



TRANSFORM JUSTICE

(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

TRANSFORM JUSTICE
TRUSTEES REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

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 2023.

COMPANY INFORMATION

Registration Company Number: 08031781
Charity Number: 1150989

Board of Trustees The following persons have served as members of the Board during the period and up to the date of this report:

Mr Chris Stanley
Dr Hannah Quirk (resigned January 2023)
Nicola Lowit
Simon Wolfensohn
Darryn Frost
Marie Ann Sheldon
Sarah Waite
Sarah Lombard (resigned January 2023)
Elaine Pomery (appointed January 2023)

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One Southampton Row
London WC1B 5HA

Independent Examiner Anthony Epton FCA, CTA, FCIE
Goldwins Limited
75 Maygrove Road, West Hampstead,
London NW6 2EG

TRANSFORM JUSTICE
TRUSTEES REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

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

Summary

In the year ending March 2023 Transform Justice continued to publish evidence and research to influence policy makers and practitioners to create a fairer, more compassionate and open justice system in England and Wales. With the aim of educating people about the justice system, we commissioned a new website and started producing a podcast on justice issues.

Resolving crime without going to court

We continued to promote effective diversion from prosecution as part of our Lloyds Bank Foundation work which started in January 2021. We advocate that the police use out of court disposals or no formal sanction rather than charge for lower-level offences for which, if convicted, defendants would receive a fine or absolute/conditional discharge. Our advocacy has had two main target audiences – national stakeholders including the National Police Chiefs' Council and Home Office and Ministry of Justice (MoJ) civil servants, and individual police forces to whom we have offered support.

In this period, we engaged most closely with these police forces: Lancashire, West Midlands, Derbyshire, Sussex, Leicestershire, Gloucestershire, Warwickshire and West Yorkshire. We offered research insights, counsel on how to promote diversion to police colleagues and advice on communicating effectively to victims and to the public.

In January 2023 we held a major conference on resolving crime without going to court attended by 159 people from the police, voluntary sector, and academia. The conference featured presentations and panel discussions from experts and police champions and two keynote speeches by the Chief Inspector of Police and the incumbent Chair of the National Police Chiefs' Council.

We have had very positive engagement with the police. Our greatest challenge has been the political narrative which conflates no prosecution with no resolution of crime and with soft justice. However, we are pleased to report that use of out of court disposals has increased in comparison to charges since we started this project.

Assaults on police and NHS workers

We published a report on assault on police and NHS workers in June 2022. This was the culmination of a year of research and engagement with stakeholder groups, notably organisations employing or representing victims of assault. In the wake of a significant increase in the maximum sentence for assaulting an emergency worker, we analysed whether prosecution was the most effective sanction and remedy for both victims and those who assaulted people. We particularly focussed on the harm done by prosecution and harsh punishment to defendants who were neurodivergent and/or with mental health issues.

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The report was launched with an online event (72 attendees) and attracted some specialist and mainstream media coverage then and in subsequent months. The Transform Justice team focussed their post-publication advocacy on influencing attitudes to prosecution among NHS and police employers, staff and professional bodies. This was a targeted dissemination strategy which was successful in shifting views and prompting some action to address over-prosecution - NHS England is investigating commissioning a provider of rehabilitative services for people who are violent or abusive in primary care settings and the CPS and police are now trialling a mental health checklist so that the CPS are better informed in trying to decide whether prosecution is in the public interest.

Fairchecks

Our campaign to reform legislation on criminal records disclosure started in 2018 and has accelerated in recent years. We run it in partnership with the charity Unlock. In Spring 2023 we received new funding from the Aberdeen Fairness Foundation to enable us to continue the campaign for a further two years. Our aim in this period has been to grow the membership of the campaign and to support them to engage with their own constituency MPs. We have assessed latent political support for change as strong but know that MPs need to prioritise this issue if we are to get it on this or a future government agenda. The number of Fairchecks supporters has almost tripled in this period (1932 to 5415). Supporters have joined as a result of social media promotion, mainstream media articles, and FaceBook advertising. They are a mix of people with direct experience of having a criminal record, friends and family of those individuals and people who just believe in the cause.

We have forged an informal strategic partnership with RBIJ (Responsible Business Initiative for Justice) through which we have educated businesses about the discrimination suffered by those with criminal records and promoted system reform to them. In 2022/23 businesses began to sign up to our business statement of support, providing a foundation on which to build.

We have succeeded in building support for change in parliament and are looking to influence political thinking post-election – either to get criminal records reform in manifestos or in a future programme for government.

Localisation of criminal justice services

Transform Justice has long advocated for greater localisation of criminal justice services. It views localised services as having potential to be more innovative, more effective and offering greater opportunities for community involvement and scrutiny. In 2022 Transform Justice embarked on research and stakeholder conversations to inform their development of this policy agenda.

At the end of the financial year Transform Justice had drafted a report advocating for the localisation of many criminal justice services which are currently centralised including CPS and magistrates' court administration, probation and victims' services. It also advocated for the delegation of criminal justice budgets to police and crime commissioner level so that local politicians could decide how funds could be most effectively spent. This report was disseminated widely pre-publication and published in July 2023. We hope it may inspire politicians from any party in their thinking about how to mend our broken criminal justice system.

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Criminal courts and sentencing

We spent the spring of 2022 disseminating the research we supported the Magistrates' Association to complete on magistrates' courts during Covid (published March 2022). This research with sitting magistrates supported many of Transform Justice's long standing concerns about digital justice, particularly the negative impact on effective participation of forcing defendants to use video links for court hearings. We continued to research and advocate to improve the single justice procedure (SJP) – the court hearing system used for the majority of criminal prosecutions. Transform Justice has previously highlighted ways in which SJP compromises fair trial rights – particularly the high number of people who do not plead and are convicted in their absence. Transform Justice worked with the charity Appeal on a paper for the Criminal Procedures Rules Committee (March 2023), summarising the problems with SJP and making recommendations for change. The committee pledged to consider reforms which were within their remit.

Child remand

Transform Justice first published recommendations for a reduction in unnecessary pre-trial detention of children in 2018. We subsequently engaged closely with the Ministry of Justice to advocate for reform of primary legislation – to raise the threshold for child remand. This work eventually came to fruition in proposals in the PCSC Act which were implemented in 2022.

As well as engaging with central government, we focussed on statutory stakeholders in London. London accounted for a disproportionate number of the children remanded nationally. In 2022/3 we continued to engage with MOPAC, and with individual local authorities who wished to reduce their use of remand. Since our work began, the average number of London children on remand has fallen consistently.

One of the factors leading to pre-trial detention of children is police remand. When the police charge a child in custody and deny them bail, the child must appear the next day that the court is sitting. This gives prosecution and defence counsel and the youth justice service concerned only hours to prepare their case. Often children are put in pre-trial detention because insufficient time was available to the stakeholders to prepare a suitable bail package before that first court appearance. We have thus advocated to increase police use of bail from police custody post charge. This year we met with key stakeholders such as the National Police Chief's Council lead for custody and MOPAC, and will continue with our advocacy into the next year.

Parliamentary engagement

Transform Justice is viewed in parliament as a strong and reliable voice on criminal justice matters, particularly expert on magistrates' court issues. This year we responded to many consultations and inquiries and our evidence was cited in official responses – including the Justice Select Committee reports on open justice, on remand, on court capacity and on the draft Victims' Bill. Transform Justice was asked to give oral evidence to the Justice Select Committee as part of their inquiry on the use of remand.

Podcast

The Transform Justice podcast was launched in June 2022 and 18 podcast episodes were published during this financial year. Each podcast is hosted by Penelope Gibbs, Director of Transform Justice and Rob Allen, criminal justice consultant and invites two expert guests to discuss a particular subject. The idea is to have an illuminating discussion on that subject – making issues such as the Single Justice Procedure and restorative justice accessible to people who don't work in the criminal justice system. Each podcast is produced to a high quality standard. We have established the podcast within the criminal justice sector and are aiming to increase listenership.

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Better justice

Transform Justice is a founding partner of a sector initiative which is seeking to influence the political and public narrative about the criminal justice system. The other core partners are the Howard League for Penal Reform, NACRO and Action for Race Equality. The initiative aims ultimately to dial down the punitive narrative and influence progressive reform, particularly a reduction in imprisonment. Transform Justice is helping develop a strategy to enable the partnership to fundraise for staff and research resources.

A note to donors, volunteers and supporters

Transform Justice is immensely grateful to receive ongoing support from many donors, volunteers and supporters who have contributed to our work. This includes lawyers ReedSmith, who offered us pro bono research, and Burges Salmon, 23es and Mountford Chambers, all of whom allow Transform Justice to use meeting rooms pro bono.

Financial Review

Result for the period

The Board of Trustees reports an excess of expenditure over income £37,091, which is deducted to other funds and carried forward for future use.

Reserves

The accounts show total unrestricted funds carried forward of £111,937 as shown in Note 13 to the financial pages.

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: Nicola Lowit Date: 05.12.2023

Nicola Lowit
On behalf of the Board

Independent Examiner's Report to the Trustees of Transform Justice

I report to the charity Trustees on my examination of the accounts of the Transform Justice for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity's Trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Anthony Epton BA FCA CTA FCIE
Goldwins
Chartered accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

6 December 2023

Transform Justice
Statement of financial activities
(incorporating an income and expenditure account)
For the year ended 31 March 2023

| | Note | Unrestricted funds £ | Restricted funds £ | 2023 Total funds £ | 2022 Total funds £ |
|--|------|-------------------------|-----------------------|--------------------------|--------------------------|
| Income from: | | | | | |
| Donations | 3 | 8,260 | 383 | 8,643 | 2,490 |
| Charitable activities | 4 | 85,000 | 45,600 | 130,600 | 177,500 |
| Total income | | <u>93,260</u> | <u>45,983</u> | <u>139,243</u> | <u>179,990</u> |
| Expenditure on: | 5 | | | | |
| Charitable activities | | 84,102 | 92,232 | 176,334 | 167,739 |
| Total expenditure | | <u>84,102</u> | <u>92,232</u> | <u>176,334</u> | <u>167,739</u> |
| Net income / (expenditure) before net gains / (losses) on investments | | 9,158 | (46,249) | (37,091) | 12,251 |
| Net gains / (losses) on investments | | - | - | - | - |
| Net income / (expenditure) for the year | | 9,158 | (46,249) | (37,091) | 12,251 |
| Transfers between funds | | - | - | - | - |
| Net movement in funds | | <u>9,158</u> | <u>(46,249)</u> | <u>(37,091)</u> | <u>12,251</u> |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 102,779 | 46,249 | 149,028 | 136,777 |
| Total funds carried forward | | <u>111,937</u> | <u>-</u> | <u>111,937</u> | <u>149,028</u> |

All of the above results are derived from continuing activities.
There were no other recognised gains or losses other than those stated above.
The attached notes form part of these financial statements.

Transform Justice
Balance sheet
As at 31 March 2023

| | Note | 2023 £ | 2023 £ | 2022 £ | 2022 £ |
|--|------|----------------|-----------------------|----------------|----------------|
| Current assets: | | | | | |
| Debtors | 10 | - | | 222 | |
| Cash at bank and in hand | | <u>178,775</u> | | <u>156,587</u> | |
| | | 178,775 | | 156,809 | |
| Liabilities: | | | | | |
| Creditors: amounts falling due within one year | 11 | <u>66,838</u> | | <u>7,781</u> | |
| Net current assets | | | <u>111,937</u> | | <u>149,028</u> |
| Total net assets | | | <u>111,937</u> | | <u>149,028</u> |
| Funds | | | | | |
| | 14 | | | | |
| Restricted funds | | | - | | 46,249 |
| Unrestricted funds: | | | | | |
| General funds | | <u>111,937</u> | | <u>102,779</u> | |
| Total unrestricted funds | | | <u>111,937</u> | | <u>102,779</u> |
| Total funds | | | <u>111,937</u> | | <u>149,028</u> |

The Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The Trustees consider that the Charity is entitled to exemption from the requirement to have an audit under the provision of section 477 of the Companies Act 2006("the Act") and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the act. The Trustee acknowledge their responsibilities for complying with the requirement of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

Approved by the trustees on ...05.12.2023

and signed on their behalf by:

Nicola Lowit

Nicola Lowit
Trustee

Company registration no. 08031781

The attached notes form part of the financial statements.

Transform Justice
Notes to the financial statements
For the year ended 31 March 2023

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 Republic of Ireland (FRS 102 - effective 1 January 2015) - (Charities SORP FRS 102) and the Companies Act 2006.

The charitable company 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 or note.

b) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees do not consider that there are any 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 reporting period.

c) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

e) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in the furtherance of the general objectives of the charity and which have not been designated for other purposes. Restricted funds are donations and grants solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure on raising funds comprise the cost of donations made; expenditure on charitable activities include costs incurred by the charity in delivery of its activities and services for its beneficiaries.

g) Allocation of 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 activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

h) Tangible fixed assets

Expenditure on assets costing less than £1,000 is expensed.

i) 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.

j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Creditors and provisions

Creditors and provisions 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 or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Transform Justice
Notes to the financial statements
For the year ended 31 March 2023

2 Detailed comparatives for the statement of financial activities

| | 2022 Unrestricted funds £ | 2022 Restricted funds £ | 2022 Total funds £ |
|--|------------------------------------|----------------------------------|-----------------------------|
| Income from: | | | |
| Donations | 85,344 | 94,646 | 179,990 |
| Total income | <u>85,344</u> | <u>94,646</u> | <u>179,990</u> |
| Expenditure on: | | | |
| Charitable activities | 74,728 | 93,011 | 167,739 |
| Raising funds | - | - | - |
| Others | - | - | - |
| Total expenditure | <u>74,728</u> | <u>93,011</u> | <u>167,739</u> |
| Net income / expenditure before gains / (losses) on investments | 10,616 | 1,635 | 12,251 |
| Transfers between funds | - | - | - |
| Net income / (expenditure) | <u>10,616</u> | <u>1,635</u> | <u>12,251</u> |
| Total funds brought forward | 92,163 | 44,614 | 136,777 |
| Total funds carried forward | <u><u>102,779</u></u> | <u><u>46,249</u></u> | <u><u>149,028</u></u> |

3 Income from donations and legacies

| | Unrestricted funds £ | Restricted funds £ | 2023 Total funds £ | 2022 Total funds £ |
|-----------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Donations | 8,260 | 383 | 8,643 | 2,490 |
| | <u>8,260</u> | <u>383</u> | <u>8,643</u> | <u>2,490</u> |

4 Income from charitable activities

| | Unrestricted funds £ | Restricted funds £ | 2023 Total funds £ | 2022 Total funds £ |
|--|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Grants receivable | | | | |
| The Hadley Trust | 70,000 | - | 70,000 | 80,000 |
| Barrow Cadbury Trust | - | 2,600 | 2,600 | 9,500 |
| Lloyds Bank Foundation | - | 13,000 | 13,000 | 43,000 |
| Lady Edwina Grosvenor | - | 30,000 | 30,000 | 30,000 |
| AB Charitable Trust - General Fund | 15,000 | - | 15,000 | 15,000 |
| Total income from charitable activities | <u>85,000</u> | <u>45,600</u> | <u>130,600</u> | <u>177,500</u> |

Transform Justice
Notes to the financial statements
For the year ended 31 March 2023

5 Analysis of expenditure

| | <u>Charitable</u> <u>activities</u> £ | <u>Support</u> <u>costs</u> £ | <u>2023</u> <u>Total</u> £ | <u>2022</u> <u>Total</u> £ |
|---|---|-------------------------------------|----------------------------------|----------------------------------|
| Staff costs | - | 123,003 | 123,003 | 96,605 |
| Scoping, research and dissemination activities | | | | |
| Podcast project | 2,973 | - | 2,973 | 1,250 |
| Criminal Records (Fairchecks) | 7,181 | - | 7,181 | 12,476 |
| Child remand | | - | - | 2,211 |
| Alternatives to Prosecution | 1,492 | - | 1,492 | 5,565 |
| Magistrates Survey | 320 | - | 320 | 2,560 |
| Grants to organisations | | | | |
| Magistrates Survey project | - | - | - | 8,000 |
| Fairchecks project | 5,750 | - | 5,750 | 6,000 |
| Support costs | | | | |
| Administrative and research support | - | 21,215 | 21,215 | 28,009 |
| Office and general expenses | - | 4,539 | 4,539 | 4,101 |
| Website update | - | 7,462 | 7,462 | - |
| Bank charges | - | - | - | 10 |
| Independent examination | - | 1,680 | 1,680 | 914 |
| Governance costs | - | 559 | 559 | - |
| Trustee expenses | - | 160 | 160 | 38 |
| | <u>17,716</u> | <u>158,618</u> | <u>176,334</u> | <u>167,739</u> |
| Support costs | 158,618 | (158,618) | - | |
| Total expenditure 2023 | <u><u>176,334</u></u> | <u><u>-</u></u> | <u><u>176,334</u></u> | |
| Total expenditure 2022 | <u><u>167,739</u></u> | <u><u>-</u></u> | <u><u>167,739</u></u> | |

Of the total expenditure, £84,102 was unrestricted (2022: £74,728) and £92,232 was restricted (2022: £93,011).

Transform Justice
Notes to the financial statements
For the year ended 31 March 2023

6 Net income / (expenditure) for the year

| | | |
|--|---------------------|------------|
| This is stated after charging / (crediting): | 2023 | 2022 |
| | £ | £ |
| Independent examiner's fees net of VAT | <u>1,400</u> | <u>914</u> |

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

| | | |
|---|-----------------------|----------------------|
| Staff costs were as follows: | 2023 | 2022 |
| | £ | £ |
| Salaries and wages | 78,060 | 52,173 |
| Social security costs | 2,071 | 149 |
| Employer's contribution to defined contribution pension schemes | 1,482 | 480 |
| Other staff costs | 1,390 | 3,803 |
| Pension contribution (salary sacrifice) | <u>40,000</u> | <u>40,000</u> |
| | <u>123,003</u> | <u>96,605</u> |

No employees earned over £60,000 in the year.

The total employee benefits including Employer's NIC and pension contributions of the key management personnel were £56,011.

No charity trustees were paid or received any other benefits from employment with the charity in the year (2022: £nil). Trustees' expenses represents the payment of reimbursement of travel costs totalling £160 (2022: £38).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

| | | |
|-----------------------|-----------------|----------|
| | 2023 | 2022 |
| | No. | No. |
| Charitable activities | <u>3</u> | <u>2</u> |
| | <u>3</u> | <u>2</u> |

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Pension

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity contribution is restricted to the contributions disclosed in note 7. The costs of the defined contribution scheme are included within support costs. Contributions for March 2023 were outstanding at the year end.

The designated money purchase plan is managed by NEST. The plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan. The pension fund is then converted into a pension upon the employee's normal retirement age which is defined as when they are eligible for a state pension. The total expense ratio of the NEST plan is 0.8 % and this is deducted from the investment fund annually. Employees can also, on their request, opt for the charity pension contribution to be made to their personal pension scheme rather than the provided NEST scheme. One employee opted for this in 2023 (2022 none). The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

£40,000 of one salary was paid to the employee's pension scheme, under a salary sacrifice arrangement, as agreed in a variation of contract (2022 £40,000).

Transform Justice
Notes to the financial statements
For the year ended 31 March 2023

| | | |
|-------------------|-------------|------------|
| 10 Debtors | | |
| | 2023 | 2022 |
| | £ | £ |
| Other debtors | - | 222 |
| | <u>-</u> | <u>222</u> |

| | | |
|--|---------------|--------------|
| 11 Creditors: amounts falling due within one year | | |
| | 2023 | 2022 |
| | £ | £ |
| Trade creditors | 135 | 5,754 |
| Taxation and social security | 199 | 199 |
| Pension | 574 | - |
| Other creditors | - | 821 |
| Accruals | 1,680 | 1,007 |
| Deferred income | 64,250 | - |
| | <u>66,838</u> | <u>7,781</u> |

Deferred income

| | | |
|---------------------------------------|---------------|----------|
| | 2023 | 2022 |
| | £ | £ |
| Balance at the beginning of the year | - | 23,274 |
| Amount released to income in the year | - | (23,274) |
| Amount deferred in the year | 64,250 | - |
| Balance at the end of the year | <u>64,250</u> | <u>-</u> |

Deferred income represents grants received for the purpose of expenditure in a future period. Deferred income comprises of grants from: Lloyds (Alternatives to Prosecution) £32,250, Barrow & Cadbury (Courtwatch) £17,000, and Network for Social change (Courtwatch) £15,000.

12 Analysis of net assets between funds

| | Unrestricted funds | Restricted funds | Total funds |
|--|-----------------------|---------------------|----------------|
| | £ | £ | £ |
| Net current assets | 102,779 | 46,249 | 111,937 |
| Net assets at the end of the year | <u>102,779</u> | <u>46,249</u> | <u>111,937</u> |

Analysis of net assets between funds-prior year

| | Unrestricted funds | Restricted funds | Total funds |
|-----------------------------------|-----------------------|---------------------|----------------|
| | £ | £ | £ |
| Net current assets | 102,779 | 46,249 | 149,028 |
| Net assets at the end of the year | <u>102,779</u> | <u>46,249</u> | <u>149,028</u> |

Transform Justice
Notes to the financial statements
For the year ended 31 March 2023

| 13 Movements in funds | At the start of the year £ | Incoming resources & gains £ | Outgoing resources & losses £ | Transfers £ | At the end of the year £ |
|--|----------------------------------|---------------------------------------|--|----------------|--------------------------------|
| Restricted funds: | | | | | |
| Lady Edwina Grosvenor/donation - Fairchecks | - | 30,000 | (30,000) | - | - |
| Lloyds Bank Foundation - Alternatives to Prosecution | 44,549 | 13,000 | (57,549) | - | - |
| Barrow Cadbury Trust - Mental Health Crisis | 1,700 | 600 | (2,300) | - | - |
| Barrow Cadbury Trust - Courtwatch | - | 2,000 | (2,000) | - | - |
| CAF Donation - Fairchecks | - | 383 | (383) | - | - |
| Total restricted funds | 46,249 | 45,983 | (92,232) | - | - |
| Unrestricted funds: | | | | | |
| General funds | 102,779 | 93,260 | (84,102) | - | 111,937 |
| Total unrestricted funds | 102,779 | 93,260 | (176,334) | - | 111,937 |
| Total funds | 149,028 | 139,243 | (176,334) | - | 111,937 |
| Movements in funds-prior year | | | | | |
| | At the start of the year £ | Incoming resources & gains £ | Outgoing resources & losses £ | Transfers £ | At the end of the year £ |
| Restricted funds: | | | | | |
| Lady Edwina Grosvenor/donation - Fairchecks | - | 32,146 | (32,146) | - | - |
| Lloyds Bank Foundation - Alternatives to Prosecution | 35,114 | 43,000 | (33,565) | - | 44,549 |
| Barrow Cadbury Trust - Mental Health Crisis | 9,500 | 9,500 | (17,300) | - | 1,700 |
| Hadley Trust - Magistrates Survey | - | 10,000 | (10,000) | - | - |
| Total restricted funds | 35,114 | 94,646 | (93,011) | - | 46,249 |
| Unrestricted funds: | | | | | |
| General funds | 92,163 | 85,344 | (74,728) | - | 102,779 |
| Total unrestricted funds | 92,163 | 85,344 | (74,728) | - | 102,779 |
| Total funds | 127,277 | 179,990 | (167,739) | - | 149,028 |

Purpose of restricted funds

Funding from The Barrow Cadbury Trust were used for:

- researching the impacts of prosecutions of those with mental illness for assaulting emergency workers.
- initial set up for the Courtwatch project whereby volunteers observe the daily hearings in court and report on what they see with the aim aims to increase community ownership and oversight of what our courts are doing to and for people. This project will run through 23/24 (see deferred income for funds received in 22/23 to be used in 23/24).

Further funding from The Lloyds Bank Foundation was received to extend the Alternatives to Prosecution project by a further year (see deferred income from the funds received to be used in 23/24).

Funding from Lady Edwina Grosvenor (and some donations via CAF) were received for FairChecks - a campaign aiming to empower people with lived experience to advocate for reform to the criminal records disclosure system so that old and minor cautions and convictions are not revealed in checks.

14 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.

15 Related party transactions

There were no related party transaction during the year (2022- none).