

TRANSFORM JUSTICE
TRUSTEES REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 MARCH 2018

The Trustees, who are also Directors of the charitable company, present their report and the financial statements for Transform Justice for the year ended 31 March 2018.

COMPANY INFORMATION

Registration	<p>Company Number: 08031781</p> <p>Charity Number: 1150989</p>
Board of Trustees	<p>The following persons have served as members of the Board during the period and up to the date of this report:</p> <p>Mr Chris Stanley Mr Edward Gretton Ms Philippa Budgen Mrs Winnie Yu Ms Seama Kapoor (resigned 14th April 2018)</p>
Registered Office	<p>43 Lawford Road London NW5 2LG</p>
Bankers	<p>Co-operative Bank PO Box 250 Skelmersdale WN8 6WT</p> <p>Metro Bank One Southampton Row London WC1B 5HA</p>

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FOR THE PERIOD ENDED 31 MARCH 2018

OBJECTIVES AND GOVERNING STATEMENTS

The charitable company was incorporated on 16 April 2012, and achieved charitable status on 27 February 2013. It is governed by its Memorandum and Articles of Association

Objects

The charitable company was set up to advance education and research into the administration of the law, advance the sound administration of the law and promote human rights. Transform Justice uses research and advocacy to achieve these ends.

Activities/public benefit

2017/2018 was the sixth year of operation for Transform Justice as a company limited by guarantee and the fifth full year as a charity.

Transform Justice published four reports in 2017/18:-

- Rethinking Judicial Independence (July 2017)
- Defendants on video – conveyor belt justice or a revolution in access? (October 2017)
- Less is more – the case for dealing with offences out of court (December 2017)
- Presumed innocent but behind bars – is remand overused in England and Wales? (March 2018)

Transform Justice also published a short briefing on court closures which was published in February 2018. All the reports were widely disseminated, covered in the media and quoted. Transform Justice has a popular presence on twitter and on linkedin and publishes a weekly blog.

All the reports were funded by the Hadley Trust except for Defendants on Video, which was funded by the Barrow Cadbury Trust. Transform Justice has one employed member of staff and used regular freelance help two days a week from January 2018 onwards.

Transform Justice has met its charitable objects through the publication and dissemination of reports, tweets and blog posts on aspects of the justice system (the over-use of pre-trial detention, sentence inflation, the threat to access to justice posed by court closures and digital justice) and raising awareness of human rights issues such as defendants' access to legal advice.

In 2018/19 Transform Justice will continue to disseminate learning from all the reports completed so far, will publish reports on domestic abuse, on the over use of pre-trial detention for children and on the importance of defendants receiving high quality legal advice.

Recruitment and appointment of new trustees

There was no change in the trustee board 2017/18.

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FINANCIAL REVIEW

Result for the period

The Board of Trustees reports an excess of expenditure over income over of £10,695, which was taken from reserves.

Reserves

The accounts show total funds carried forward of £50,381. This includes restricted funds of £53,571 as shown in Note 17 to the financial pages. These funds will be expended in 2017/18. Unrestricted funds are in deficit by £3,190.

Statement of Trustee responsibilities

Company law requires the Trustees (who are also the directors of Transform Justice for the purpose of company law) to prepare the financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period.


In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for keeping proper accounting records which disclose reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

This report has been delivered in accordance with the provisions in part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Signed: _____



Date: _____

12-12-18

Chris Stanley
On behalf of the Board

Independent Examiner's Report to the Trustees of Transform Justice

Report to the trustees of Transform Justice on the accounts for the year ended 31 March 2018 set out on pages 5 to 10.

Respective responsibilities of the trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year (under section 144 (2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for an independent examination. It is my responsibility to:

- examine the accounts (under section 145 of the 2011 Act),
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Act),
- and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My work was conducted in accordance with the General Directions given by the Charity Commissioners. My procedures consisted of comparing the accounts with the accounting records kept by the charitable company, and making such limited enquiries of the officers of the charitable company as I considered necessary for the purposes of this report. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

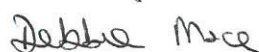
In the course of my examination, no matter has come to my attention

- 1 which gives me reasonable cause to believe that in any material respect, the requirements

to keep accounting records in accordance with section 386 of the Companies Act 2006;
and
to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.

have not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Debbie Mace
23 Forgebank Walk
Halton
LA2 6FD



Independent Examiner

15 December 2018

TRANSFORM JUSTICE
Registered Charity no. 1150989 and Company Limited by Guarantee - Reg. no
08031781

Balance Sheet as at 31 March 2018

	Note	31.3.2018		31.3.17	
		£	£	£	£
Current Assets					
Debtors	11	698		0	
Cash at bank		<u>53,457</u>		<u>101,359</u>	
		54,155		101,359	
Current Liabilities					
Creditors falling due within one year	12	<u>3,774</u>		<u>40,283</u>	
Net Current assets			50,381		61,076
Total assets less current liabilities			50,381		61,076
The funds of the charity:	17				
Unrestricted funds			(3,190)		2,355
Restricted funds			53,571		58,721
			50,381		61,076

For the financial period ended 31 March 2018 the directors are satisfied that the charitable company was entitled to exemption from audit under Section 477 of the Companies Act 2006 and no notice has been deposited under Section 476. The accounts have been examined by an Independent Examiner, in accordance with section 145 of the Charities Act 2011. Her report appears on page 4.

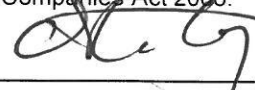
The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006, and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss (surplus or deficit) for each financial year in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006.

ON BEHALF OF THE BOARD OF TRUSTEES

Signed: 

Approved by the Board of Trustees on: 12-12-18

Name: CHRIS STANLEY
CHARR.

The notes on pages 7 to 10 form part of these accounts

TRANSFORM JUSTICE
Statement of Financial Activities
(incorporating an income and expenditure account)
For period ended 31 March 2018

		2018	2018	2018	2017
		<u>Unrestricted</u>	<u>Restricted</u>	<u>TOTAL</u>	<u>TOTAL</u>
		<u>funds</u>	<u>funds</u>	<u>FUNDS</u>	<u>FUNDS</u>
Income	Note	£	£	£	£
Donations	2	1,000	74,600	75,600	98,100
Income from charitable activities		1,409	0	1,409	0
Investment income	3	0	0	0	79
Total Income		2,409	74,600	77,009	98,179
Expenditure					
Expenditure on Charitable activities	4	2,454	79,750	82,204	62,344
Total expenditure		2,454	79,750	82,204	62,344
Net Income/(Expenditure)		(45)	(5,150)	(5,195)	35,835
Other recognised gains/(losses)	8	(5,500)	0	(5,500)	0
Net movement in funds for the year		(5,545)	(5,150)	(10,695)	35,835
RECONCILIATION OF FUNDS					
Total funds brought forward		2,355	58,721	61,076	25,241
Total funds carried forward		(3,190)	53,571	50,381	61,076

The statement of financial activities includes all gains and losses recognised in the period
All income and expenditure derive from continuing activities.

The notes on pages 7 to 10 form part of these accounts

TRANSFORM JUSTICE

Notes to the accounts

1. ACCOUNTING POLICIES

a) Basis of preparation

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 Ireland (FRS 102)(effective 1 January 2015) - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Acts 2006.

Transform Justice meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) have been met, it is probable that the income will be received and the amount can be measured reliably.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102) general volunteer time is not recognised but is referred to in the trustee's annual report.

e) Fund accounting

Unrestricted funds are funds received which have no restrictions placed on their use and are available to spend on activities that further any of the purposes of the charity.

Designated funds are unrestricted funds of the charity which the trustees have decided to set aside to use for a specific purpose.

Restricted funds are funds which are to be used for purposes as specified by the funder.

f) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

g) Creditors

Creditors and provision are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably

2. DONATIONS

	2018	2018	2018	2017
	£	£	£	£
Grants receivable	<u>Unrestricted</u>	<u>Restricted</u>	<u>TOTAL</u>	<u>TOTAL</u>
The Hadley Trust	0	54,220	54,220	87,600
The Barrow Cadbury Trust	0	11,000	11,000	0
Clinks	0	0	0	1,250
NACRO	0	0	0	250
Curtis Charitable Trust	1,000	0	1,000	0
Paul Hamlyn Foundation	0	0	0	9,000
Donated services	0	9,380	9,380	0
	1,000	74,600	75,600	98,100

Grants receivable in 2017 totalled £98,100 of which £1,500 were unrestricted, £96,600 were restricted.

TRANSFORM JUSTICE
Notes to the accounts

	2018 £	2017 £
3. INVESTMENT INCOME		
Deposit account interest	<u>0</u>	<u>79</u>

	2018 £	2018 £	2018 £	2017 £
4. EXPENDITURE ON CHARITABLE ACTIVITIES	<u>Unrestricted</u>	<u>Restricted</u>	<u>TOTAL</u>	<u>TOTAL</u>
Scoping, research and dissemination activities on following projects :-				
Reframing criminal justice	0	1,303	1,303	425
Unrepresented defendants in criminal courts	0	0	0	-600
Judicial Independence	0	2,501	2,501	400
Sentencing Council	0	0	0	8,934
Use of remand in England & Wales	0	1,063	1,063	0
Vulnerable adults & virtual hearings	0	1,890	1,890	0
Out of court disposals	0	10,899	10,899	0
Scotland trip costs	0	351	351	0
Printing	0	1,500	1,500	0
Support costs (note 5)	2,454	50,023	52,477	52,486
Governance costs (note 6)	0	10,220	10,220	700
	<u>2,454</u>	<u>79,750</u>	<u>82,204</u>	<u>62,344</u>

Expenditure on charitable activities in 2017 was £62,344, of which £62,344 were from restricted funds and nil from unrestricted..

	<u>Unrestricted</u>	<u>Restricted</u>	<u>TOTAL</u>	<u>TOTAL</u>
5. SUPPORT COSTS				
Staff costs (note 9)	2,409	44,591	47,000	50,250
Administrative support	0	2,746	2,746	0
Office and general expenses	45	2,233	2,278	2,236
IT costs	0	454	454	0
	<u>2,454</u>	<u>50,023</u>	<u>52,477</u>	<u>52,486</u>

Support costs in 2017 were £52,486, all of which were from restricted funds.

	<u>Unrestricted</u>	<u>Restricted</u>	<u>TOTAL</u>	<u>TOTAL</u>
6. GOVERNANCE COSTS				
Legal services (pro bono)	0	9,380	9380	0
Independent examination	0	840	840	700
	<u>0</u>	<u>10,220</u>	<u>10,220</u>	<u>700</u>

Governance costs in 2017 were £700 all of which were from restricted funds.

	2018 £	2017 £
7. NET OUTGOING RESOURCES		
The Operating Surplus is stated after charging :-		
Independent Examiner fees	840	700
Trustee Emoluments	<u>0</u>	<u>0</u>

8. OTHER RECOGNISED GAINS/(LOSSES)

Loss arising from fraudulent activity	<u>(5,500)</u>	<u>0</u>
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The charity was the target of fraud during the year. A total of £7,000 was taken, but £1,500 recovered by the bank. Thus £5,500 was lost through this and is unlikely to be repaid, although legal advisors have been working on the case on a pro bono basis.

TRANSFORM JUSTICE
Notes to the accounts

9. ANALYSIS OF STAFF COSTS, AND TRUSTEE REMUNERATION AND EXPENSES

	<u>2018</u>	<u>2017</u>
Gross salary costs	10,000	10,567
Other staff benefits	2,000	0
Pension contribution (salary sacrifice)	35,000	39,683
	<u>47,000</u>	<u>50,250</u>

No employees received employee benefits exceeding £60,000 (2017 nil).

The charitable company employed one member of staff. £35,000 of her salary was paid to the employee's pension scheme, under a salary sacrifice arrangement, as agreed in a variation of contract (2017 £39,683).

Trustee remuneration and expenses

The trustees all give freely their time without any form of remuneration or other benefit in cash or in kind.

No trustees received reimbursement of expenses during the period (2017 - none).

10. STAFF NUMBERS

The average monthly head count was one during the period (2017 - one).

	<u>2018</u>	<u>2017</u>
11. DEBTORS	<u>£</u>	<u>£</u>
Trade debtors	604	0
HMRC re PAYE overpayment	94	0
	<u>698</u>	<u>0</u>

	<u>£</u>	<u>£</u>
12. CREDITORS	<u>£</u>	<u>£</u>
Office expenses	1,693	0
Pension contribution	0	39,683
Trade creditors	1,241	0
Accruals	840	600
	<u>3,774</u>	<u>40,283</u>

13. COMPANY STATUS

The charitable company is limited by guarantee and therefore has no share capital.

The member's liability under the guarantee is restricted to a maximum of £1.

14. POST BALANCE SHEET EVENTS

There were no significant post balance sheet events.

15. CONTINGENT LIABILITIES

The charitable company had no material contingent liabilities at 31 March 2018 (31 March 2017 - none).

16. RELATED PARTIES

There were no disclosable related party transactions during the period (2017 - none).

TRANSFORM JUSTICE
Notes to the accounts

	Balance at 31 March 2017	Incoming Resources	Resources Expended	Balance at 31 March 2018
17. STATEMENT OF FUNDS				
<u>Unrestricted funds</u>	£	£	£	£
Income from workshops	0	1,409	1,409	0
Curtis Charitable Trust	0	1,000	1,000	0
General funds	2,355	0	5,545	(3,190)
	<u>2,355</u>	<u>2,409</u>	<u>7,954</u>	<u>(3,190)</u>
<u>Restricted funds</u>				
Reframing justice	3,606	0	3,606	0
Judicial Independence	15,595	0	15,595	0
Use of Remand	15,057	0	12,063	2,994
Breach and Recall	24,463	0	3,390	21,073
Out of court disposals	0	19,670	19,670	0
Research trip to Scotland	0	2,300	2,300	0
Admin/research assistant	0	8,000	2,746	5,254
Vulnerable adults & virtual hearings	0	11,000	11,000	0
Criminal justice system - Domestic abuse	0	24,250	0	24,250
Legal services	0	9,380	9,380	0
	<u>58,721</u>	<u>74,600</u>	<u>79,750</u>	<u>53,571</u>
TOTAL FUNDS	<u>61,076</u>	<u>77,009</u>	<u>87,704</u>	<u>50,381</u>

Unrestricted funds are available to be spent for any of the purposes of the charity.

The negative balance arising on unrestricted funds was due to suffering a case of fraud (see note 8).

The use of the remaining funds on the Breach and Recall project has been varied, by agreement of the funder (Hadley Trust) and will be used in the future for other projects.

The report on whether the criminal justice system reduces domestic abuse, will be delivered in 2018/19

Other restricted funds will be spent in 2018/19