

CHARITY REGISTRATION NUMBER 1110314

COMPANY REGISTRATION NUMBER 5396512

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	K Downes F R Smith G A Cheshire A Keramidas J M A Oswald M M Hamid	(Appointed 4 May 2022) (Appointed 30 June 2022) (Appointed 3 August 2022)
Secretary	D L Noble	
Chief executive officer	E Newton	
Charity number	1110314	
Company number	5396512	
Principal address	1st Floor Furnival House Furnival Gate Sheffield South Yorkshire S1 4QP	
Registered office	1st Floor Furnival House Furnival Gate Sheffield South Yorkshire S1 4QP	
Auditors	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF	
Bankers	Barclays Bank plc P.O. Box 1385 2 Arena Court Sheffield S9 2WV	
Solicitors	Stone King LLP 1 Park Row Leeds LS1 5HN	

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

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CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are:

- to relieve poverty and to promote the education and training of the inhabitants of the cities of the north of England who through their social and economic circumstances are in need and unable to gain employment and in particular to promote and support schemes where such people may receive training for and placement in employment;
- to advance education and to provide facilities in the interest of social welfare for recreation and leisure time occupation with the objects of improving the conditions of life of the inhabitants of the area of benefit;
- to relieve the need of persons who are homeless, in housing need, hardship or distress by providing accommodation; and
- to provide or assist in the provision of facilities for the daily care and recreation of children during out of school hours and holidays so as to promote their physical and mental health.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The Trustees' current strategies for carrying out these Objectives are advanced through the following activities:

- providing short-term specialised support and accommodation for men, women and families rescued from Modern Slavery across the North-West and North-East of England and South Yorkshire;
- providing long-term support for survivors of Modern Slavery living in the community with a specific focus on integration, independence and rehabilitation;
- providing support to ex-offenders and those at risk of offending in order to reduce violence and help individuals live crime free futures; and
- providing support locally and globally to use the experience gained within City Hearts (UK) (now Causeway) to develop partnerships to enable other charities to restore the lives of vulnerable and exploited individuals.

As outlined below, this year we have reflected on our purpose, vision, values and strategy. Therefore, in accordance with best practice, the Trustees are consequently reviewing the charity's objectives and aim for this process to be completed by the end of March 2023.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

Our services to support and protect marginalised and vulnerable people continued to grow and strengthen this year; this was despite the remaining impact of the coronavirus pandemic on the UK. 2021 was the first year of delivering support as part of the new Modern Slavery Victim Care Contract in partnership with the Salvation Army. April 2021 was also the first year of delivering contracted support across multiple regions for those with experience of the criminal justice system.

Modern Slavery

Much of our impact, work, and services focus on survivors of Modern Slavery. We seek to prevent the re-exploitation of survivors, protect them while they recover, and support their progression back into society – as they realise their hopes and ambitions.

Access: Safehouses and Community Support

Access ensures survivors of modern slavery have the support and accommodation they need following their trafficking experience. Depending on an individual's needs, this could be in one of our safe houses, or within appropriate accommodation in the community. Access provides a space for recovery and place to make progress and build relationships. Through these services, we offer vital support including helping survivors access emergency medical treatment, dental care, counselling, police and legal support, English classes, further education, bank accounts and ID. The focus is not only on protection and support, but also on independence and helping survivors move forward in freedom.

Our safehouses are situated across the North of England; this year we have opened two new safehouses and now have over 100 bed spaces available to receive and support survivors. From April 2021 to March 2022, we supported 158 individuals alongside their dependants. Our community support is delivered across the North West, North-East, and South Yorkshire areas, and throughout the year we have supported 805 survivors and 200 dependants in the community. Access is delivered as part of the Home Office-funded Modern Slavery Victim Care Contract, complies with a number of ISO standards, and is fully audited by the Care Quality Commission and the Salvation Army.

A service user supported through Access said: 'City Hearts [now Causeway] has made a big difference in my life. Without them I would never have felt confident and safe. They supported me emotionally, and they helped me move forward, step by step, and believe in myself again.'

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Integration Support Programme and Community Connections

The Integration Support Programme, now known as LifeLine, was developed by the charity as a way of addressing the very real needs of service users who had left the Government's support for survivors, but who were struggling to move on from their exploitation. Service users are able to access our support whenever they need to, which acts as a vital source of emotional comfort for some survivors as they know there is always someone they can rely upon for help. The service has continued to expand and flex its support to meet the ever-changing needs of our service users. As the largest and most-established post-NRM long term support for survivors of Modern Slavery, the service now supports over 300 individuals across the UK. This year we also pioneered delivering the Integration Support Programme as a hybrid wrap-around service, alongside the new government-funded long term support for survivors.

Our Community Connections programme, now known as LifeLink, has taken steps to increase its services as we come out of Covid. Groups have provided a space for service users to create community, educational experiences and become more independent. This year we have pioneered community trips which have built confidence and created positive and aspirational experiences.

A service user shared: "City Hearts [now Causeway] helped and supported me for more than three years. They helped me with money, college, and my mental health, which I really appreciate. In my hardest moments they were there for me."

Bright Future

Bright Future was developed by the charity as a partnership with the Co-op in 2017 as a way of fast-tracking survivors of modern slavery into secure employment. After a successful three years of growth, it became an independent cooperative in 2019, whose members include the businesses who provide job opportunities and placements and the charities who refer survivors into the programme. Throughout this year, we continued to deliver the 'National Matching Service' on behalf of Bright Future and since 2017 we have supported 76 service-users to complete placements and 55 have been offered and accepted permanent positions: a 70% success rate.

A team leader reflected on the services delivered throughout City Hearts (now Causeway): 'We're not here just for the short-term, we're here for the long-term. We're all about lasting and meaningful change.'

Criminal Justice

About Face, now known as LifeNavigate, supports those with experience of the criminal justice system who are looking to rehabilitate and step away from criminality. Working predominantly with those who have committed more minor offences and younger people, and sometimes at the point of custody, our team of Navigators address the underlying issues which often contribute to people's offending. These include trauma, substance misuse, mental and physical health issues, housing or homelessness, or problems with relationships or money.

Across the Liverpool region, we are contracted by Merseyside Police to deliver the Merseyside Deferred Prosecution Scheme. The scheme works with males, aged 18-25, who have committed minor offences, and aims to reduce re-offending rates. This is done by offering individuals the chance to engage with a 12-week programme. This year we have engaged with 297 individuals through the scheme: 98% of participants rated their experience with us positively and 93% stated that the scheme would help them avoid re-offending in the future.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Data analysis conducted by Merseyside Police concluded: "Based on the feedback and data this provision of early support should enable offenders to contribute more to society, gain independence and need to rely less on support services and partner agencies from courts to the NHS."

In South Yorkshire, the Violence Reduction Unit contracts us to deliver 'Plan B'; our navigators visit people held in custody suites across South Yorkshire and offer them the chance to engage with support, and address any issues that led to their offending. This year over 2424 detainees were given advice and guidance, 350 engaged directly with the service, and 93 worked with our Navigators in the community. Independent data analysis of the most recent data shows that this service led to a measurable and significant reduction in reoffending. It also reported significant cost-benefit savings for the taxpayer.

A service user, supported through Plan B said: "I was in the cells and Mark the Navigator approached me, and talked to me like anyone else. He didn't think I was just a criminal, he actually talked to me with respect. Without the help from Plan B I don't know what I would have done. They have been paramount through my journey.'

Voice and Influence

As a charity, we seek to free marginalised and vulnerable people to 'find their voice, in a society that values their place'; voice and influence is therefore a central part of our activities and achievements. This year we began to intentionally expand our focus beyond support to prevention and influence, as well as seeking to enhance the voice of those we support, particularly survivors of Modern Slavery.

Service-User Voice

Empowering the voices of survivors of modern slavery has and will continue to be a priority for us. Over the year we have had survivors speak on podcasts, at virtual events, our own impact events and we had two survivors speaking at the first ever Ripples of Hope festival in Manchester. We are also pleased to have successfully recruited a survivor on to the board of trustees, to ensure the voice and perspective of our service users influences at the heart of decision-making (appointed August 2022).

Additionally, during the review and development of our organisational strategy, we sought the views and insights of our service-users through interviews and focus groups and we have taken opportunities to engage in research that focused on survivor voice, and service-user experience.

A City Hearts (Causeway) advocate said: 'What's important to me as a case worker is being able to give someone their self-worth back, being able to give someone their self-confidence back, and remind them that they have a choice in how they live their lives.'

Influence

This year more than ever we have sought to influence society for the benefit of marginalised and vulnerable people. We have submitted case studies, contributed to policy papers, petitioned central government, written open letters with partners and publically raised concern where relevant. We sought to influence and improve policy in a number of areas, with a focus on support for survivors of modern slavery, the Nationality and Borders Bill (now Act), as well as digital inclusion and access for refugees and vulnerable people.

We increased our investment into social media channels to raise public awareness regarding modern slavery and criminal justice, and to proactively empower our service users to share their story and voice, as and when they feel comfortable.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Most notably around a high profile modern slavery case, where we had previously supported the vulnerable individual involved, we were mentioned in 21 online publications, including the Telegraph, Guardian, Daily Mail and Sky News, including multiple live television and radio interviews. This helped raise regional and national awareness around modern slavery issues.

In 2021 we also joined the Coalition to Stop Slavery, a unique coalition of UK-based voluntary, community and statutory groups whose goal is to end modern slavery and human trafficking for good. The coalition works together to raise awareness around modern slavery and influence public behaviour, business practice and government policy.

We continue to strengthen our involvement in multiple modern slavery partnerships across the North of England alongside public, private, and third sector organisations. In doing so, we seek to enhance the support we deliver through partnership working and collectively amplify our voices to influence for positive change.

Impact Meetings

Throughout 2021-2022 we hosted a number of online events, with the goal of increasing engagement, building support, and empowering survivor voice. The events saw on average 55 people in attendance with key attendees including the Home Office, the Human Trafficking Foundation, Local Authorities, NGOs, Businesses, Universities and Research Labs. Alongside service-users and supporters, notable speakers at these events include the former Independent Anti-Slavery Commissioner, and senior leaders from the Gangmasters and Labour Abuse Authority.

Research and Development

From small innovative projects 'piloting' a new idea, to research partnerships aiming to inform policy and practice across the UK, research and development are both key to increasing our impact for the benefit of marginalised and vulnerable people.

Restoration Hub

With kick starter funding from a successful Sofa to Summit fundraising campaign, we launched the Restoration Hub, now known as LifeSupply; beginning by recruiting a coordinator and identifying a location in Liverpool that would house all donated items. The Restoration Hub benefited from a further successful community campaign in Sheffield with Business in the Community and Sheffield Businesses Together. As part of an anti-slavery-day campaign, October 2021 saw 1400 items donated to the value of £4,000, with Aldi committing further support to the Hub by offering quarterly donations from their middle aisle. At the time of writing this report the project has received over 6,000 items with an equivalent value of £273,239, handing out 2177 items to service users.

The Managing Director of Corporate Responsibility at Aldi UK, said: "The importance of what City Hearts does can't be overestimated and we are glad to be able to support them as part of our commitment to the empowerment of women and human rights."

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Ingredients For Life

Ingredients for Life is an innovative health and wellbeing initiative supported by Asda, to help survivors of Modern Slavery develop cooking skills and reduce the impact of past trauma on their day to day lives. During the year the project moved through its 2nd phase piloting of a digital hybrid course which achieved effective demonstrable outcomes. Asda donated funding for further development and we are continuing to work with them in designing a toolkit and training video, while seeking to expand the model and partnerships with selected businesses, to invest for scale.

A service user said: "I forgot my past and got courage to move on. And I will do. Thanks to all of you, I will never forget these sessions."

Research

We continued to focus on a number of initiatives and opportunities in this area. As the Home Office reviewed its Modern Slavery strategy, we secured the opportunity to lead survivor engagement in this process, supporting the interviews and contribution of over 130 survivors. Additionally, we worked with Trilateral Research to analyse the CRM data we have on long-term support for survivors. This confirmed we have 38,000 data lines on survivor recovery needs, which is the largest data set outside of the government, and we plan to work with Trilateral Research and others to use this data to inform policy and practice throughout the sector. The University of Liverpool funded and began an independent review of the Integration Support Programme (LifeLine), which was conducted in 2022.

The University of Liverpool's research stated: "The evidence presented here shows that, based on our research, the service has developed and responded to significant challenges (including the pandemic) in an innovative and effective way because of how it is designed and delivered. There are areas where services could be further strengthened, or expanded, and it is important to note the ongoing and significant issues faced by people leaving the [National Referral Mechanism], but LifeLine has become an essential service for this growing group of individuals."

Our partners work in Accra, Ghana

We have supported City Hearts Africa's successful transition to an independent charity with its own board and strategy, having completed the UN funded victim project. The UN project saw 101 survivors of modern slavery receive a hamper, providing practical support tailored to their needs. Twenty-one survivors also received psychological assistance, with 78 individual and group therapy sessions delivered throughout the duration of the project. In addition capacity training sessions were provided to nine different shelters and Non-Governmental Organisations (NGOs), with a total of 102 participants.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2022

Organisational Development - Foundation for the Future

As a foundation for delivering excellence through our services and in view of future growth, we have prioritised and driven organisational development this year. In particular this development has focussed upon the following key areas:

Organisational Capacity

- The development of a Chief Operating Officer role, who oversees the general day-to-day operations of the Charity.
- The development of a Head of Communications and Engagement role, to ensure the charity communicates strategically and effectively.
- The creation of Senior Service manager roles, to ensure services run effectively and meet the needs of our service users and all contractual KPI's.
- The appointment of three new trustees to increase expertise and improve strategic decision making across the Charity.
- Focussed training and development of all staff, including all managers and senior leaders.

Risk Management

Safeguarding

- Strengthened our safeguarding reporting, with regular reports and strategy updates to our Management Board and Trustees from our Safeguarding Lead.
- Invested in expert qualification training for our Safeguarding Lead, and other relevant staff.
- Increased and strengthened Safeguarding training across the organisation.

Health and Safety

- Developed, implemented, and embedded Health and Safety Management system.
- Invested in expert qualification training for Health and Safety Lead, and other relevant staff.
- Due to contractual requirements, met majority of ISO 45001 requirements, as reviewed externally.
- Implemented a robust system of internal and external audits relating to our accommodations, offices and Health and Safety, supported by external consultants, Wirehouse Employer Services.

Business Continuity

- Strengthened and expanded our Business Continuity Policy, Procedure and Plans.
- As part of contractual requirements, met majority of ISO 22301 requirements, reviewed externally.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Infrastructure

- Developed a consistent and robust annual policy management system to ensure policies are reviewed regularly, and disseminated appropriately.
- Further strengthened our new service and accommodations processes to ensure timely and thorough compliance with Health and Safety, legislative and contractual requirements, when developing new services.
- Significantly increased our IT and Information Security capacity to meet contractual Information Security
- Developed and began to implement our Environmental Management System, meeting the majority of ISO 14001 requirements, as reviewed externally.

People and Culture

- Improved employee experience and retention through Staff Development Scheme – an initiative to support staff retention, allowing employees to opt into paid specialist training in an area of their choosing after 2 years of service, and long-term commitment to hybrid working model.
- Launched online recruitment platform to streamline the application process and widen candidate pool. This includes anonymization software, therefore removing risk of unconscious bias towards prospective candidates
- Strengthened Staff Policy entitlements, to align with best practice. Including Pregnancy Loss Policy, IVF Policy, Menopause Policy, strengthened Dignity at Work Policy.
- Strengthened Learning & Development processes - migration of Staff Supervision & Appraisal processes into HRIS system which allows for greater monitoring and auditing purposes. Continued to enhance annual training plan through development of internal specialisms through Train the Trainer courses and Training Committee. Launched quarterly induction training days to enhance the on-boarding and learning experience for new starters. Launched Management Mentoring Groups for all those in senior positions, to ensure development opportunities.
- Conducted salary reviews across the organisation through a benchmarking and cost of living consideration exercise.

Financial review

The trustees make strategic decisions based on the financial position of the charity by reference to the financial information (i.e. budgets, cashflows) provided to them. They do not however carry out the routine day to day management of the charity, for which the budget leader for each department is responsible.

City Hearts (UK) received £6,469,485 (2021: £6,144,150) of income during the financial year to 31 March 2022 and expended £6,251,822 (2021: £5,258,401), showing a surplus of £217,663 (2021: £885,749). The principal sources of funds are disclosed in notes 3-4 to the accounts.

At 31 March 2022 the charity's reserves were at £2,939,897 (2021: £2,722,234), all of which were unrestricted. The charity's freely available unrestricted reserves at 31 March 2022 were £2,640,052. In line with good practice and our policy, City Hearts (now Causeway) seeks to hold between 3 and 6 months of current operating costs in reserve for unforeseen circumstances, to enable the charity to continue to operate in such circumstances. On that basis, the trustees have identified that the reserves are at a reasonable level.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Given that City Hearts has received the backing of the Salvation Army as a subcontractor until at least the end of June 2025, we have looked to continue to build reserves to bring security and stability to cover us for any unforeseen circumstances and to ensure there are no cash flow issues going forward. The greatest risk to the charitable company is the loss of the contract with the Salvation Army and the trustees are looking at alternative plans should this happen.

Structure, governance and management

The charity is a company (number 5396512) limited by guarantee under the provisions of the Companies Act 2006. The company does not have any share capital. The company became a registered charity (number 1110314) in July 2005.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

K Downes

N P Anumba

(Resigned 25 March 2022)

J D Houghton

(Resigned 2 April 2021)

F R Smith

G A Cheshire

There are at least three Managing Trustees at any one time. The Trustees are also Directors for the purposes of company law. All of the Trustees are members of the company. None of the trustees have any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Our trustee board has continued to strengthen this year. G A Cheshire's appointment at the end of March 2021 has been a critical part of this, adding significant expertise and experience in strategic development, change and project management, as well as staff development and training. These skills have been developed over the course of forty years in positions, including senior roles, in the police force, and now as Head of Operations at British Red Cross.

Following a vote of the trustees, G A Cheshire was appointed Chair of Trustees from 1st April 2022. We are grateful to K Downes, for his commitment and expertise leading our Board of Trustees. K Downes continues as part of the trustee board.

The Trustees have been determined to strengthen our Board to further develop expertise, increase diversity and ultimately improve decision making. In Quarter three, we therefore embarked on a trustee recruitment process, advertising using an external platform. In line with our Trustee On-boarding procedure, prospective applicants were interviewed by the Chief Executive and Chair of Trustees, with due diligence being carried out. We can report that, since March 2022, three new trustees have been appointed. They bring significant expertise across Safeguarding, Finance and Equality Diversity and Inclusion. We are also delighted to report that a survivor of Modern Slavery, and former service user, has been welcomed onto our Board. Their voice is essential, as we seek to ensure the voices of the people we support is heard and sits at the heart of decision making, in order to positively shape our work and society going forward.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2022

The trustees continue to seek to strengthen the board, particularly with legal, policy, business development and fundraising expertise.

As permitted by the Charities Act, and our charity's Articles, "Keep Your Fork", of which F Smith is Managing Director, was contracted to deliver PR and marketing services to the charity in return for payment. In line with best practice and our Conflict of Interest policy, the Directors managed such conflict, ensuring F Smith was not part of any relevant discussions or decision making. They also ensured the contract, as well as the services provided were in the best interests of the charity and that the level of the remuneration was reasonable in relation to the value of the services provided. In line with our policy, we can confirm that "Keep Your Fork" received £11,145 in remuneration. From 1st April 2022, Keep Your Fork no longer provided PR and marketing services to the charity, as we have sought to develop internal capability.

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take in to consideration the ability of the charitable company to be able to pay such salaries.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
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Strategic Review

The organisational development outlined above puts the Charity in good stead to expand its impact and grow in the coming years. In anticipation of that growth, it was vital to fundamentally reflect on the charity's purpose, vision, values and strategy. This would ensure absolute clarity on what we seek to achieve, the impact we will make and how we will create it. It would also ensure that our purpose and strategic objectives were relevant in a 'post-pandemic' society. We therefore committed to a thorough re-appraisal.

This process was to be welcomed, as the Charity had experienced significant change over the previous years. This re-appraisal was not therefore about forgetting where the Charity had come from or what it had been through, as we have sought to ensure every challenge in the Charity was used to drive improvement, develop culture and take action. Indeed, those challenges have acted as a catalyst for change and have prompted deep and fundamental reflection.

Out of the process, we sought to gain clarity around what we stood for and a renewed and complete strategy for the next 5 years, with goals and commitments that create positive impacts and equip us to take a leadership role in meeting the ever increasing needs of society. We also needed to find a way to tell our story that connects with the hearts and mind of all our stakeholders, so that we could be an influential voice for change.

The process was carried out with the support of external consultants, and was built upon the voices and insights of all of our staff, service users and trustees. We have also consulted with partners, including representatives of NGO's, Police, Local Authority, Government Departments, Universities and Business. Those conversations were critical in steering our direction and renewing our ambition.

The Charity now has a renewed strategy, purpose, vision and values, which are outlined below. Our renewed ambition is also reflected in a new name 'Causeway' which captures what we do, how we do it and why we do it.

Our Purpose

To free marginalised and vulnerable people to find their voice, in a society that values their place.

Our Vision

Our vision is to ensure a thriving future for marginalised and vulnerable people, including survivors of slavery and exploitation.

This will be achieved through delivering excellence, pioneering new ideas for lasting change, and partnering for influence and greater visible impact. As we work to prevent, support and protect these people from the cycle of crime and exploitation, we will empower our clients' voices alongside our own whilst helping them make progress.

As a result, we will be recognised as the go-to and trusted organisation that frees marginalised and vulnerable people to contribute to a society that hears their voices and sees their value; thereby creating a safer and more understanding society for all.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
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Our Values

We respect the person

It starts with believing in people, seeing beyond their circumstances, being a champion for consistent support, and always being honest. We do what we say we will do, acting within boundaries as we respect people's identities, voices and personal choices. Because for us, there is no mutual respect without self-respect.

We do things right

We never let being professional get in the way of our compassion. So, our approach is transparent, well-informed, and yet always personal. We take responsibility for our actions and are accountable to our high standards as well as those of others.

This means that we can be relied on to deliver excellence, and go above and beyond what's required to do what's really needed.

We create change

Diverse and open-minded, we always look for new, better ways to help and create the change we want to see in society. We're approachable and welcome feedback, strengthening relationships as we consider people's many perspectives. And we don't wait for change but go towards it to respond to needs.

We come through together

United in our purpose, we overcome obstacles and stride towards positive outcomes. Our resilience gives us confidence to adapt and persist. We don't give up on people, each other, or on our shared goals, and progress together.

Our Strategic Objectives

1. Delivering excellence, pioneering new ideas for lasting change, and partnering for influence and greater visible impact.
2. Working to prevent, support and protect people from the cycle of crime and exploitation.
3. Empowering our service users' voices alongside our own for a fairer society.

Causeway is a safe place, a means of passage from one place in life to another, a bridge into society, a stepping place for people's life aspirations and ambitions, and a means of support, with a destination in mind. Believing in the power of lasting change, Causeway takes people from existing to living, helping them to make progress, towards a thriving future.

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For the good of all our stakeholders, especially those we support, we will now work to diversify our income streams to be a lasting and dependable organisation and ensure we are positioned to develop and deliver innovative programmes that bring lasting change to the people we support and society.

In so doing, we are grateful for the support and drive of a skilled and experienced team, and work from a place of organisational strength, as we build upon the outstanding work that has been delivered over the previous years. We look forward to increasing our impact, as we develop critical partnerships which bring lasting change for people who are marginalised and vulnerable and society.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor are aware of such information.

The trustees' report was approved by the Board of Trustees.


G A Cheshire

Trustee

Dated: 22 December 2022

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of Causeway Charitable Services (Formerly City Hearts (UK)) for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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Sheffield
S8 0XF

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

Opinion

We have audited the financial statements of Causeway Charitable Services (Formerly City Hearts (UK)) (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 2022 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 charity 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 charity'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 AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK)) CONTINUED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- 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 trustees' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK)) CONTINUED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK)) CONTINUED

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors and enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Roland Givans (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young**

22 December 2022

**Chartered Accountants
Statutory Auditor**

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Income from:</u>			
Grants and donations	3	151,074	244,413
Charitable activities	4	6,315,322	5,895,596
Investments	5	3,089	4,141
Total income		<u>6,469,485</u>	<u>6,144,150</u>
<u>Expenditure on:</u>			
Raising funds	6	14,808	3,685
Charitable activities	7	6,237,014	5,254,716
Total expenditure		<u>6,251,822</u>	<u>5,258,401</u>
Net incoming resources before transfers		217,663	885,749
Net movement in funds		217,663	885,749
Fund balances at 1 April 2021		2,722,234	1,836,485
Fund balances at 31 March 2022		<u>2,939,897</u>	<u>2,722,234</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

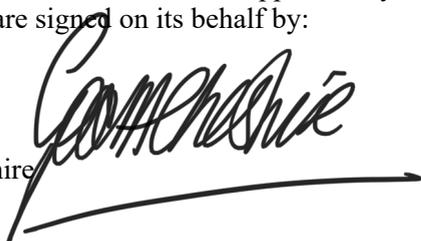
BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	13		452,057		520,296
Current assets					
Debtors	14	1,372,309		956,023	
Cash at bank and in hand		1,430,464		1,508,974	
		<u>2,802,773</u>		<u>2,464,997</u>	
Creditors: amounts falling due within one year	16	(162,721)		(102,034)	
Net current assets			<u>2,640,052</u>		<u>2,362,963</u>
Total assets less current liabilities			3,092,109		2,883,259
Creditors: amounts falling due after more than one year	17		(152,212)		(161,025)
Net assets			<u>2,939,897</u>		<u>2,722,234</u>
Income funds					
Unrestricted funds			<u>2,939,897</u>		<u>2,722,234</u>
			<u>2,939,897</u>		<u>2,722,234</u>

The financial statements were approved by the board of directors and authorised for issue on 22 December 2022 and are signed on its behalf by:

G A Cheshire
Trustee



Company Registration No. 5396512

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	20		(58,896)		828,858
Investing activities					
Purchase of tangible fixed assets		(14,280)		(112,645)	
Interest received		3,089		4,141	
Net cash used in investing activities			(11,191)		(108,504)
Financing activities					
Repayment of bank loans		(8,423)		(8,293)	
Net cash used in financing activities			(8,423)		(8,293)
Net (decrease)/increase in cash and cash equivalents			(78,510)		712,061
Cash and cash equivalents at beginning of year			1,508,974		796,913
Cash and cash equivalents at end of year			<u>1,430,464</u>		<u>1,508,974</u>

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Causeway Charitable Services (Formerly City Hearts (UK)) is a private company limited by guarantee incorporated in England and Wales. The registered office is 1st Floor, Furnival House, Furnival Gate, Sheffield, South Yorkshire, S1 4QP.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Grants and voluntary income comprising gifts, donations and other forms of income, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable, except insofar as they are incapable of financial measurement.

The value of services provided by volunteers has not been included.

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Resources expended

Resources expended are recognised in the year in which they are incurred inclusive of VAT.

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

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Grants for other charitable activities are made at the discretion of the trustees and are recognised in the year in which they are made.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% Straight line
Leasehold property improvements	33% Straight line
Fixtures, fittings & equipment	20% Straight line/33% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Fixed assets costing less than £500 are not capitalised.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3 Grants and donations

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	82,544	244,413
Grants receivable	68,530	-
	<u>151,074</u>	<u>244,413</u>

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	2022 £	2021 £
Services provided under contract and other charitable activities	6,315,322	5,895,596

5 Investments

	2022 £	2021 £
Interest receivable	3,089	4,141

6 Raising funds

	2022 £	2021 £
<u>Fundraising and publicity</u>		
Advertising	2,385	3,685
Staff costs	12,423	-
Fundraising and publicity	14,808	3,685
	14,808	3,685

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities

	2022	2021
	£	£
Staff costs	3,033,697	3,238,562
Depreciation	73,936	53,863
Repairs and maintenance	166,730	104,446
Telephone	60,969	111,770
Training costs	61,599	25,439
Motor and travel expenses	126,774	137,184
Rent, charges and accommodation	606,371	458,007
Insurance	28,849	17,228
Legal and professional fees	201,385	155,549
Bank interest and charges	6,821	10,710
Sundry expenses	57,083	50,709
Light and heat	82,282	54,295
Rates	39,317	30,883
Food and drink	24,235	19,285
Activities and outings	9,241	7,737
Printing, postage and stationery	11,137	16,808
IT expenses	198,856	86,859
Cleaning	49,886	36,541
Licences and subscriptions	988	14,656
Allowances	1,319,511	619,018
City Hearts Africa	63,994	-
Loss on disposal of fixed assets	8,583	-
	<u>6,232,244</u>	<u>5,249,549</u>
Grant funding of activities (see note 8)	1,110	1,567
Share of governance costs (see note 9)	3,660	3,600
	<u>6,237,014</u>	<u>5,254,716</u>
Analysis by fund		
Unrestricted funds	<u>6,237,014</u>	<u>5,254,716</u>

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Grants payable

	2022	2021
	£	£
Grants to institutions:		
Other	1,110	1,567
	<u>1,110</u>	<u>1,567</u>
	<u><u>1,110</u></u>	<u><u>1,567</u></u>

9 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Audit fees	-	3,660	3,660	-	3,600	3,600
	<u>-</u>	<u>3,660</u>	<u>3,660</u>	<u>-</u>	<u>3,600</u>	<u>3,600</u>
	<u><u>-</u></u>	<u><u>3,660</u></u>	<u><u>3,660</u></u>	<u><u>-</u></u>	<u><u>3,600</u></u>	<u><u>3,600</u></u>
Analysed between						
Charitable activities	-	3,660	3,660	-	3,600	3,600
	<u>-</u>	<u>3,660</u>	<u>3,660</u>	<u>-</u>	<u>3,600</u>	<u>3,600</u>
	<u><u>-</u></u>	<u><u>3,660</u></u>	<u><u>3,660</u></u>	<u><u>-</u></u>	<u><u>3,600</u></u>	<u><u>3,600</u></u>

Governance costs includes payments to the auditors of £3,660 (2021: £3,600) for audit fees. Other costs includes payments to the auditors of £3,660 (2021: £3,600) for other services.

10 Trustees

F R Smith controls another company that during the period since she became a trustee received £11,145 (2021: £8,348) for marketing services.

None of the other trustees (or any persons connected with them) received any remuneration or any other benefits from employment with the charity during the year and no trustee expenses have been incurred.

The charity's Memorandum and Articles of Association expressly permits trustees to be remunerated provided certain conditions are met.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Employees	135	152
Trustees	4	4
	<u>139</u>	<u>156</u>

Employment costs

	2022 £	2021 £
Wages and salaries	2,756,573	2,942,041
Social security costs	221,910	222,073
Other pension costs	67,637	74,448
	<u>3,046,120</u>	<u>3,238,562</u>

There were no employees whose annual remuneration was £60,000 or more.

12 Taxation

In view of the charitable objects of the company and of its registered charity status, no taxation should be payable.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Tangible fixed assets

	Land and buildings	Leasehold property improvements	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 April 2021	398,251	1,376	273,788	673,415
Additions	-	-	14,280	14,280
Disposals	-	-	(52,034)	(52,034)
At 31 March 2022	<u>398,251</u>	<u>1,376</u>	<u>236,034</u>	<u>635,661</u>
Depreciation and impairment				
At 1 April 2021	30,623	374	122,122	153,119
Depreciation charged in the year	7,963	275	65,698	73,936
Eliminated in respect of disposals	-	-	(43,451)	(43,451)
At 31 March 2022	<u>38,586</u>	<u>649</u>	<u>144,369</u>	<u>183,604</u>
Carrying amount				
At 31 March 2022	<u>359,665</u>	<u>727</u>	<u>91,665</u>	<u>452,057</u>
At 31 March 2021	<u>367,628</u>	<u>1,002</u>	<u>151,666</u>	<u>520,296</u>

The charity's freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2022 amounting to 44% (2021: 47%) of their net book value.

14 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	1,320,656	801,222
Other debtors	-	132,301
Prepayments and accrued income	51,653	22,500
	<u>1,372,309</u>	<u>956,023</u>

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Loans and overdrafts

	2022	2021
	£	£
Bank loans	159,781	168,204
Payable within one year	7,569	7,179
Payable after one year	152,212	161,025
Amounts included above which fall due after five years:		
Payable by instalments	118,282	128,841

The mortgage is secured by a first legal charge over the charity's freehold land and buildings.

16 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Bank loans	15	7,569	7,179
Other taxation and social security		53,236	-
Trade creditors		58,754	69,946
Other creditors		20,973	6,364
Accruals and deferred income		22,189	18,545
		162,721	102,034

17 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Bank loans	15	152,212	161,025

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	396,940	154,800
Between two and five years	844,061	500,892
	<u>1,241,001</u>	<u>655,692</u>

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022	2021
	£	£
Aggregate compensation	<u>48,192</u>	<u>48,446</u>

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take in to consideration the ability of the charitable company to be able to pay such salaries.

There were no other related party transactions to disclose.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Cash generated from operations	2022	2021	
	£	£	
Surplus for the year	217,663	885,749	
Adjustments for:			
Investment income recognised in statement of financial activities	(3,089)	(4,141)	
Loss on disposal of tangible fixed assets	8,583	-	
Depreciation and impairment of tangible fixed assets	73,936	53,863	
Movements in working capital:			
(Increase)/decrease in debtors	(416,286)	44,704	
Increase/(decrease) in creditors	60,297	(84,186)	
(Decrease) in deferred income	-	(67,131)	
Cash (absorbed by)/generated from operations	(58,896)	828,858	
21 Analysis of changes in net funds			
	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	1,508,974	(78,510)	1,430,464
Loans falling due within one year	(7,179)	(390)	(7,569)
Loans falling due after more than one year	(161,025)	8,813	(152,212)
	<u>1,340,770</u>	<u>(70,087)</u>	<u>1,270,683</u>