

TRANSFORM JUSTICE
TRUSTEES REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 MARCH 2019

The Trustees, who are also Directors of the charitable company, present their report and the financial statements for Transform Justice for the year ended 31 March 2019.

COMPANY INFORMATION

Registration	Company Number: 08031781 Charity Number: 1150989
Board of Trustees	The following persons have served as members of the Board during the period and up to the date of this report: Mr Chris Stanley Mr Edward Gretton (resigned 24 Feb 2019) Ms Philippa Budgen Mrs Winnie Yu (resigned 31 March 2019) Seema Kapoor (resigned 14th April 2018) Mr Jason Yule (appointed 11 March 2019) Dr Hannah Quirk (appointed 1 February 2019)
Registered Office	43 Lawford Road London NW5 2LG
Bankers	Co-operative Bank PO Box 250 Skelmersdale WN8 6WT Metro Bank One Southampton Row London WC1B 5HA

TRANSFORM JUSTICE
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FOR THE PERIOD ENDED 31 MARCH 2019

OBJECTIVES AND GOVERNING STATEMENTS

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

Objects

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

Activities/public benefit

2018/19 was the seventh year of operation as a company limited by guarantee and the sixth full year as a charity.

Transform Justice published two reports:-

- Path of little resistance: is pre-trial detention of children really a last resort? – December 2018
- Love, fear and control – does the criminal justice system reduce domestic abuse? August 2018

The reports were widely disseminated, covered in the media and quoted. Transform Justice also published 51 blog posts on the Transform Justice site and on LinkedIn and increased its twitter following.

Transform Justice also started a new programme to support criminal justice sector charities to communicate more effectively. This programme was supported by Porticus UK.

Both the reports were funded by the Hadley Trust. Transform Justice has one member of staff and uses a freelance researcher who works regularly for the organisation.

Transform Justice has met its charitable objects through the publications and dissemination of reports, through tweeting and blogging on aspects of the justice system (sentencing, diversity in the judiciary, digital justice, access to justice) and raising awareness of human rights issues such as the over-use of pre-trial detention.

In 2019/20 Transform Justice will continue to disseminate learning from all the reports completed so far and will publish reports on the quality of defence advice and advocacy, and on the use of police custody.

Recruitment and appointment of new trustees

Winnie Yu left the trustee board and Jason Yule replaced her as Treasurer. Hannah Quirk joined the trustee board in February 2019. Edward Gretton left as trustee in February 2019.

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FINANCIAL REVIEW

Result for the period

The Board of Trustees reports an excess of income over expenditure of £42,087, which is carried forward for future use.

Reserves

The accounts show total funds carried forward of £92,468. This includes restricted funds of £89,867 as shown in Note 16 to the financial pages. These funds will be expended in 2019/20 on various projects in line with the objectives of the charity, and the intention of the funders. Unrestricted funds totalled £2,601.

Statement of Trustee responsibilities

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

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

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

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

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

Signed: _____

Chris Stanley
On behalf of the Board

Date: _____

Independent Examiner's Report to the Trustees of Transform Justice

Report to the trustees of Transform Justice on the accounts for the year ended 31 March 2019 set out on pages 5 to 10.

Respective responsibilities of the trustees and examiner

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

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

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

Basis of independent examiner's statement

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

Independent Examiner's statement

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

- 1 which gives me reasonable cause to believe that in any material respect, the requirements
to keep accounting records in accordance with section 386 of the Companies Act 2006;
and
to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.
have not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Debbie Mace
23 Forgebank Walk
Halton
LA2 6FD

Independent Examiner



29 November 2019

TRANSFORM JUSTICE
Statement of Financial Activities
(incorporating an income and expenditure account)
For period ended 31 March 2019

		2019	2019	2019	2018
		<u>Unrestricted</u>	<u>Restricted</u>	<u>TOTAL</u>	<u>TOTAL</u>
		<u>funds</u>	<u>funds</u>	<u>FUNDS</u>	<u>FUNDS</u>
	Note	£	£	£	£
Income					
Donations	2	0	104,662	104,662	75,600
Income from charitable activities		291	2,000	2,291	1,409
Total Income		291	106,662	106,953	77,009
Expenditure					
Expenditure on Charitable activities	3	0	70,366	70,366	82,204
Total expenditure		0	70,366	70,366	82,204
Net Income/(Expenditure)		291	36,296	36,587	(5,195)
Other recognised gains/(losses)	7	5,500	0	5,500	(5,500)
Net movement in funds for the year		5,791	36,296	42,087	(10,695)
RECONCILIATION OF FUNDS					
Total funds brought forward		(3,190)	53,571	50,381	61,076
Total funds carried forward		2,601	89,867	92,468	50,381

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

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

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

Balance Sheet as at 31 March 2019

	Note	31.3.2019		31.3.18	
		£	£	£	£
Current Assets					
Debtors	10	6,381		698	
Cash at bank		<u>88,550</u>		<u>53,457</u>	
		94,931		54,155	
Current Liabilities					
Creditors falling due within one year	11	<u>2,463</u>		<u>3,774</u>	
Net Current assets			<u>92,468</u>		<u>50,381</u>
Total assets less current liabilities			<u>92,468</u>		<u>50,381</u>
The funds of the charity:	16				
Unrestricted funds			2,601		(3,190)
Restricted funds			89,867		53,571
			<u>92,468</u>		<u>50,381</u>

For the financial period ended 31 March 2019 the directors are satisfied that the charitable company was entitled to exemption from audit under Section 477 of the Companies Act 2006 and no notice has been deposited under Section 476. The accounts have been examined by an Independent Examiner, in accordance with section 145 of the Charities Act 2011. Her report appears on page 4.

The directors acknowledge their responsibilities for:

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

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

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

ON BEHALF OF THE BOARD OF TRUSTEES

Signed:

Approved by the Board of Trustees on:

26.11.2019

Name:

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

Chris Stanley

Chris

CHRIS

STANLEY

TRANSFORM JUSTICE

Notes to the accounts

1. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102)(effective 1 January 2015) - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Acts 2006.

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

b) Preparation of the accounts on a going concern basis

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

c) Income

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

d) Donated services and facilities

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

e) Fund accounting

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

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

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

f) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

g) Creditors

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

2. DONATIONS

	2019	2019	2019	2018
	£	£	£	£
Grants receivable	Unrestricted	Restricted	TOTAL	TOTAL
The Hadley Trust	0	48,500	48,500	54,220
The Barrow Cadbury Trust	0	25,500	25,500	11,000
Benevolentia Stichting - via Porticus UK	0	30,662	30,662	0
Curtis Charitable Trust	0	0	0	1,000
Donated services	0	0	0	9,380
	0	104,662	104,662	75,600

Grants receivable in 2018 totalled £75,600, of which £1,000 were unrestricted, £74,600 were restricted.

TRANSFORM JUSTICE
Notes to the accounts

	2019 £	2019 £	2019 £	2018 £
3. EXPENDITURE ON CHARITABLE ACTIVITIES	<u>Unrestricted</u>	<u>Restricted</u>	<u>TOTAL</u>	<u>TOTAL</u>
Scoping, research and dissemination activities on following projects :-				
Reframing criminal justice	0	2,310	2,310	1,303
Judicial Independence	0	0	0	2,501
Use of remand in England & Wales	0	0	0	1,063
Vulnerable adults & virtue hearings	0	0	0	1,890
Diversion	0	0	0	10,899
Child Remand	0	1,388	1,388	0
Defence Advocacy	0	175	175	0
Domestic Abuse	0	1,488	1,488	0
General scoping activities	0	4,709	4,709	0
Other costs				
Scotland trip costs	0	0	0	351
Printing	0	0	0	1,500
Support costs (note 4)	0	59,328	59,328	52,477
Governance costs (note 5)	0	968	968	10,220
	<u>0</u>	<u>70,366</u>	<u>70,366</u>	<u>82,204</u>

Expenditure on charitable activities in 2018 was £82,204 of which £79,750 were from restricted funds and £2,454 from unrestricted.

4. SUPPORT COSTS	<u>Unrestricted</u>	<u>Restricted</u>	<u>TOTAL</u>	<u>TOTAL</u>
Staff costs (note 8)	0	45,000	45,000	47,000
Administrative and research support	0	12,877	12,878	2,746
Office and general expenses	0	1,450	1,450	2,278
IT costs	0	0	0	453
	<u>0</u>	<u>59,327</u>	<u>59,328</u>	<u>52,477</u>

Support costs in 2018 were £52,477, of which £50,023 were from restricted funds and £2,454 from unrestricted.

5. GOVERNANCE COSTS	<u>Unrestricted</u>	<u>Restricted</u>	<u>TOTAL</u>	<u>TOTAL</u>
Legal services	0	0	0	9,380
Independent examination	0	968	968	840
	<u>0</u>	<u>968</u>	<u>968</u>	<u>10,220</u>

Governance costs in 2018 were £10,220, all of which were from restricted funds. This included £9,380 legal services provided pro bono.

TRANSFORM JUSTICE
Notes to the accounts

6. NET OUTGOING RESOURCES

The Operating Surplus is stated after charging :-
Independent Examination
Trustee Emoluments

2019	2018
£	£
968	840
0	0

7. OTHER RECOGNISED GAINS/(LOSSES)

Gain/(Loss) arising from fraudulent activity

5,500	(5,500)
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The charity was the target of fraud during 2017/18. £5,500 was assumed lost and thus included in the accounts as a loss. The bank involved subsequently agreed to repay the loss and the funds were received after the year end.

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

	2019	2018
	£	£
Gross salary costs	10,000	10,000
Other staff benefits	0	2,000
Pension contribution (salary sacrifice)	35,000	35,000
	45,000	47,000

No employees received employee benefits exceeding £60,000 (2018 nil).

The charitable company employed one member of staff. £35,000 of her salary was paid to the employee's pension scheme, under a salary sacrifice arrangement, as agreed in a variation of contract (2018 £35,000).

Trustee remuneration and expenses

The trustees all give freely their time without any form of remuneration or other benefit in cash or in kind.
No trustees received reimbursement of expenses during the period (2018 - none).

9. STAFF NUMBERS

The average monthly head count was one during the period (2018 - one).

10. DEBTORS

Trade debtors
Funds due re fraudulent payments
HMRC (PAYE overpayment)

2019	2018
£	£
625	604
5,500	0
256	94
6,381	698

11. CREDITORS

Payroll control
Trade creditors
Accruals

287	1,693
1,251	1,241
925	840
2,463	3,774

TRANSFORM JUSTICE

Notes to the accounts

12. COMPANY STATUS

The charitable company is limited by guarantee and therefore has no share capital.
The member's liability under the guarantee is restricted to a maximum of £1.

13. POST BALANCE SHEET EVENTS

There were no significant post balance sheet events.

14. CONTINGENT LIABILITIES

The charitable company had no material contingent liabilities at 31 March 2019 (31 March 2018 - none).

15. RELATED PARTIES

There were no disclosable related party transactions during the period (2018 - none).

	Balance at 31 March 2018	Incoming Resources	Resources Expended	Balance at 31 March 2019
	£	£	£	£
16. STATEMENT OF FUNDS				
<u>Unrestricted funds</u>				
General funds	(3,190)	5,791	0	2,601
	(3,190)	5,791	0	2,601
<u>Restricted funds</u>				
General scoping and dissemination activity	21,073	0	4,691	16,382
Criminal justice system - Domestic abuse	24,250	0	17,428	6,822
Remand	2,994	0	0	2,994
Child Remand	0	24,250	17,327	6,923
Use of Police Custody	0	24,250	839	23,411
Admin/research assistant	5,254	0	5,254	0
Defence advocacy	0	25,500	16,936	8,564
Reframing Criminal Justice	0	30,662	6,507	24,155
Capacity building	0	2,000	1,384	616
	53,571	106,662	70,366	89,867
TOTAL FUNDS	50,381	112,453	70,366	92,468

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

The funds for scoping and dissemination will be used for future projects

Funds from the Remand, Child Remand, and Domestic Abuse projects (all funded by Hadley Trust) will be used for the consolidation of funded projects in line with the objectives of the charity and the funding provider.

Funds for Police Custody will be spent in 2019/20 on producing and disseminating a report on this issue.

Funds from Barrow Cadbury for 'Defence Advocacy' will be spent in 2019/20 for research, production of a report and follow up work.

Funds from Porticus UK for reframing work will be spent on 2019/20 on working with criminal justice charities to support them to reframe their communications.

Funds for capacity building were provided by Barrow Cadbury to fund work with the Zahid Mubarek Trust.