



The Centre for Justice Innovation UK

(A company limited by guarantee and not having a share capital)

Company Number: 08274430

Charity Number: 1151939

Trustees annual report and financial statements for the year ended 31 March 2021

Myrus Smith
Chartered Accountants
Norman House
8 Burnell Road
Sutton, Surrey
SM1 4BW

The Centre for Justice Innovation UK

(A company limited by guarantee and not having a share capital)

Company Number: 08274430

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For the Year Ended 31 March 2021

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The Centre for Justice Innovation UK

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Trustees' Annual Report

For the year ended 31 March 2021

Trustees' annual report

For the year ended 31 March 2021

The Trustees present their annual report together with the audited financial statements for the Centre for Justice Innovation UK (the charity) for the period 1 April 2020 to 31 March 2021, recognising the Charity Commission's guidance on public benefit.

Reference and administrative information

Trustees

Gregory Andrew Berman (chair)
Megan Liberty Aldrich
Mark Blake
Courtney Bryan
Aubrey Fox
Shauneen Lambe
Karyn McCluskey
Dr Geraldine O'Hare
Lord Wasserman

Senior Management

Phil Bowen (Director)

Company registered number

08274430

Charity registered number

1151939

Registered office

Unit 102, Edinburgh House
170 Kennington Lane
LONDON
SE11 5DP

Independent auditors

Myrus Smith
Norman House
8 Burnell Road
Sutton
Surrey SM1 4BW

Bank account details

Barclays
81 Fleet Street,
London, EC4Y 1EL

Objectives and strategies

Charitable aims and objects

The Centre for Justice Innovation seeks to build a justice system which every citizen believes is fair and effective. The objects of the charity are to promote, for the benefit of the public, the efficiency and effectiveness of the justice system in the United Kingdom and to promote good citizenship and greater public participation in the prevention and exclusion of crime and to further such other exclusively charitable purposes according to the law of England and Wales.

Main activities in pursuit of charitable objects

Our vision is to build a justice system which every citizen believes is fair and effective. We believe that the justice system should be focused on solving the issues that drive crime and social harm; that it should be fair in how it treats people; that it should be proportionate in the things it does; and that those on the front line should be given the freedom and support to come up with innovative solutions to the problems their communities face.

To deliver our vision of fairer and more effective justice system, we:

- provide hands on support to practitioners in the justice system to help them develop and share innovative and effective practice;
- conduct research into how things work right now and how they could work better;
- promote evidence-based, innovative justice policy reforms;
- share lessons between the jurisdictions of the UK and with our sister organisation in New York City, the Center for Court Innovation, who are at the forefront of problem-solving and community justice innovation in the USA.

Assessing progress

We assess progress through a range of criteria and measures, including:

- Monitoring outcomes data and management information on the functioning and performance of criminal and family justice system including data on courts, on re-offending in both the adult and youth justice systems, on care proceedings and in the number of first time entrants into the justice system;
- Monitoring press coverage (national, trade and local) and citations of our research and policy output;
- Regularly gathering feedback from recipients of our practice development support to refine and improve our service to them.

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For the year ended 31 March 2021

Grant-making

As part of our work, we can make grants to other organisations in pursuit of our objectives. In 2020/21, we made grants to:

- The RCJ Advice Bureau, following satisfactory contractual performance updates, in running the Highbury Community Advice Service;
- The Institute of Criminal Policy Research at Birkbeck university (ICPR) on the youth court research project, funded by the Nuffield Foundation.

Achievements and performance

Operational environment

The environment in which the Centre operates has been dominated by the Covid-19 pandemic and government instructions to limit social contact. For example, evidence from the Office of National Statistics covering England and Wales (which produces the most up to date annual reports on crime patterns in the UK) suggests that levels of crime in the year ending March 2021 were significantly affected by the pandemic— there have been decreases across a range of individual crime types, particularly theft offences, but these were offset by rises in fraud and computer misuse offences, resulting in no change in overall levels of crime. Moreover, the impact of the pandemic and lockdowns has led to reported rises in domestic abuse and has had an impact on the mental health of vulnerable citizens, resulting in additional demand on the justice systems across the UK.

Unsurprisingly, the impact of the pandemic has added to the considerable strains that were already experienced by justice agencies across the UK. Backlogs in courts, in the caseloads of probation, changes in the way justice agencies operate and transact their work have all been exacerbated by the pandemic. In particular, we have seen practitioners confront great challenges in conducting work remotely, especially court cases. However, it is also clear that the impact of the pandemic has revealed new ways of working, and new opportunities to develop better practice.

Achievements and performance in 2020/21

In January 2018, the Trustee Board approved a three-year strategy for the Centre which expanded the breadth of the Centre's work. Our mission is to be the 'go-to' organisation for practice innovation and evidence-led policy reform in the justice system by 2021. 2020/21 is the final year of this three-year strategy.

Aim 1: To increase the use of community sentences, including spreading problem-solving court practice

Based on our extensive research and policy influencing in the area of community sentencing, the

Centre was invited to work with senior officials in the Ministry of Justice to develop practical policy proposals to improve the effectiveness of community sentences within the Government's White paper, *A Smarter Approach To Sentencing*, and the subsequent legislation. This work saw the inclusion of the following policy proposals, which were directly influenced by our work:

- expanding the availability and usage of Community Sentence Treatment Requirements (CSTRs), to deliver tailored interventions to help support rehabilitation of those with a range of treatment needs so that we are addressing the underlying causes of the offending behaviour;
- legislating to support more flexible use of electronic monitoring curfews and giving probation staff the power to vary EM requirements;
- piloting new ways of delivering timely and high quality Pre-Sentence Reports, in order to improve sentencing outcomes and to increase the chances of successful compliance;
- piloting problem-solving courts, which will incorporate a number of evidenced problem-solving components such as regular judicial monitoring and the use of graduated sanction and incentives;
- exploring options to improve the professionalisation of the probation officer and probation support officer role.

We have worked with Government officials and the new Domestic Abuse Commissioner on how the courts (criminal, public and private family, civil) can respond better to domestic abuse, including discussions on the Government's manifesto commitment to pilot an integrated domestic abuse court.

In the youth system, we published our research project on enhancing problem-solving practice in the youth court. The research project found youth courts should be more problem-solving, in particular improving current practice around the procedural fairness of the court hearings themselves and having a more active role for judges in monitoring court-involved children post-sentence.

Aim 2: Spreading community advice services

During 2020/21, we took over the Highbury Community Advice service, transferring staff from the previous provider into our team. Due to the pandemic, we worked to keep the service open, in consultation with the court service and while continually monitoring the situation with regards to the safety and well-being of our staff and our clients. We also have transitioned the data on clients of the service into a new database. We have also produced a new suite of supporting materials for the service – a new logo, business cards, signage, handbook, promotional leaflets and web page.

Moreover, following a successful bid, we have expanded our work in this area. Starting in April 2020, this project aims to spread the community advice model, and we have commissioned and produced an interim evaluation of the Community Advice model in Devon and Cornwall and, subject to the restrictions of the pandemic, engaged with a range of practitioners and commissioners to identify three new sites to help them implement a community advice service.

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For the year ended 31 March 2021

Aim 3: Increase the use and effectiveness of pre-court diversion

On pre-court diversion in the youth justice system, we have worked with officials and others to influence Government youth diversion on a more formal financial footing. We published research on racial disparity and diversion, based on a literature review and interviews with practitioners, service users and family members about decision making within the arrest to diversion/prosecution process. We commenced work on adult diversion, to ensure that adult diversion is better understood and, enable practice to be better informed by evidence. We delivered practice-sharing workshops, produced briefings, and are providing enhanced support to two schemes. We also re-engaged with our community of practice (currently 20 of the 43 police forces) and have been advising Government on their Choice to Change diversion pilots, a Lammy review recommendation. We have influenced the Government's White Paper, *A Smarter Approach To Sentencing*, and the subsequent legislation, and worked closely with officials to simplify the Out of Court Disposals (OOCs) framework so very low-level offenders can be dealt with swiftly and proportionately, without coming before a court.

Aim 4: Increase the use of Family Drug and Alcohol Courts (FDAC)

In April 2019, the Centre took on the role of overseeing and supporting the development of FDAC across the UK. In May 2019, the Department for Education announced it would invest in the expansion and evaluation of FDAC, under the 'Supporting Families; Investing in Practice' programme, under which we became the 'delivery partner' assisting 14 areas to develop and expand FDACs. Six new FDACs are being funded under this programme and an existing eight FDACs will also receive additional funding.

This programme will be evaluated by NatCen via a quasi-experimental study, comparing FDAC to standard proceedings, and we are assisting the evaluators around the design of the study. By April 2021, there were 14 FDAC specialist teams servicing 35 local authorities and 21 family courts, with a further FDAC team opening in Wales in late 2021, likely to serve one family court and at least two local authorities, funded by Welsh Government. To support this growth, we updated and delivered induction training to all of the new sites so far, mentored new sites, and worked with others to increase their capacity and to share best practice.

We have also convened, and provide the secretariat to, a new national advisory board on FDAC, chaired by Baroness Hallett, a retired English judge of the Court of Appeal and a crossbench life peer. Our research team have developed a new data collection tool for FDACs which is currently being tested with them and we are taking forward work to look at costs comparisons between sites.

Aim 5: Promote the best of Britain's innovative justice practice

Over the summer and autumn of 2020, we published a weekly Covid-19 justice tracker, which compared justice system responses across eight common law jurisdictions. We then pivoted to conducting video interviews with a range of practitioners, including Karyn McCluskey, Chief Executive of Community Justice Scotland (and a trustee), Amanda Berman, Project Director, Red Hook Community Justice Center, Waheed Saleem, West Midlands Deputy Police and Crime Commissioner

and Claire Waxman, London Victim's Commissioner. We held a final seminar on the impact of Covid-19 on justice on 2nd December, with a panel discussion with Karyn McCluskey, Geraldine O'Hare, Deputy Director of the Probation Board of Northern Ireland (and a trustee), Nicole Jacobs, the Domestic Abuse Commissioner and Lisa Harker, Head of the Family Justice Observatory.

During the year, we have refreshed and updated our map of innovative justice practice and have over 35 projects on the map, including case studies from across the UK.

Financial review

In financial year 2020/21, the charity received £952,771. The total income represents a 9% decrease on the previous year (£1,053,359). In total, we received £530,281 in unrestricted funds and £396,175 in restricted funds. This compares to £480,410 in unrestricted funds and £572,964 in restricted funds we received in 2019/20.

Of the restricted funds received in 2020/21, the funds were used as follows:

Funder	Purpose	Amount
Hadley Trust- Highbury Community Advice Service	Funds for operating the Highbury Community Advice service	£70,000
Barrow Cadbury Trust	Funds to support point-of arrest diversion schemes for vulnerable adults	£27,500
Nuffield Foundation	Funds for youth court research	£1,250
Esmee Fairbairn Foundation	Funds to support point-of arrest diversion schemes for children	£15,000
Porticus Foundation	Funds to support problem-solving courts	£100,000
Bell Foundation	Funds for research into experiences of the justice system for service users with English as an Additional Language	£14,722
Lloyds Bank Foundation	Funds to support community advice projects	£0
FDAC funds (Department for Education and FDAC consortia)	Funds to support Family Drug and Alcohol Courts	£167,653
Total		£396,175

In financial year 2020/21, the charity spent £941,434. The total expenditure represents a 19% increase on the previous year (£788,086).

At year end 2020/21, the charity had £781,501 in funds to carry forward, of which £203,314 are restricted funds carried over for 21/22, and £578,187 is unrestricted and held in reserve.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details

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For the year ended 31 March 2021

regarding the adoption of the going concern basis can be found in the Accounting Policies.

Risk management

The principal risks and uncertainties facing the Centre are:

- the organisation's financial reliance on foundations, especially unrestricted funds in light of the end of the Monument legacy grants (see below);
- the ongoing impact of the Covid-19 pandemic on the justice system and on the availability of philanthropic funds;
- the extent of political and Ministerial change in the UK Government, making influencing policy and building networks with key opinion formers challenging;
- additional operational challenges that justice agencies are facing, including the reunification of the probation service.

To manage these risks, we worked closely with funders and others to revise delivery plans on some of our restricted grants. We have also ensured that we have maintained links with officials, devolved administrations and others who have influence over policy formation away from national Government.

Reserves policy

The charity aims to maintain unrestricted reserves sufficient to cover at least six months' total anticipated expenditure. Specific permission from the Trustees is required prior to the use of this reserve.

At the end of 2020/21, the charity has £578,187 in unrestricted funds to carry forward, which constitutes just under seven months of our total anticipated expenditure in 2021/22.

Plans for future periods

In financial year 2021/22, the charity has confirmed income of £1,050,986. The confirmed unrestricted grants are from the Hadley Trust and the Monument Trust legacy grant (provided by the Woolbedding Charity). The Monument Trust legacy confirmed future grants of £150,000 each year for 5 years. 21/22 represents the fifth and final year of this legacy grant.

In financial year 2021/22, the charity anticipates spending £1,008,093, of which the biggest expenditure is on staff costs (£674,804 or 67% of total anticipated expenditure).

The Board, recognising the ongoing uncertainties of the Covid-19 pandemic, will be reviewing the organisation's future strategy during 21/22. However, the Board and the Director have had ongoing discussions about the aims, objectives and activities of the organisation and, until a new strategy is approved, plan to continue the 3-year strategy in place.

Structure, management and governance

Constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Trust deed on 30th October 2012. The charity is registered (charity number 1151939).

Method of election of trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees are identified via existing networks and through formal and informal conversations with the Chair and Director of the charity.

Induction of trustees

Induction of Trustees is through conversations with the Director of the charity, the issuance of formal induction materials to the Trustee and their further involvement in the work of the charity.

Decision making

The business of the Charity is managed by the Trustee Board. The Trustees are responsible for the following decisions: (i) approval of the annual budget; (ii) review of finances; (iii) reviewing the performance of the charity against its stated aims and charitable objects.

The chair of the Trustee Board is responsible for the remuneration and performance appraisal of the Director, in consultation with the Trustee Board. The chair gathers feedback on the performance of the Director from the team and other stakeholders as part of the Director's performance appraisal.

Remuneration of staff

Remuneration of all staff is set through the charity's salary policy. We set initial salaries through benchmarking exercises comparing pay scales across the sector. The Centre's pay policy is based on a combination of inflationary and performance-related increases, with the goal of rewarding good performance and team well-being, as far as the Centre's overall financial situation can allow.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

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For the year ended 31 March 2021

Public benefit

The Trustees are aware of and give due consideration, when setting objectives and planning activities, to the Charity Commission's guidance on public benefit.

The trustees (who are also directors of The Centre for Justice Innovation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these 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 2019 (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The auditors, Myrus Smith have expressed their willingness to continue in office in accordance with Section 487 of the Companies Act 2006.

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Trustees' Annual Report

For the year ended 31 march 2021

Small company exemptions

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the trustees on 23rd November 2021 and signed on its behalf by:

DocuSigned by:
Greg Berman
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Greg Berman

Chair of the Board

Independent Auditors Report to the Members of:

The Centre for Justice Innovation UK

(A company limited by guarantee)

Opinion

We have audited the financial statements of The Centre for Justice Innovation (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its 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 charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are 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.

Independent Auditors Report to the Members of:

The Centre for Justice Innovation UK

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Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

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.

Opinions 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

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

Independent Auditors Report to the Members of:

The Centre for Justice Innovation UK

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- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

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:

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Independent Auditors Report to the Members of:
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- Professional scepticism in course of the audit and with audit sampling in material audit areas.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Use of our report

This report is made solely to the charitable company's members, 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 charitable company's members 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 company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kevin Fisher BA FCA CTA (Senior Statutory Auditor)

For and on behalf of Myrus Smith
Chartered Accountants and Statutory Auditor
Norman House,
8 Burnell Road,
Sutton, Surrey.
SM1 4BW

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K C Fisher

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Date: 23/11/2021 2021

The Centre for Justice Innovation UK

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Statement of Financial Activities

(Incorporating Income and Expenditure Account)

For the year ended 31 march 2021

		Unrestricted	Restricted	Total Funds	Total Funds
	Notes	Funds	Funds	2021	2020
		£	£	£	£
Income					
Donations and grants	2	530,281	396,175	926,456	1,053,359
Charitable activities	3	26,315	-	26,315	-
Investments	4	-	-	-	15
		=====	=====	=====	=====
Total		556,596	396,175	952,771	1,053,374
		=====	=====	=====	=====
Expenditure					
Raising funds	5	2,016	-	2,016	630
Charitable activities	6	534,645	404,773	939,418	787,456
		=====	=====	=====	=====
Total		536,661	404,773	941,434	788,086
		=====	=====	=====	=====
Net income/(expenditure)	11	19,935	(8,598)	11,337	265,288
Transfers between funds	18	(7,471)	7,471	-	-
		=====	=====	=====	=====
Net movement in funds		12,464	(1,127)	11,337	265,288
		=====	=====	=====	=====
Reconciliation of funds					
Total funds brought forward	18	565,723	204,441	770,164	504,876
		=====	=====	=====	=====
Total funds carried forward	18	£578,187	£203,314	£781,501	£770,164
		=====	=====	=====	=====

All income and expenditure is derived from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes form part of these Financial Statements.

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Company Number: 08274430

Charity Number: 1151939

Balance sheet

As at 31 March 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible fixed assets	15		21,057		25,526
Current assets					
Debtors	16	109,404		66,477	
Cash at bank		680,515		705,392	
		_____		_____	
		789,919		771,869	
Creditors: Amounts falling due within one year	17	29,475		27,231	
		_____		_____	
Net current assets			760,444		744,638
			_____		_____
Net assets	19		£781,501		£770,164
			=====		=====
Funds					
Unrestricted fund	18		578,187		565,723
Restricted funds	18		203,314		204,441
			_____		_____
			£781,501		£770,164
			=====		=====

The Financial Statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the trustees on 11/23/2021 2021

DocuSigned by:

Greg Berman

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Greg Berman

Chair of the Board

The notes form part of these Financial Statements

The Centre for Justice Innovation UK

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Cash flow statement

For the year ended 31 March 2021

	2021	2020
	£	£
Net cash (used in) / generated from operating activities (see below)	(16,679)	261,378
Cash flow from investing activities		
Interest received	-	15
Purchase of tangible fixed assets	(8,198)	(35,544)
(Decrease)/Increase in cash in the year	(24,877)	225,849
Cash brought forward	705,392	479,543
Cash carried forward	£680,515	£705,392
Analysis of cash		
Cash at bank	£680,515	£705,392

	2021	2020
	£	£
Reconciliation of net income to net cash flow from operating activities		
Operating surplus on ordinary activities	11,337	265,288
Adjustments for non-cash items:		
Depreciation	12,667	11,756
(Increase) in debtors	(42,927)	(18,751)
Increase in creditors	2,244	3,100
	(16,679)	261,393
Adjustment for investing activities		
Interest receivable	-	(15)
Net cash (used in) / generated from operating activities	£(16,679)	£261,378

The notes form part of these financial statements.

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Notes to the financial statements

For the year ended 31 march 2021

1. Accounting policies

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102.

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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015. The financial statements have been prepared on the going concern basis and under the historical cost convention.

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

Income recognition

Items of income are recognised in the financial statements when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost can be measured reliably. No income is recognised where there is no financial costs borne by a third party.

The company received government support through the Coronavirus Job Retention Scheme (CJRS) which is accounted for on the accrual basis, and is included under Grants received (Note 2).

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably. Expenditure includes all irrecoverable VAT which is included as part of the relevant cost. Expenditure is classified under the following activity headings:

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- Costs of raising funds comprises those costs associated with attracting voluntary donations and grants
- Expenditure on charitable activities comprises those costs associated with the delivery of the various activities and services for the charity's beneficiaries.

Expenditure includes those costs of a direct nature which can be allocated to a specific activity and also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support those activities. Support costs are apportioned to each activity on the basis of staff time.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the yearend are noted as a commitment, but not accrued as expenditure.

Fund accounting

Unrestricted general funds are freely available for use in furtherance of the objects of the charity and which have not been designated for specific purposes.

Restricted funds are funds which can only be used in accordance with specific restrictions imposed by the donor or which have been raised for a particular purpose.

1. Accounting policies/contd....

Tangible fixed assets and depreciation

All tangible assets are capitalised and are stated at costs less accumulated depreciation.

Depreciation is provided so as to write off the cost of each asset, less estimated residual value, over its estimated useful life at the following annual rates:

Fixtures and fittings 33% Straight line

Office equipment 33% Straight line

Financial Instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairments are recognised in expenditure.

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Pensions

The charity operates a defined contribution pension scheme for the benefit of its employees. Contributions are charged to the statement of financial activities in the year to which they relate.

The Centre has no liability beyond making its contributions and paying over the deductions for the employees' contributions.

Operating leases

Operating lease rentals are charged to the statement of financial activities on a straight line basis over the period of the lease.

2. Donations and grants

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2021	2020
	£	£	£	£
Grants	530,281	396,175	926,456	1,053,359
	=====	=====	=====	=====
	£530,281	£396,175	£926,456	£1,053,359
	=====	=====	=====	=====

Of the £1,053,359 recognised in 2020, £480,395 was unrestricted and £572,964 was restricted funds.

3. Income from charitable activities

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2021	2020
Contracts and fees	£26,315	£Nil	£26,315	£Nil
	=====	=====	=====	=====

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4. Investment income

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2021	2020
Bank interest	£Nil	£Nil	£Nil	£15
	=====	=====	=====	=====

All of the £15 recognised in 2020 was unrestricted funds.

5. Cost of raising funds

	Direct	Support	Total	Total
	costs	costs	2021	2020
	£	£	£	£
Fundraising activities	£2,016	£Nil	£2,016	£630
	=====	=====	=====	=====

All of the £630 expenditure recognised in 2020 was charged to unrestricted funds.

6. Expenditure on charitable activities

	Grant	Direct	Support	Total	Total
	funding	costs	costs	2021	2020
	£	£	£	£	£
Research and dissemination	£44,101	£647,963	£249,370	£941,434	£787,456
	=====	=====	=====	=====	=====

Of the £787,456 expenditure recognised in 2020, £372,963 was charged to unrestricted funds and £414,493 was charged to restricted funds.

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For the year ended 31 march 2021

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7. Analysis of grant funding

	2021	2020
	£	£
Grants to institutions		
RCJ Advice Bureau	35,384	48,022
ICPR	8,717	30,027
	=====	=====
	£44,101	£78,049
	=====	=====

8. Analysis of direct costs

	Raising	Charitable	Total	Total
	funds	activities	2021	2020
	£	£	£	£
Wages and salaries	-	504,490	504,490	378,312
Consultancy	-	57,662	57,662	15,071
Other direct costs	-	81,436	81,436	50,291
Training	-	2,359	2,359	1,870
Advertising	2,016	-	2,016	630
	=====	=====	=====	=====
	£2,016	£645,947	£647,963	£446,174
	=====	=====	=====	=====

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For the year ended 31 march 2021

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9. Anlysis of support costs

	Raising	Charitable	Total	Total
	funds	activities	2021	2020
	£	£	£	£
Wages and salaries	-	126,123	126,123	94,578
Office costs	-	47,964	47,964	56,910
Bad debts	-	-	-	1,254
Bank charges	-	274	274	223
Insurance	-	335	335	350
Rent	-	47,521	47,521	58,009
Depreciation	-	12,667	12,667	11,756
Governance costs (note 10)	-	6,129	6,129	9,906
Travel and subsistence	-	1,784	1,784	26,651
Sundry expenses	-	1,247	1,247	455
Subscriptions	-	2,791	2,791	1,612
Website development	-	2,535	2,535	2,159
	=====	=====	=====	=====
	£Nil	£249,370	£249,370	£263,863
	=====	=====	=====	=====

10. Governance costs

	2021	2020
	£	£
Accountancy fees	1,718	5,312
Audit fees	3,300	3,100
Legal and professional fees	1,111	1,494
	=====	=====
	£6,129	£9,906
	=====	=====

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11. Net income

Net income for the year is stated after charging:	2021	2020
Auditors remuneration - Audit fees	£3,300	£3,100
Depreciation	£12,667	£11,756
Operating lease rentals	£47,521	£58,009
	<u> </u>	<u> </u>

12. Staff costs

	2021	2020
	£	£
Wages and salaries	550,926	410,161
Social security costs	55,186	41,589
Pension costs	24,501	21,140
	<u> </u>	<u> </u>
	£630,613	£472,890
	<u> </u>	<u> </u>

The average monthly number of employees was 14.2 (2020: 10.1), with all employee time involved in providing either direct or support services to the charitable activities.

The number of employees whose total employee benefits (excluding employer pension costs) were in excess of £60,000 was as follows:

	2021	2020
	No.	No.
£70,000 - £80,000	1	1
	<u> </u>	<u> </u>

The total amount of employee benefits received by key management personnel was £94,273 (2020: £93,151). Under FRS 102, employee benefits include gross salary, benefits in kind, employer's national insurance and employer pension cost.

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13. Trustees' remuneration and expenses

The trustees received no remuneration during either year (2020: £Nil) and nor were they reimbursed any expenses (2020: £Nil)

14. Taxation and company status

The company is exempt from taxation on its charitable activities.

The charity is also a private company (No. 08274430) limited by guarantee and has no share capital registered in England and Wales. The liability of each member in respect of the guarantee is limited to £1. The registered office is given in the Reference and Administrative Information in the Trustees' Annual Report.

15. Tangible fixed assets

	Improvements to Leasehold Property	Fixtures and fittings	Office equipment	Total
	£	£	£	£
Cost:				
At 1 April 2020	8,455	13,901	33,912	56,268
Additions	-	-	8,198	8,198
	=====	=====	=====	=====
At 31 March 2021	8,455	13,901	42,110	64,466
	=====	=====	=====	=====
Depreciation:				
At 1 April 2020	3,523	6,248	20,971	30,742
Charge for year	3,523	2,738	6,406	12,667
	=====	=====	=====	=====
At 31 March 2021	7,046	8,986	27,377	43,409
	=====	=====	=====	=====
Net Book Value:				
At 31 March 2021	£1,409	£4,915	£14,733	£21,057
	=====	=====	=====	=====
At 31 March 2020	£4,932	£7,653	£12,941	£25,526
	=====	=====	=====	=====

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16. Debtors

	2021	2020
	£	£
Trade debtors	89,659	-
Other debtors	13,749	13,710
Prepayments and accrued income	5,996	52,767
	—————	—————
	£109,404	£66,477
	=====	=====

17. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,202	1,202
Other taxation and social security	17,873	18,929
Accruals and deferred income	10,400	7,100
	—————	—————
	£29,475	£27,231
	=====	=====

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Notes to the financial statements

For the year ended 31 March 2021

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18. Movement in funds

	Balance					Balance
	1 April					31 March
2021	2020	Income	Expenditure	Transfers		2021
	£	£	£	£	£	£
Unrestricted funds						
General funds	565,723	556,596	536,661	(7,471)		578,187
	=====	=====	=====	=====		=====
Restricted funds						
Hadley Trust- Highbury CAS	31,343	70,000	35,438	-		65,905
Barrow Cadbury Trust	15,902	27,500	16,802	-		26,600
Nuffield Foundation	27,515	1,250	28,765	-		-
Esmee Foundation	26,222	15,000	33,620	-		7,602
Porticus	62,482	100,000	57,455	-		105,027
Bell Foundation	-	14,772	7,039	-		7,733
Lloyds Foundation	35,610	-	45,163	-		(9,553)
FDAC	5,367	167,653	180,491	7,471		-
	=====	=====	=====	=====		=====
	204,441	396,175	404,773	7,471		203,314
	=====	=====	=====	=====		=====
Total funds	£770,164	£952,771	£941,434	£Nil		£781,501
	=====	=====	=====	=====		=====

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Notes to the financial statements

For the year ended 31 March 2021

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Comparative information for the movement in funds in the previous year is as follows:

	Balance				Balance
	1 April				31 March
2020	2019	Income	Expenditure	Transfers	2020
	£	£	£	£	£
Unrestricted funds					
General funds	458,906	480,410	373,593	-	565,723
	=====	=====	=====	=====	=====
Restricted funds					
Hadley Trust- Highbury CAS	19,791	69,359	57,807	-	31,343
Hadley Trust - Optimity	-	-	-	-	-
Monument Fellowship book	-	-	-	-	-
Barrow Cadbury Trust	1,375	58,200	43,673	-	15,902
Nuffield Foundation	-	141,373	113,858	-	27,515
Esmee Foundation	24,804	30,000	28,582	-	26,222
Porticus	-	100,000	37,518	-	62,482
Bell Foundation	-	5,909	5,909	-	-
Lloyds Foundation	-	48,014	12,404	-	35,610
FDAC	-	120,109	114,742	-	5,367
	=====	=====	=====	=====	=====
	45,970	572,964	414,493	-	204,441
	=====	=====	=====	=====	=====
Total funds	£504,876	£1,053,374	£788,086	£Nil	£770,164
	=====	=====	=====	=====	=====

The purpose of the restricted funds is set out in the Trustees' Annual Report.

The Centre for Justice Innovation UK

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Notes to the financial statements

For the year ended 31 march 2021

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19. Analysis of net assets between funds

	Unrestricted	Restricted	Total
	funds	funds	Funds
2021	2021	2021	2021
	£	£	£
Tangible fixed assets	21,057	-	21,057
Current assets	586,605	203,314	789,919
Current liabilities	(29,475)	-	(29,475)
	=====	=====	=====
	£578,187	£203,314	£781,501
	=====	=====	=====

Comparative information for the analysis of net assets between funds in the previous year is as follows:

	Unrestricted	Restricted	Total
	funds	funds	Funds
2020	2020	2020	2020
	£	£	£
Tangible fixed assets	25,526	-	25,526
Current assets	567,428	204,441	771,869
Current liabilities	(27,231)	-	(27,231)
	=====	=====	=====
	£565,723	£204,441	£770,164
	=====	=====	=====

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20. Operating lease commitments

The total minimum lease payments falling due under non-cancellable operating lease agreements are as follows:

	2021	2020
	£	£
Within one year	20,048	22,258
Within one to two years	-	-
	£20,048	£22,258

21. Contingent assets

The charity has been awarded several multi-year grants, however, not all of the funds awarded have been recognised as income due to the policy of recognising income in accordance with agreed budgets and implied time frames. The total grant income awarded but not yet received amounts to £203,000.