and looking at the viability of our projects should suitable increases not be forthcoming.

Our approach to fundraising activities:

The Charity complies with the Code of Fundraising Practice. All funds raised by the Charity will be spent for the purpose for which they are raised. All funds raised through sponsorship activities will be banked into the Charity's bank account before deduction of expenses. All literature will properly describe what donations will be used for. All fundraising activities

The Cyrenians Ltd – Operating as Changing Lives Report of the trustees (including Directors’ Report) for the year ending 31 March 2021

will be conducted in an open honest and transparent manner. Changing Lives does not employ the services of outside professional fundraisers. During the period under review no complaints have been received. Changing Lives values the contribution made by all our donors. Changing Lives will treat all donors with respect and dignity. Changing Lives do not, and will not make, unsolicited calls to members of the public requesting donations.

Trustees’ responsibilities in relation to the financial statements:

The charity trustees are responsible for preparing a Trustees’ Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**The Cyrenians Ltd – Operating as Changing Lives
Report of the trustees (including Directors' Report) for the year ending 31
March 2021**

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our Trustees' Annual Report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- The trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA Tait Walker as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board of trustees.

14/12/2021



Dean Fielding
Chair of Trustees

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Opinion

We have audited the financial statements of The Cyrenians Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 19), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to stock provisions;
- Review financial statement disclosures and testing to supporting documentation to assess; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; Building and fire safety regulations including; employment law (including the Working Time Directive); Care Quality Commission and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Cyrenians Limited

operating as Changing Lives

Independent Auditor's Report to the Members of The Cyrenians Limited

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of MHA Tait Walker
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 14/12/2021

MHA Tait Walker is a trading name of Tait Walker LLP.

The Cyrenians Limited

operating as Changing Lives

Consolidated Statement of Financial Activities for the Year Ended 31 March 2021

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	444,897	562,555	1,007,452	1,959,556
Charitable activities	4	23,656,930	3,048,510	26,705,440	21,545,182
Other trading activities	5	146,393	-	146,393	785,091
Investment income	6	482	-	482	24,630
Total Income		<u>24,248,702</u>	<u>3,611,065</u>	<u>27,859,767</u>	<u>24,314,459</u>
Expenditure on:					
Raising funds		(7,050)	-	(7,050)	(10,518)
Charitable activities	7	<u>(24,040,998)</u>	<u>(2,247,434)</u>	<u>(26,288,432)</u>	<u>(22,192,457)</u>
Total Expenditure		<u>(24,048,048)</u>	<u>(2,247,434)</u>	<u>(26,295,482)</u>	<u>(22,202,975)</u>
Net income		200,654	1,363,631	1,564,285	2,111,484
Transfers between funds		797,035	(797,035)	-	-
Other recognised gains and losses					
Gains/losses on revaluation of fixed assets		<u>(3,043,916)</u>	-	<u>(3,043,916)</u>	<u>(548,800)</u>
Net movement in funds		(2,046,227)	566,596	(1,479,631)	1,562,684
Reconciliation of funds					
Total funds brought forward		<u>9,639,116</u>	<u>5,969,025</u>	<u>15,608,141</u>	<u>14,045,457</u>
Total funds carried forward	26	<u><u>7,592,889</u></u>	<u><u>6,535,621</u></u>	<u><u>14,128,510</u></u>	<u><u>15,608,141</u></u>

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 26.

The Cyrenians Limited

operating as Changing Lives

Comparative Consolidated Statement of Financial Activities for the Year Ended 31 March 2020 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	288,332	1,671,224	1,959,556
Charitable activities	4	18,391,849	3,153,333	21,545,182
Other trading activities	5	785,091	-	785,091
Investment income	6	24,630	-	24,630
Total income		<u>19,489,902</u>	<u>4,824,557</u>	<u>24,314,459</u>
Expenditure on:				
Raising funds		(10,518)	-	(10,518)
Charitable activities	7	<u>(19,059,449)</u>	<u>(3,133,008)</u>	<u>(22,192,457)</u>
Total expenditure		<u>(19,069,967)</u>	<u>(3,133,008)</u>	<u>(22,202,975)</u>
Net income		419,935	1,691,549	2,111,484
Transfers between funds		43,982	(43,982)	-
Other recognised gains and losses				
Gains/losses on revaluation of fixed assets		<u>(548,800)</u>	-	<u>(548,800)</u>
Net movement in funds		(84,883)	1,647,567	1,562,684
Reconciliation of funds				
Total funds brought forward		<u>9,723,999</u>	<u>4,321,458</u>	<u>14,045,457</u>
Total funds carried forward	26	<u>9,639,116</u>	<u>5,969,025</u>	<u>15,608,141</u>

The Cyrenians Limited

operating as Changing Lives

(Registration number: 00995799)

Consolidated Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	14	14,073	18,764
Tangible assets	15	15,186,048	15,809,072
Investments	16	<u>10,929</u>	<u>19,538</u>
		<u>15,211,050</u>	<u>15,847,374</u>
Current assets			
Stocks	17	-	295,150
Debtors	18	2,970,456	2,049,920
Cash at bank and in hand	19	<u>3,016,801</u>	<u>5,106,773</u>
		5,987,257	7,451,843
Creditors: Amounts falling due within one year	20	<u>(4,329,655)</u>	<u>(3,742,397)</u>
Net current assets		<u>1,657,602</u>	<u>3,709,446</u>
Total assets less current liabilities		16,868,652	19,556,820
Creditors: Amounts falling due after more than one year	21	(2,740,142)	(3,941,381)
Provisions	23	<u>-</u>	<u>(7,298)</u>
Net assets		<u>14,128,510</u>	<u>15,608,141</u>
Funds of the group:			
Restricted		<u>6,535,621</u>	<u>5,969,025</u>
Unrestricted income funds			
Designated funds		5,352,794	6,340,269
General funds		<u>2,240,095</u>	<u>3,298,847</u>
Total unrestricted funds		<u>7,592,889</u>	<u>9,639,116</u>
Total funds	26	<u>14,128,510</u>	<u>15,608,141</u>

The financial statements on pages 24 to 64 were approved by the trustees, and authorised for issue on 19/02/2021 and signed on their behalf by:



.....
D A Fielding
Chair

The Cyrenians Limited

operating as Changing Lives

(Registration number: 00995799)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	14	14,073	18,764
Tangible assets	15	14,984,225	15,482,782
Investments	16	<u>10,929</u>	<u>19,539</u>
		<u>15,009,227</u>	<u>15,521,085</u>
Current assets			
Stocks	17	-	295,150
Debtors	18	2,789,314	1,882,221
Cash at bank and in hand	19	<u>2,898,221</u>	<u>4,241,401</u>
		5,687,535	6,418,772
Creditors: Amounts falling due within one year	20	<u>(4,140,436)</u>	<u>(4,357,016)</u>
Net current assets		<u>1,547,099</u>	<u>2,061,756</u>
Total assets less current liabilities		16,556,326	17,582,841
Creditors: Amounts falling due after more than one year	21	<u>(7,968,206)</u>	<u>(7,015,966)</u>
Net assets		<u>8,588,120</u>	<u>10,566,875</u>
Funds of the charity:			
Restricted		<u>832,901</u>	<u>655,049</u>
Unrestricted income funds			
Designated funds		5,343,466	6,330,941
Unrestricted funds		<u>2,411,753</u>	<u>3,580,885</u>
Total unrestricted funds		<u>7,755,219</u>	<u>9,911,826</u>
Total funds	26	<u>8,588,120</u>	<u>10,566,875</u>

The charity made a deficit after tax for the financial year of £1,978,755 (2020 - deficit of £121,174).

The financial statements on pages 24 to 64 were approved by the trustees, and authorised for issue on ~~14.12.2021~~ and signed on their behalf by:



.....
D A Fielding
Chair

The Cyrenians Limited

operating as Changing Lives

Consolidated Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income		1,564,285	2,111,484
Adjustments to cash flows from non-cash items			
Depreciation		537,971	644,176
Amortisation		4,691	4,692
Investment income	6	(482)	(24,630)
Interest payable		77,863	296,396
Impairment loss on disposal of fixed assets held for the group's own use		8,609	-
		<u>2,192,937</u>	<u>3,032,118</u>
Working capital adjustments			
Decrease/(increase) in stocks	17	295,150	(295,150)
Increase in debtors	18	(920,536)	(575,836)
Increase in creditors	20	717,337	627,631
(Decrease)/increase in provisions	23	(7,298)	7,298
(Decrease)/increase in deferred income	21	<u>(6,879)</u>	<u>325,864</u>
Net cash flows from operating activities		<u>2,270,711</u>	<u>3,121,925</u>
Cash flows from investing activities			
Interest receivable and similar income	6	482	24,630
Purchase of tangible fixed assets	15	(3,067,144)	(576,968)
Sale of tangible fixed assets		<u>108,281</u>	<u>370,282</u>
Net cash flows from investing activities		<u>(2,958,381)</u>	<u>(182,056)</u>
Cash flows from financing activities			
Interest payable and similar charges		(77,863)	(296,396)
Repayment of loans and borrowings	20	(1,303,878)	(541,735)
Repayment of capital element of finance leases and HP contracts	22	<u>(20,561)</u>	<u>-</u>
Net cash flows from financing activities		<u>(1,402,302)</u>	<u>(838,131)</u>
Net (decrease)/increase in cash and cash equivalents		(2,089,972)	2,101,738
Cash and cash equivalents at 1 April		<u>5,106,773</u>	<u>3,005,035</u>
Cash and cash equivalents at 31 March		<u>3,016,801</u>	<u>5,106,773</u>

All of the cash flows are derived from continuing operations during the above two periods.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: Unit D13, Marquis Court, Team Valley Trading Estate, Gateshead, Tyne and Wear, NE11 0RU.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

The Cyrenians Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in Sterling which is the functional currency.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2021.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a deficit after tax for the financial year of £1,978,755, after recognising an impairment on Elliott House totalling £3,043,916 (2020 - deficit of £121,174).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact. The charity and its trading subsidiaries have strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Determine whether leases entered into by Changing Lives either as a lessor or lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determine whether there are any indicators of impairment of Changing Lives tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. The carrying amount is £15,186,048 (2020 - £15,809,072).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

Income and endowments

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations and legacies

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS102). Further detail is given in the Trustees' Annual Report.

Grants receivable

Revenue grants receivable are credited to income immediately where entitlement is not conditional on the delivery of specific performance criteria by the group. Where grants relate to performance and specific deliverables, income is accounted for as the group earns its right to consideration by its performance.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Other trading activities

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income

Interest is included when receivable by the group.

Charitable activities

The recognition of income received in relation to the Social Housing Grant within the consolidated accounts is done so using the performance model in line with the charities SORP.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

Other income

Net Assets transferred on the acquisition of entities into the group are recorded within voluntary income at the value that the assets are worth on the date of the transfer.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's (and the group's) activities. These costs, which have not been directly apportioned, have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in the Support Cost note.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Rebranding	10% straight line

Tangible fixed assets

Individual fixed assets are initially recorded at cost.

Where fixed assets have been previously carried at a revalued amount, upon transition to FRS102 deemed cost was adopted.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold property improvements	Straight line over the period of the lease
Freehold and leasehold property	2% - 15% straight line
Motor vehicles	25% straight line
Fixtures and fittings	25% - 33% straight line

No depreciation is provided on land.

Impairment of fixed assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

Fixed asset investments

Investments in subsidiaries are recognised at cost.

Investments in associates are measured at cost less impairment.

Stock

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets or deferred tax assets, continue to be measured in accordance with the relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the group.

The group has designated certain funds for specific purposes. These are explained in more detail in the notes. The directors have decided that setting aside funds in this way is a useful financial discipline, which will help the group make the best use of its resources, even though there is no legal force to the designation.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Hire purchase and finance leases

Assets held for use in operating leases are included as a separate category in fixed assets at cost and depreciated over their useful life.

Rental income from operating leases is recognised on a straight line basis over the term of the lease.

Amounts due under finance leases are included as a debtor at the amount of the net investment in the lease.

Lease payments receivable are apportioned between repayments of capital and interest so as to give a constant periodic rate of return on the net investment in the lease.

Pensions and other post retirement obligations

The group also operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the group. The annual contributions payable are charged to the income and expenditure account.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Donations and legacies;			
Donations from individuals	132,501	-	132,501
Legacies	298	-	298
Grants, including capital grants;			
Government grants	7,076	557,074	564,150
Grants from other agencies	<u>305,022</u>	<u>5,481</u>	<u>310,503</u>
	<u>444,897</u>	<u>562,555</u>	<u>1,007,452</u>
	Unrestricted funds General £	Restricted funds £	Total 2020 £
Donations and legacies;			
Donations from individuals	160,290	-	160,290
Legacies	1,822	-	1,822
Grants, including capital grants;			
Government grants	<u>126,220</u>	<u>1,671,224</u>	<u>1,797,444</u>
	<u>288,332</u>	<u>1,671,224</u>	<u>1,959,556</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Homelessness including Day Centre & Outreach	16,061,959	1,195,435	17,257,394
Addictions and Recovery	4,065,868	44,370	4,110,238
Employment and Training	865,352	45,785	911,137
Womens Services including Family	2,663,751	1,762,920	4,426,671
	<u>23,656,930</u>	<u>3,048,510</u>	<u>26,705,440</u>

	Unrestricted funds General £	Restricted funds £	Total 2020 £
Homelessness including Day Centre & Outreach	11,792,632	1,401,718	13,194,350
Addictions and Recovery	3,560,708	329,090	3,889,798
Employment and Training	781,597	47,861	829,458
Womens Services including Family	2,256,912	1,374,664	3,631,576
	<u>18,391,849</u>	<u>3,153,333</u>	<u>21,545,182</u>

5 Income from other trading activities

	Unrestricted funds General £	Total 2021 £
Trading income;		
Sales of goods and services	25,547	25,547
Events income;		
Fundraising	5,144	5,144
Membership subscriptions	(987)	(987)
Property rental income	17,660	17,660
Other income from other trading activities	99,029	99,029
	<u>146,393</u>	<u>146,393</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

	Unrestricted funds General £	Total 2020 £
Trading income;		
Sales of goods and services	112,206	112,206
Events income;		
Fundraising	2,260	2,260
Membership subscriptions	124,102	124,102
Property rental income	33,014	33,014
Other income from other trading activities	513,509	513,509
	<u>785,091</u>	<u>785,091</u>

6 Investment income

	Unrestricted funds General £	Total 2021 £
Interest receivable and similar income;		
Interest receivable on bank deposits	482	482
	<u>482</u>	<u>482</u>

	Unrestricted funds General £	Total 2020 £
Interest receivable and similar income;		
Interest receivable on bank deposits	17,044	17,044
Share of profit in associate	7,586	7,586
	<u>24,630</u>	<u>24,630</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

7 Expenditure on charitable activities

	Note	Unrestricted funds		Restricted funds	Total 2021
		Designated	General	£	£
		£	£		
Homelessness including Day Centre & Outreach		144,479	16,033,021	750,529	16,928,029
Addictions and Recovery		-	4,189,224	19,405	4,208,629
Employment and Training		-	923,408	10,010	933,418
Womens Services including Family		-	2,750,866	1,467,490	4,218,356
		<u>144,479</u>	<u>23,896,519</u>	<u>2,247,434</u>	<u>26,288,432</u>

	Note	Unrestricted funds		Restricted funds	Total 2020
		Designated	General	£	£
		£	£		
Homelessness including Day Centre & Outreach		75,570	13,809,327	1,387,808	15,272,705
Addictions and Recovery		-	2,710,887	323,852	3,034,739
Employment and Training		-	806,635	47,861	854,496
Womens Services including Family		-	1,657,030	1,373,487	3,030,517
		<u>75,570</u>	<u>18,983,879</u>	<u>3,133,008</u>	<u>22,192,457</u>

	Activity undertaken directly	Activity support costs	2021
	£	£	£
Homelessness including Day Centre & Outreach	15,855,215	1,072,814	16,928,029
Addictions and Recovery	3,931,128	277,501	4,208,629
Employment and Training	853,315	80,103	933,418
Womens Services including Family	3,929,412	288,944	4,218,356
	<u>24,569,070</u>	<u>1,719,362</u>	<u>26,288,432</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

	Activity undertaken directly £	Activity support costs £	2020 £
Homelessness including Day Centre & Outreach	13,852,343	1,420,362	15,272,705
Addictions and Recovery	2,752,508	282,231	3,034,739
Employment and Training	775,028	79,468	854,496
Womens Services including Family	2,748,679	281,838	3,030,517
	<u>20,128,558</u>	<u>2,063,899</u>	<u>22,192,457</u>

In addition to the expenditure analysed above, there are also governance costs of £74,517 (2020 - £135,335) which relate directly to charitable activities. See note 8 for further details.

8 Analysis of support costs

Support costs allocated to charitable activities

	Basis of allocation	Governance costs £	Other support costs £	Total 2021 £	Total 2020 £
Homelessness including Day Centre & Outreach	Estimate of staff time	74,517	998,297	1,072,814	1,420,362
Addictions and Recovery	Estimate of staff time	-	277,501	277,501	282,231
Employment and Training	Estimate of staff time	-	80,103	80,103	79,468
Womens Services including Family	Estimate of staff time	-	288,944	288,944	281,838
		<u>74,517</u>	<u>1,644,845</u>	<u>1,719,362</u>	<u>2,063,899</u>

Governance costs

	Total 2021 £	Total 2020 £
Salary costs	45,238	103,955
Audit fees and other professional fees	29,279	31,380
	<u>74,517</u>	<u>135,335</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Audit fees	19,500	21,500
Other non-audit services	8,500	8,500
Impairment loss on disposal of fixed assets held for the group's own use	8,609	-
Depreciation of fixed assets	537,971	644,176
Amortisation of goodwill	<u>4,691</u>	<u>4,692</u>

Included in other recognised gains and losses is the impairment on the refurbishment of Elliot House totalling £3,043,916 (2020 - £548,800).

10 Trustees remuneration and expenses

Trustees were reimbursed expenses of £Nil (2020 - £2,595).

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	13,091,476	11,560,987
Social security costs	1,063,141	966,848
Pension costs	784,874	728,389
Compensation payments	<u>21,858</u>	<u>102,074</u>
	<u>14,961,349</u>	<u>13,358,298</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2021	2020
	No	No
Corporate Services	75	77
Health and Addictions	97	82
Housing and Homeless	375	277
Women and Criminal Justice	101	99
Communications Social Enterprise and Fundraising	-	44
Employment & Training	28	-
	<u>676</u>	<u>579</u>

During the year, the group made redundancy and/or termination payments which totalled £21,858 (2020 - £102,074).

The number of employees whose emoluments fell within the following bands was:

	2021	2020
	No	No
£60,001 - £70,000	3	2
£80,001 - £90,000	1	1
£110,001 - £120,000	<u>1</u>	<u>2</u>

The total contributions paid to the defined contribution pension scheme during the year for higher paid staff was £38,416 (2020 - £63,843).

The total employee benefits of the key management personnel of the group were £428,443 (2020 - £505,915).

12 Auditors' remuneration

	2021	2020
	£	£
Audit of the financial statements	<u>19,500</u>	<u>21,500</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

13 Taxation

The group is a registered charity and is therefore potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

14 Intangible fixed assets

Group and Charity

	Rebranding £
Cost	
At 1 April 2020	<u>46,911</u>
At 31 March 2021	<u>46,911</u>
Amortisation	
At 1 April 2020	28,147
Charge for the year	<u>4,691</u>
At 31 March 2021	<u>32,838</u>
Net book value	
At 31 March 2021	<u><u>14,073</u></u>
At 31 March 2020	<u><u>18,764</u></u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

15 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2020	18,577,141	1,417,487	211,662	20,206,290
Additions	2,784,373	282,771	-	3,067,144
Disposals	(470,944)	(119,837)	(125,225)	(716,006)
Transfers	(26,339)	26,339	-	-
At 31 March 2021	<u>20,864,231</u>	<u>1,606,760</u>	<u>86,437</u>	<u>22,557,428</u>
Depreciation				
At 1 April 2020	3,062,233	1,166,511	168,474	4,397,218
Impairment	3,043,916	-	-	3,043,916
Charge for the year	383,784	144,380	9,807	537,971
Eliminated on disposals	(470,944)	(44,937)	(91,844)	(607,725)
At 31 March 2021	<u>6,018,989</u>	<u>1,265,954</u>	<u>86,437</u>	<u>7,371,380</u>
Net book value				
At 31 March 2021	<u>14,845,242</u>	<u>340,806</u>	<u>-</u>	<u>15,186,048</u>
At 31 March 2020	<u>15,514,908</u>	<u>250,976</u>	<u>43,188</u>	<u>15,809,072</u>

Included within the net book value of land and buildings above is £14,576,262 (2020 - £15,204,695) in respect of freehold land and buildings and £268,980 (2020 - £310,213) in respect of leaseholds.

Certain freehold land and buildings included above were recognised using the previous valuation, as deemed cost on transition to FRS102. Therefore, at the year end the land and buildings are held at their deemed historic cost.

The valuation of Elliot House, performed by Lambert Smith Hampton on 12 August 2021, was prepared on the basis of value in use within the charitable company's objectives.

Impairment

Freehold property

Following the refurbishment of Elliot House, which has an expected completion date during the 2022 financial year, the value of the property is estimated to be £2,300,000. This has resulted in an impairment as shown in the note above. The amount of impairment loss included in the SoFA is £3,043,916 (2020 - £548,800). The impairment loss is included in land & buildings.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2020	18,380,514	1,280,810	126,394	19,787,718
Additions	2,784,373	259,225	-	3,043,598
Disposals	<u>(470,944)</u>	<u>-</u>	<u>(40,752)</u>	<u>(511,696)</u>
At 31 March 2021	<u>20,693,943</u>	<u>1,540,035</u>	<u>85,642</u>	<u>22,319,620</u>
Depreciation				
At 1 April 2020	3,069,670	1,116,724	118,542	4,304,936
Impairment	3,043,916	-	-	3,043,916
Charge for the year	363,260	127,127	4,833	495,220
Eliminated on disposals	<u>(470,944)</u>	<u>-</u>	<u>(37,733)</u>	<u>(508,677)</u>
At 31 March 2021	<u>6,005,902</u>	<u>1,243,851</u>	<u>85,642</u>	<u>7,335,395</u>
Net book value				
At 31 March 2021	<u>14,688,041</u>	<u>296,184</u>	<u>-</u>	<u>14,984,225</u>
At 31 March 2020	<u>15,310,844</u>	<u>164,086</u>	<u>7,852</u>	<u>15,482,782</u>

Included within the net book value of land and buildings above is £14,442,530 (2020 - £15,024,100) in respect of freehold land and buildings and £245,511 (2020 - £286,744) in respect of leaseholds.

Certain freehold land and buildings included above were recognised using the previous valuation, as deemed cost on transition to FRS102. Therefore, at the year end the land and buildings are held at their deemed historic cost.

The valuation of Elliot House, performed by Lambert Smith Hampton on 12 August 2021, was prepared on the basis of value in use within the charitable company's objectives.

Impairment

Freehold property

Following the refurbishment of Elliot House, which has an expected completion date during the 2022 financial year, the value of the property is estimated to be £2,300,000. This has resulted in an impairment as shown in the note above. The amount of impairment loss included in the SoFA is £3,043,916 (2020 - £548,800). The impairment loss is included in land & buildings.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

16 Fixed asset investments

Group

	2021 £	2020 £
Other investments	<u>10,929</u>	<u>19,538</u>

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2021	2020	
Associates					
Northern Inclusion Consortium	England	Ordinary	25%	25%	Procurement services

Other investments

	Unlisted investments £
Cost or Valuation	
At 1 April 2020	<u>30,000</u>
At 31 March 2021	<u>30,000</u>
Provision for impairment	
At 1 April 2020	10,462
Charge for year	<u>8,609</u>
At 31 March 2021	<u>19,071</u>
Net book value	
At 31 March 2021	<u>10,929</u>
At 31 March 2020	<u>19,538</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

Associates

Aggregate financial information of associates

	2021 £	2020 £
Total assets	125,271	256,608
Total liabilities	<u>(81,325)</u>	<u>(143,577)</u>
Net assets	<u>43,946</u>	<u>113,031</u>
Revenues	<u>1,538,544</u>	<u>2,948,371</u>
Profit or loss	<u>(69,085)</u>	<u>1,794</u>

Charity

	2021 £	2020 £
Other investments	<u>10,929</u>	<u>19,538</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2020	1	1
Disposals	<u>(1)</u>	<u>(1)</u>
At 31 March 2021	<u>-</u>	<u>-</u>
Net book value		
At 31 March 2021	<u>-</u>	<u>-</u>
At 31 March 2020	<u>1</u>	<u>1</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

Other investments

	Unlisted investments £	Total £
Cost or Valuation		
At 1 April 2020	<u>30,000</u>	<u>30,000</u>
At 31 March 2021	<u>30,000</u>	<u>30,000</u>
Provision for impairment		
At 1 April 2020	10,462	10,462
Charge for year	<u>8,609</u>	<u>8,609</u>
At 31 March 2021	<u>19,071</u>	<u>19,071</u>
Net book value		
At 31 March 2021	<u>10,929</u>	<u>10,929</u>
At 31 March 2020	<u>19,538</u>	<u>19,538</u>

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2021	2020	
Subsidiary undertakings					
TCUK Homes Limited	England	Limited by Guarantee	100%	100%	Provision of social housing
Cyrenians Fareshare North East Community Interest Company	England	Ordinary	0%	100%	Redistribution of surplus fresh food

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

Subsidiaries

The loss for the financial period of TCUK Homes Limited was £11,622 (2020 - £16,427 surplus) and the aggregate amount of capital and reserves at the end of the period was (£44,685) (2020 - (£33,063)).

17 Stock

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Properties held for sale	-	295,150	-	295,150

18 Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	751,285	898,170	750,541	887,966
Due from group undertakings	-	-	624,870	45,136
Prepayments	523,354	240,387	463,925	219,895
Accrued income	1,178,202	536,413	621,128	536,413
Other debtors	517,615	374,950	328,850	192,811
	<u>2,970,456</u>	<u>2,049,920</u>	<u>2,789,314</u>	<u>1,882,221</u>

Group trade debtors includes a bad debt provision of £Nil (2020 - £205). Group other debtors includes a bad debt provision of £619,108 (2020 - £340,853).

Charity trade debtors includes a bad debt provision of £Nil (2020 - £205). Charity other debtors includes a bad debt provision of £429,574 (2020 - £242,324).

19 Cash and cash equivalents

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Cash on hand	5,250	6,688	5,250	6,497
Cash at bank	318,580	1,072,605	200,000	207,424
Short-term deposits	2,692,971	4,027,480	2,692,971	4,027,480
	<u>3,016,801</u>	<u>5,106,773</u>	<u>2,898,221</u>	<u>4,241,401</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

20 Creditors: amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Bank loans	299,651	411,636	299,651	411,636
Trade creditors	765,235	507,317	672,592	462,914
Hire purchase and finance leases	-	11,215	-	-
Other taxation and social security	310,408	286,304	254,607	259,096
Other creditors	114,550	89,037	112,793	887,079
Accruals	1,029,916	620,114	990,898	585,807
Deferred income	<u>1,809,895</u>	<u>1,816,774</u>	<u>1,809,895</u>	<u>1,750,484</u>
	<u>4,329,655</u>	<u>3,742,397</u>	<u>4,140,436</u>	<u>4,357,016</u>

HP liabilities

The HP liabilities are secured against the assets which they relate.

Deferred income

Group

	2021 £	2020 £
Deferred income at 1 April 2020	1,816,774	1,490,910
Resources deferred in the period	1,809,895	1,816,774
Amounts released from previous periods	<u>(1,816,774)</u>	<u>(1,490,910)</u>
Deferred income at year end	<u>1,809,895</u>	<u>1,816,774</u>

Charity

	2021 £	2020 £
Deferred income at 1 April 2020	1,750,484	1,452,593
Resources deferred in the period	1,809,895	1,750,484
Amounts released from previous periods	<u>(1,750,484)</u>	<u>(1,452,593)</u>
Deferred income at year end	<u>1,809,895</u>	<u>1,750,484</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

21 Creditors: amounts falling due after one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Bank loans	2,740,142	3,932,035	2,740,142	3,932,035
Hire purchase and finance leases	-	9,346	-	-
Other creditors	-	-	5,228,064	3,083,931
	<u>2,740,142</u>	<u>3,941,381</u>	<u>7,968,206</u>	<u>7,015,966</u>

Borrowings

	Repayable Date	Interest Rate	Total 2021 £	Total 2020 £
Loan 7	15 April 2030	Base rate plus 1.45%	-	192,335
Loan 8	17 March 2022	Base rate plus 1.60%	-	361,433
Loan 9	28 September 2023	Base rate plus 1.60%	-	562,164
Loan 10	31 July 2024	Base rate plus 1.60%	2,939,793	3,127,739
Big issue investment		Nil	100,000	100,000
			<u>3,039,793</u>	<u>4,343,671</u>

The bank loans are secured by way of a legal charge over Elliott House, 1-3 Bentinck Terrace, 156 & 158 Hotspur Street, The Fells, Roycroft House, Francis House, 36 Bentinck Road and Ridley Villas.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

22 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Land and buildings				
Within one year	2,236,514	1,246,757	1,871,255	1,246,757
Between one and five years	3,511,611	1,903,892	2,958,427	1,903,892
After five years	1,640,336	1,483,402	1,640,336	1,483,402
	<u>7,388,461</u>	<u>4,634,051</u>	<u>6,470,018</u>	<u>4,634,051</u>
Other				
Within one year	44,448	-	44,448	-
Between one and five years	41,622	-	41,622	-
	<u>86,070</u>	<u>-</u>	<u>86,070</u>	<u>-</u>

23 Provisions

Group

	Deferred tax	Total
	£	£
At 1 April 2020	(7,298)	(7,298)
Credited to the statement of recognised gains and losses	<u>7,298</u>	<u>7,298</u>
At 31 March 2021	<u>-</u>	<u>-</u>

24 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £784,874 (2020 - £728,389).

Contributions totalling £76,845 (2020 - £69,423) were payable to the scheme at the end of the year and are included in creditors.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

25 Commitments

Group

Capital commitments

The total amount contracted for but not provided in the financial statements was £274,100 (2020 - £Nil).

Charity

Capital commitments

The total amount contracted for but not provided in the financial statements was £274,100 (2020 - £Nil).

26 Funds

Group

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers and other recognised gains/(losses) £	Balance at 31 March 2021 £
Unrestricted					
General					
Unrestricted funds	4,499,427	24,248,702	(23,903,569)	(2,604,465)	2,240,095
Designated					
Core properties	3,859,403	-	-	201,020	4,060,423
Property sinking fund	628,506	-	(144,479)	156,564	640,591
Revaluation reserve	651,780	-	-	-	651,780
	<u>5,139,689</u>	<u>-</u>	<u>(144,479)</u>	<u>357,584</u>	<u>5,352,794</u>
Total unrestricted	9,639,116	24,248,702	(24,048,048)	(2,246,881)	7,592,889
Restricted					
Restricted Funds	<u>5,969,025</u>	<u>3,611,065</u>	<u>(2,247,434)</u>	<u>(797,035)</u>	<u>6,535,621</u>
Total funds	<u>15,608,141</u>	<u>27,859,767</u>	<u>(26,295,482)</u>	<u>(3,043,916)</u>	<u>14,128,510</u>

The analysis of Restricted Funds can be found at note 30.

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

Property Sinking Fund

The charity has a portfolio of both leased and owned properties, all of which should be maintained to a high standard to improve quality of service and standards of living. The sinking fund allows for future major repairs/refurbishment to the assets. Each year part of the sinking fund is spent on internal/external redecoration and upgrading and a separate amount is ring-fenced for future spends. The amount ring fenced represents the estimate of works to be carried out on owned buildings over the next 10 years.

Core Properties

The directors have reviewed the reserves policy and have now designated a property fund equal in value to the book value of the properties less any associated borrowings. The properties included are those core properties which are considered to be long term assets of the charity which could not be easily sold or mortgages obtained against in the event of requiring additional working capital.

Revaluation Reserve

The revaluation reserve relates to the upwards valuations of the core properties.

27 Analysis of net assets between funds

Group

	Unrestricted			Total funds at 31 March 2021 £
	General £	Designated £	Restricted £	
Intangible fixed assets	14,073	-	-	14,073
Tangible fixed assets	5,226,110	4,731,874	5,228,064	15,186,048
Fixed asset investments	10,929	-	-	10,929
Net current assets/(liabilities)	(270,875)	620,920	1,307,557	1,657,602
Creditors over 1 year	<u>(2,740,142)</u>	<u>-</u>	<u>-</u>	<u>(2,740,142)</u>
Total net assets	<u>2,240,095</u>	<u>5,352,794</u>	<u>6,535,621</u>	<u>14,128,510</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

	Unrestricted			Total funds at 31 March 2020 £
	General £	Designated £	Restricted £	
Intangible fixed assets	18,764	-	-	18,764
Tangible fixed assets	7,660,185	5,064,956	3,083,931	15,809,072
Fixed asset investments	19,538	-	-	19,538
Net current assets/(liabilities)	749,619	74,733	2,885,094	3,709,446
Creditors over 1 year	(3,941,381)	-	-	(3,941,381)
Provisions	(7,298)	-	-	(7,298)
Total net assets	<u>4,499,427</u>	<u>5,139,689</u>	<u>5,969,025</u>	<u>15,608,141</u>

28 Analysis of net funds

Group

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	5,106,773	(2,089,972)	3,016,801
Debt due within one year	(411,636)	111,985	(299,651)
Debt due after more than one year	<u>(3,941,381)</u>	<u>1,201,239</u>	<u>(2,740,142)</u>
Net debt	<u>753,756</u>	<u>(776,748)</u>	<u>(22,992)</u>
	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	3,005,035	2,101,738	5,106,773
Debt due within one year	(538,314)	126,678	(411,636)
Debt due after more than one year	<u>(4,347,092)</u>	<u>405,711</u>	<u>(3,941,381)</u>
Net debt	<u>(1,880,371)</u>	<u>2,634,127</u>	<u>753,756</u>

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

29 Related party transactions

During the year the group made the following related party transactions:

University of York St John

(A trustee of the University is also a trustee of the charity. The University ceased to be a related party on 11 November 2020.)

Income for student placements received to the value of £Nil (2020 - £300). At the balance sheet date the amount due to/from University of York St John was £Nil (2020 - £Nil).

Karbon Homes

(An employee, the Assistant Director of Development Delivery, of the entity is a director of TCUK Homes Limited)

Rental and repair charges incurred to the value of £116,740 (2020 - £106,369). At the balance sheet date the amount due to Karbon Homes was £8,488 (2020 - £256).

Voluntary Organisations' Network North East

(A trustee of the organisation is also a trustee of the charity. The Voluntary Organisations' Network North East ceased to be a related party on 11/11/20.)

Payments for recruitment services to the value of £280 (2020 - £3,563). At the balance sheet date the amount due to/from Voluntary Organisations' Network North East was £Nil (2020 - £Nil).

Hobson Golf Club Limited

(A director of the entity was also a trustee of the charity.)

The charity incurred expenditure of £Nil (2020 - £366). At the balance sheet date the amount due to/from Hobson Golf Club Limited was £Nil (2020 - £Nil).

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

30 Restricted Funds

Housing and Homelessness

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
National Lottery	Peer research in partnership with Crisis	1,360	1,360	(1,360)	(1,360)	-
Big Lottery Fund	Share the impact of COVID on hard to reach communities, with decision making agencies	-	50,000	(50,000)	-	-
Northumbria PCC – Violence Reduction Intervention Fund	Reduction in domestic violence in Northumbria	13,576	13,576	(13,576)	(13,576)	-
Community Foundation		600	600	(600)	(600)	-
HM Treasury – LIBOR Fund	Outreach service for veterans in HMP Northumberland, hospitals and local hospitals	12,107	12,107	(12,107)	(12,107)	-
Community Foundation	Establishment of a health and wellbeing hub for young people	3,813	3,813	(2,425)	(3,813)	1,388
Big Lottery Fund	Supporting people with multiple needs in Newcastle and Gateshead	145,098	603,499	(339,785)	(145,098)	263,714
Sunderland City Council	Rough Sleeper outreach support	13,250	-	-	(13,250)	-
ABF – The Soldiers Charity	Support ex armed forces personnel to transition to civilian lives in Gateshead.	20,000	44,000	(24,000)	(20,000)	20,000
ABF – The Soldiers Charity	Support ex armed forces personnel to transition to civilian lives in Newcastle.	-	3,000	(3,000)	-	-

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

30 Restricted Funds (continued)

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
Community Foundation	Starter packs for clients moving into independent accommodation in Newcastle	2,500	2,500	(2,500)	(2,500)	-
City of York Council	Mental Health Housing First officer in York	-	20,000	-	-	20,000
Sunderland City Council	Support for rough sleepers in Sunderland	11,224	11,224	(1,428)	(11,224)	9,796
Virgin Money Foundation	Establishment of the Athena project in Sunderland	38,027	38,027	(38,027)	(38,027)	-
Northumberland County Council	Management of temporary accommodation in Northumberland	11,500	11,500	(11,500)	(11,500)	-
Northumberland County Council – Community Chest Scheme	New kitchen for temporary accommodation in Blythe.	8,750	8,750	(8,750)	(8,750)	-
Sunderland City Council	Additional COVID related support for families in Sunderland	65,000	170,500	(95,820)	(65,000)	74,680
South Tyneside CCG	To support people with mental health needs by providing two self-contained flats for short-term, 24-hour crisis accommodation to reduce delays in hospital discharge/risk of admission or readmission to hospital	-	25,000	(6,398)	-	18,602

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

30 Restricted Funds (continued)

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
NHS Vale of York CCG	To assist hospital staff in York to prevent avoidable admissions and facilitate effective discharge.	-	81,000	(68,305)	-	12,695
Homes England	Refurbishment and Redevelopment of Elliot House into 36 flats.	1,671,224	557,074	-	-	2,228,298
Homes England	Purchase of homes for homeless people	3,168,096	-	-	(168,330)	2,999,766
Total Housing and Homelessness		5,186,125	1,657,530	(679,581)	(515,135)	5,648,939

Drug and Alcohol

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
City of York Council	Establishment of a drug recovery centre in York	500,000	-	-	-	500,000
City of York Council	Drug abstinence and recovery programme in York	40,000	-	-	(40,000)	-
The Health Foundation	Establish a primary care hub in the west end of Newcastle	-	19,370	(19,370)	-	-
North Yorkshire County Council via Humankind	Partnership work in North Yorkshire – aftercare and recovery support	25,000	25,000	-	(25,000)	25,000
Total Drug and Alcohol		565,000	44,370	(19,370)	(65,000)	525,000

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

30 Restricted Funds (continued)

Women and Children

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
National Lottery Community Fund	Fund Support Workers and other posts in Wolverhampton	104,560	184,882	(184,882)	(104,560)	-
The Vardy Foundation	Develop Theory of Change model to influence training and service delivery	-	250,000	(230,213)	-	19,787
Merseyside PCC	Supporting sex workers in Merseyside to improve their safety and report crimes against them	-	19,363	(18,273)	-	1,090
MHCLG via Newcastle City Council – Safe Newcastle Unit	Part funding of Outreach Workers in Newcastle	-	67,572	(51,895)	-	15,677
MHCLG	Additional community based capacity and accommodation for victims of domestic abuse across Tyne and Wear, Northumberland, North and South Yorkshire, Wolverhampton and Nottinghamshire	-	100,000	(100,000)	-	-
National Lottery Community Fund	Support for 120 individuals within the Northumbria Police region who have been groomed for exploitation.	41,166	156,166	(103,317)	(41,166)	52,849
Police, Fire and Crime Commissioner for North Yorkshire Community Fund	Sex work project in North Yorkshire	2,590	7,793	(4,820)	(2,590)	2,973
DCMS	Support to overcoming trauma for adult survivors of grooming and sexual exploitation	-	608,294	(458,721)	-	149,573

The Cyrenians Limited

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Notes to the Financial Statements for the Year Ended 31 March 2021

30 Restricted Funds (continued)

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
People's Postcode Trust	Support girls in Nottingham who experience period poverty	9,826	9,826	(5,801)	(9,826)	4,025
West Midlands PCC	Victim support in West Midlands	-	8,158	(8,158)	-	-
Halton Borough Council	Provision of Domestic Abuse refuge and community support in Halton borough	-	5,851	-	-	5,851
MHCLG via Cheshire Without Abuse	Domestic Abuse safe accommodation around COVID in Cheshire	-	51,577	(51,577)	-	-
PCC via MSS	Domestic Abuse safe accommodation around COVID in Cheshire	-	47,738	(41,730)	-	6,008
Newcastle City Council – Safe Newcastle Unit	Provision of Domestic Abuse Health Advocate	12,970	12,970	(12,970)	(12,970)	-
Newcastle City Council – Fairer Housing Unit	Provision of Domestic Abuse Health Advisor and Service Navigator	19,690	29,690	(21,670)	(19,690)	8,020
Community Foundation	To mark White Ribbon Day, campaign to end violence against women	110	110	(110)	(110)	-
National Lottery via North East Law Centre	Employ Senior Support Worker as partner supporting disadvantaged groups	-	27,406	(18,921)	-	8,485
Home Office via Merseyside PCC	Protection of women sex workers in Merseyside	-	32,250	(32,250)	-	-

The Cyrenians Limited

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Notes to the Financial Statements for the Year Ended 31 March 2021

30 Restricted Funds (continued)

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
Shears Foundation	Core costs supporting sex workers	5,000	20,000	(20,000)	(5,000)	-
Other Funders		-	5,000	(5,000)	-	-
Northumbria PCC – Supporting Victims Fund - 19/20	Support the Crime and Policing objective “Putting Victims First” in Northumbria	15,507	15,507	(15,507)	(15,507)	-
Northumbria PCC – Supporting Victims Fund - 20/21	Support the Crime and Policing objective “Putting Victims First” in Northumbria	-	44,525	(44,525)	-	-
Northumbria PCC – COVID Fund	As above but specifically with reference to issues arising from COVID	-	40,250	(26,496)	-	13,754
Durham PCC Supporting Victims during COVID	Supporting victims of crime during COVID within County Durham	-	41,245	(30,127)	-	11,118
Community Foundation – Women’s Fund	Support women with experience of sex work	1,000	-	(1,000)	-	-
Total Women and Children		212,419	1,786,173	(1,487,963)	(211,419)	299,210

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

30 Restricted Funds (continued)

Employment

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
Newcastle City Council – Newcastle Fund	Peer mentoring programme in Newcastle	-	35,785	-	-	35,785
Business in the Community	Prepare unemployed people in Newcastle for work	-	10,000	(10,000)	-	-
Total Employment		-	45,785	(10,000)	-	35,785

Criminal Justice

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
West Midlands PCC	Support for women in Walsall and Wolverhampton to prevent reoffending	-	31,694	(31,694)	-	-
Nottinghamshire PCC	Working with Notts police to provide early intervention support	-	40,032	(18,616)	-	21,416
Total Criminal Justice		-	71,726	(50,310)	-	21,416

The Cyrenians Limited

operating as Changing Lives

Notes to the Financial Statements for the Year Ended 31 March 2021

30 Restricted Funds (continued)

General

Funder	Purpose of Funding	Opening	Income	Expenditure	Transfer	Closing
Community Foundation	Deliver arts based projects	2,687	2,687	-	(2,687)	2,687
Gateshead MBC	Provision of introductory training modules	1,234	1,234	-	(1,234)	1,234
Community Foundation		1,560	1,560	(210)	(1,560)	1,350
Total General		5,481	5,481	(210)	(5,481)	5,271
Grant Total		5,969,025	3,611,065	(2,247,434)	(797,035)	6,535,621