

CIRCLES SOUTH WEST
(A company limited by guarantee)

Trustees' Report & Financial Statements

Year Ended 31 March 2019

Company number 07369778

Registered charity number 1138726

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FLETCHER & PARTNERS

CHARTERED ACCOUNTANTS

SALISBURY

CIRCLES SOUTH WEST

(LIMITED BY GUARANTEE)

ADMINISTRATIVE INFORMATION

TRUSTEE DIRECTORS (correct at the date of signing)

	<u>Appointed as Trustee</u>
Stephen Ashton	April 2012
Jane Barkes (Secretary)	January 2013
Paul Davis	January 2013 (Deputy Chair until June 2018)
Tim Price (Chair)	March 2015
Dr Kieran McCartan	September 2016
Chris Maynard (Treasurer)	July 2017
Dr Stephen Barry	November 2017
Peter Estall	November 2017
Diane Wills (Deputy Chair)	November 2017 [re-appointed], Deputy Chair from June 18. Formerly served May 2014-Jan 2017.

Dr Simon Beer, appointed September 2010; resigned March 2019

CHARITY ADDRESS / REGISTERED OFFICE

7 Madeira Road, Bournemouth, BH1 1QL

ADVISERS

Independent Examiner

James Fletcher FCA

Messrs Fletcher & Partners

Crown Chambers, Bridge Street, Salisbury, Wiltshire, SP1 2LZ

Bankers

Triodos Bank

Deanery Road, Bristol, BS1 5AS

Solicitors

Wilson's, Alexandra House, St Johns Street, Salisbury SP1 2SB

REGISTERED CHARITY NUMBER 1138726

REGISTERED COMPANY NUMBER 07369778

CIRCLES SOUTH WEST TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The Trustees, who are also Directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements of Circles South West (CSW) (the company) for the year ended 31 March 2019. The Trustees confirm that the annual report and financial statements of the charity comply with current statutory requirements¹, the requirements of the charity's governing document, and the provisions of the Charities Statement of Recommended Practice (SORP) (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document and Constitution

CSW is a charitable company limited by guarantee. It was incorporated on 8 September 2010. The company is governed by its Memorandum and Articles of Association dated 31 August 2010 as amended by the AGM of 8 March 2012. The Directors of the company are also the Trustees.

Governance and Management

The company (hereinafter referred to as the Trust or Charity or CSW) is governed by its Trustees who meet periodically and who also act as Directors for company law purposes. Day-to-day activities are managed by the Chief Executive Officer.

Recruitment and Appointment of Trustees

New Trustees are recruited from among people who have an interest in furthering the aims of the Charity with a view to ensuring that all the necessary competencies are represented within the Trustee body. One of our founding Trustees, Dr Simon Beer, resigned this year after nine years' service on the Board. He has made an outstanding contribution to the work of the charity bringing his expertise, and helping to both expand and diversify our services. He will be much missed on the Board and we wish him all the best for the future.

Objects of the Charity

The objects of the charity are to relieve the needs and promote the rehabilitation, treatment, education and care of persons who have committed or are likely to commit offences, particularly sexual offences, against others and the families of such persons and others affected by such offences.

¹ Including the Charities Act 2011 (replaced most of Charities Act 2006 and Charities Act 1992); the Charities (Protection & Social Investment) Act 2016 which strengthens the powers of the Charities Commission; the Trustees Acts 1925 and 2000, the most recent Act concerning the powers of Trustees regarding investments and delegation; Charity Commission regulation

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. Specifically, a reduction in sexual offending is of immeasurable benefit to those who might otherwise have become victims, to their families and communities, and to those who have been diverted from offending. As volunteers, members of the general community gain from the opportunity to play a part in preventing such offending.

SUMMARY OF MAIN ACTIVITIES OF THE CHARITY IN RELATION TO ITS OBJECTS

CSW uniquely provides Circles of Support and Accountability (CoSA/Circles) in South West England, an innovative community approach to reducing sexual reoffending. The Charity's primary aim is to stop re-offending by those who have committed sexual offences, and therefore prevent further sexual abuse, which has profoundly damaging consequences for victims, their families and communities.

Each Circle provides a small group of professionally-trained volunteers to work with an individual who has sexually offended, usually someone who has been recently released from prison. That individual becomes the 'core member' of a Circle that meets regularly to provide support, helping to reduce the isolation which increases the likelihood of reoffending. The Circle helps the individual to safely integrate in the community and to lead a responsible and offence-free life.

The Circle holds the core member accountable for his or her continuing behaviour, and is alert for any indications of risk that reoffending might occur. In this way public safety is enhanced, the Circle acting as a safety mechanism for both the offender and the community. Circles work towards there being 'No More Victims' by:

- reducing emotional loneliness, as well as modelling appropriate adult relationships and demonstrating humanity and care;
- monitoring, to protect the public and increase the safety of communities; and
- holding the core member accountable while developing a relationship of trust, honesty and openness.

Relationships with Other Bodies

CSW works within the structures of Multi-Agency Public Protection Arrangements (MAPPA) and closely with the 'responsible agencies' – police, probation and prison services. The charity also works alongside other agencies who have a 'duty to cooperate', including health, youth offending services, social care, working together to prevent further harm being done by known perpetrators. CSW is an accredited member of Circles UK, the body responsible to the government (Ministry of Justice) for embedding national standards for the provision of CoSA, and which undertakes regular compliance audits in this respect. The charity achieved 95% compliance against the national Code of Practice when most recently audited in late-2018.

ACHIEVEMENTS & PERFORMANCE

“Something that unites all voluntary organisations is their resilience, the passion of staff and volunteers alike, and their adaptability to respond to the challenges they encounter” The State of the Sector, Clinks 2017



2018-19 has presented significant challenges and we are proud to have been able to respond with confidence. As a small-medium sized charity working in the criminal justice arena, we must continually respond to a changing environment whilst remaining true to our mission. This includes adapting to policy changes; to the challenges of income generation; to continuing austerity measures; to the increasingly complex needs of service users; and to retaining quality staff and volunteers who make the work possible. Despite the challenges of the rapidly changing environment in which we work, the last year has seen CSW continue to develop and diversify delivery, to the benefit of service users and local communities, and to partner agencies with whom we work to achieve our vision of ‘No More Victims’.

Our main focus this year has been to:

- Consolidate our mainstream and adapted services to remain true to our mission;
- Extend our reach to achieve ‘No More Victims’ by continuing to diversify our offer, thereby developing new working alliances and arrangements;
- Robustly monitor our work, thereby supporting Research in Practice to independently evaluate it;
- Creatively consider our approach to sustainability, including a blended funding mix;
- Continue to develop an infrastructure fit for purpose.

We are entirely invested in ensuring that we attract the right staff, volunteers and Trustees and that they have the skill set required and that we retain them, as this is crucial to the development of a healthy charity. We continue to dedicate significant resources to volunteer recruitment and retention, a necessity as the general demand has increased for willing, available, suitable volunteers.

Despite the difficult climate in which we work, we have remained focussed on delivering creative solutions and responding to changing needs. We are proud to have ended the year having achieved what we set out to do; in relatively good organisational health; and with sustainable plans for the year ahead.

This year's highlights include:

CSW commended in national prisoner reintegration award (February 2019)



CSW is honoured to be one of the 3 winners of the 2019 Robin Corbett Award for Prisoner Re-integration, in recognition of the excellence of its prison/through the gate Circles. The award was presented in February 2019 by Lady Corbett at the House of Lords during a meeting of the All Party Parliamentary Group for Penal Affairs.

"The three winning charities stand as outstanding examples of how organisations can assist prisoners to help themselves" Lady Corbett

'A wonderful review result': 95% compliance with national standards (December 2018)

Circles Providers are independently audited against Ministry of Justice approved National Standards, the 'Code of Practice for Circles of Support & Accountability'. Providers must achieve 80% compliance to be licenced to provide Circles. CSW was audited in November 2018 when we achieved the very high score of 95%:

"A wonderful review result... Well done on an excellent achievement!"
Riana Taylor, CEO, Circles UK, Dec 2018.

The Review Report concluded that:

"It is clear that CSW pride themselves on delivering a quality service and this was demonstrated not only in the evidence pack provided but also in discussions with staff and stakeholders.... Reviewers were impressed with what they saw whilst at the site visit.... There was a wealth of good practice, from the way CSW value and support their volunteers to strong relationships forged with professionals.... CSW produce some impressive materials and have sound policies in place".
Circles UK, December 2018.

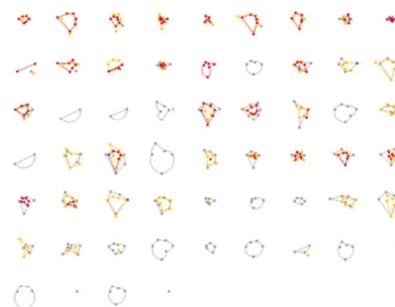
Independent Evaluation by Research in Practice (March 2019) <https://www.rip.org.uk/>

"CSW has taken a highly evidence informed approach to evaluation of circles, and the variety of different questionnaires have provided a rich picture of dynamic risk for core members" (Final Evaluation Report, March 2019, p47).

Research in Practice (RiP) has undertaken a detailed process and outcomes evaluation of the CoSA delivered by CSW between 2016 and 2019. The Final Evaluation Report was published in March 2019 and the full and executive summary reports can be accessed here <http://circles-southwest.org.uk/making-a-difference/>

Evaluation of Circles South West

Final evaluation report: **Full report**
March 2019



research in practice
research in practice
for adults

The final report clearly captures the positive outcomes and importantly, it evidences statistically significant reduction in dynamic risk over the Circle process, as well as presenting rich data analysis and interpretation which will influence our work going forward. In short, it demonstrates that CSW's work significantly reduces the likelihood of sexual abuse, therefore improving the safety of local communities.

The findings are based on data collected on 58 Circles between November 2016 and March 2019. This includes 36 pilot circles (8 intellectual disabilities, 14 prison/TTG, 14 young people) and 22 'standard' adult community circles.

The evaluation concludes that:

"CSW has provided a large and valuable service to the region throughout the duration of this evaluation. The majority of core members appear to have reduced dynamic risk of reoffending at the end of their circles compared to the beginning". – p59

Partners in prison, probation and youth services have a positive view of this work, and CSW are complementing wider work in the criminal justice sector. CoSA are an important part of a community-led, strengths-based and restorative approach to reducing the risk of future sexual abuse." – p59

Strategic Plan 2019-2022



We have recently produced our strategic plan for 2019-2022 which reinforces our desire to reflect our values in everything we do. We believe that how we go about making a difference is as important as what the difference is.

Volunteers' Conference June 2018

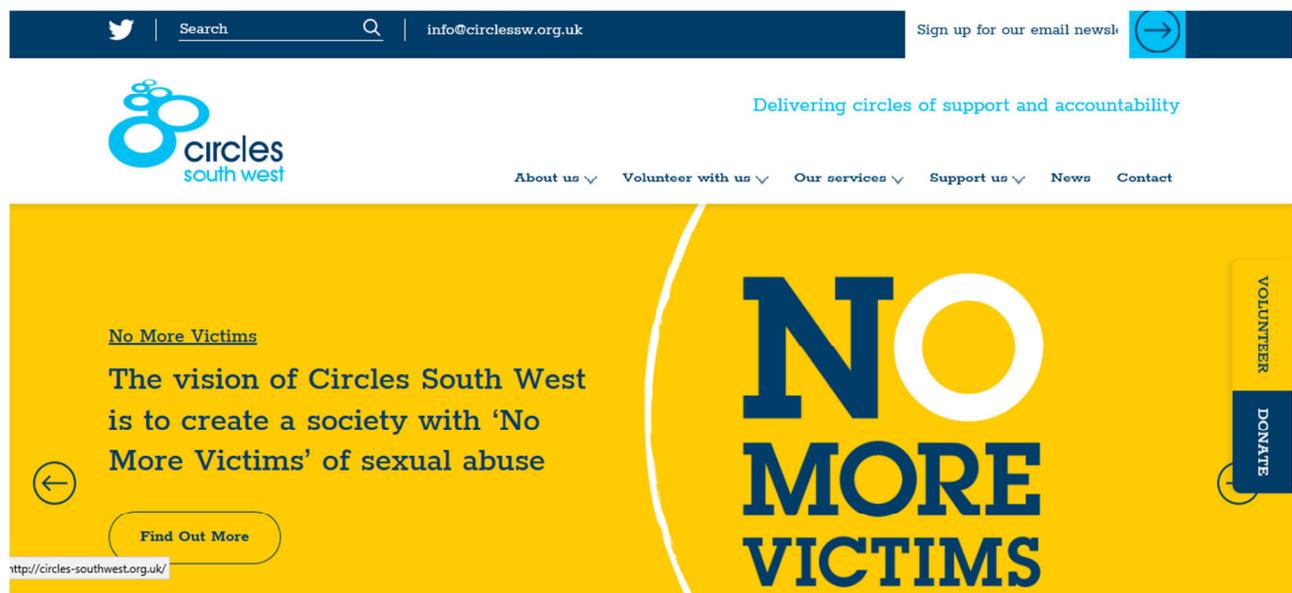
"Let's be under no doubt about the importance of what you do:....put simply, you are protecting people in your midst, including children, from serious sexual harm"

Angus Macpherson, Police & Crime Commissioner (PCC) for Wiltshire and Swindon, 2018

Our Volunteers' Conference was very well attended with excellent feedback. We were delighted to welcome PCC Angus Macpherson who talked about the importance of our work for local communities. Delegates attended a wide range of interesting and informative workshops provided by partner organisations and CSW. The highlight of the event was a whole conference interactive session led by Geese Theatre Company.

New Marketing Assets

This year we have produced a portfolio of new marketing assets to assist with promotion, raising our profile and to help explain what we do. Most importantly, we launched CSW's first independent **Website** at <http://circles-southwest.org.uk/>



Film about our Young People's Circles

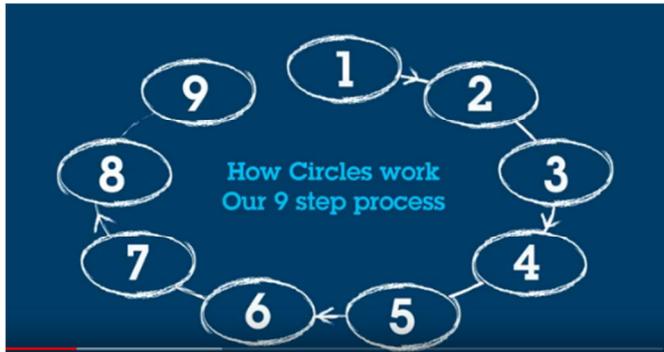
Launched at our AGM in September 2018, we produced a short film about our young people's Circles featuring two service users, a foster carer, volunteers and professionals. It is a moving and impactful piece that



conveys well our important work with young people. Watch here:

https://www.youtube.com/watch?time_continue=6&v=plEyXoT4_D8

How Circles Work: animated 2 minute explainer



In addition, we animated the infographic produced last year explaining ‘How Circles Work’. The animated version can be found both on our Website and You Tube Channel at the link below

<http://circles-southwest.org.uk/who-we-are-what-we-do/>

Sky News Special Report: Inside the Circle



CSW featured in a special report by Sky News aired in April 2019. The documentary, also highlighting the work of other Circles Providers and Circles UK, was a well-balanced and sensitive piece that has been well-received.

The journalist had exclusive access to a south west Circle.

View the 30 minute documentary here <http://circles-southwest.org.uk/824-2/>



BBC South West news article

In March 2019, a local journalist produced an article about Circles in the south west region, featuring interviews with a CSW spokesperson, volunteer and core member. View the 4 minute film here <https://youtu.be/VX7ufCbitR4>

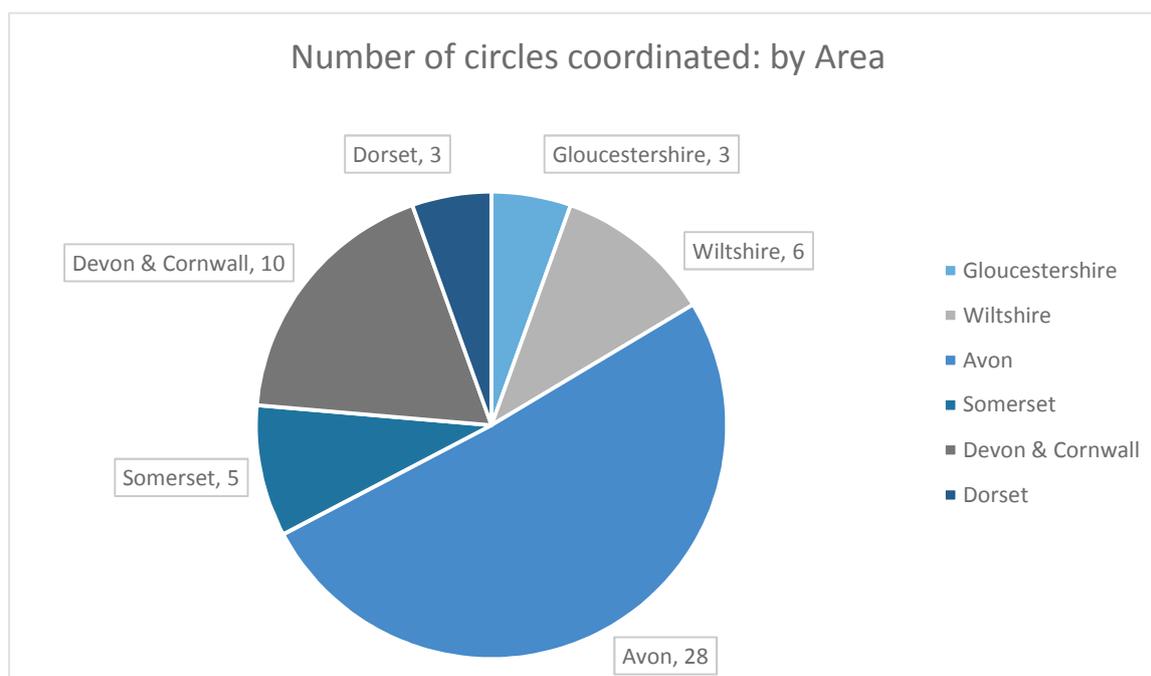
OPERATIONS

“Circles have worked for years and proved to be successful at supporting some of the most challenging men. They have been released and Circles... work to ensure they do not go on to reoffend....Evaluations in Canada, in various European countries and in the UK have shown that recidivism is reduced. It’s not a magic bullet, but if the patient and skilled work of tenacious volunteers can prevent victims of sex crimes, then it is all to the good”

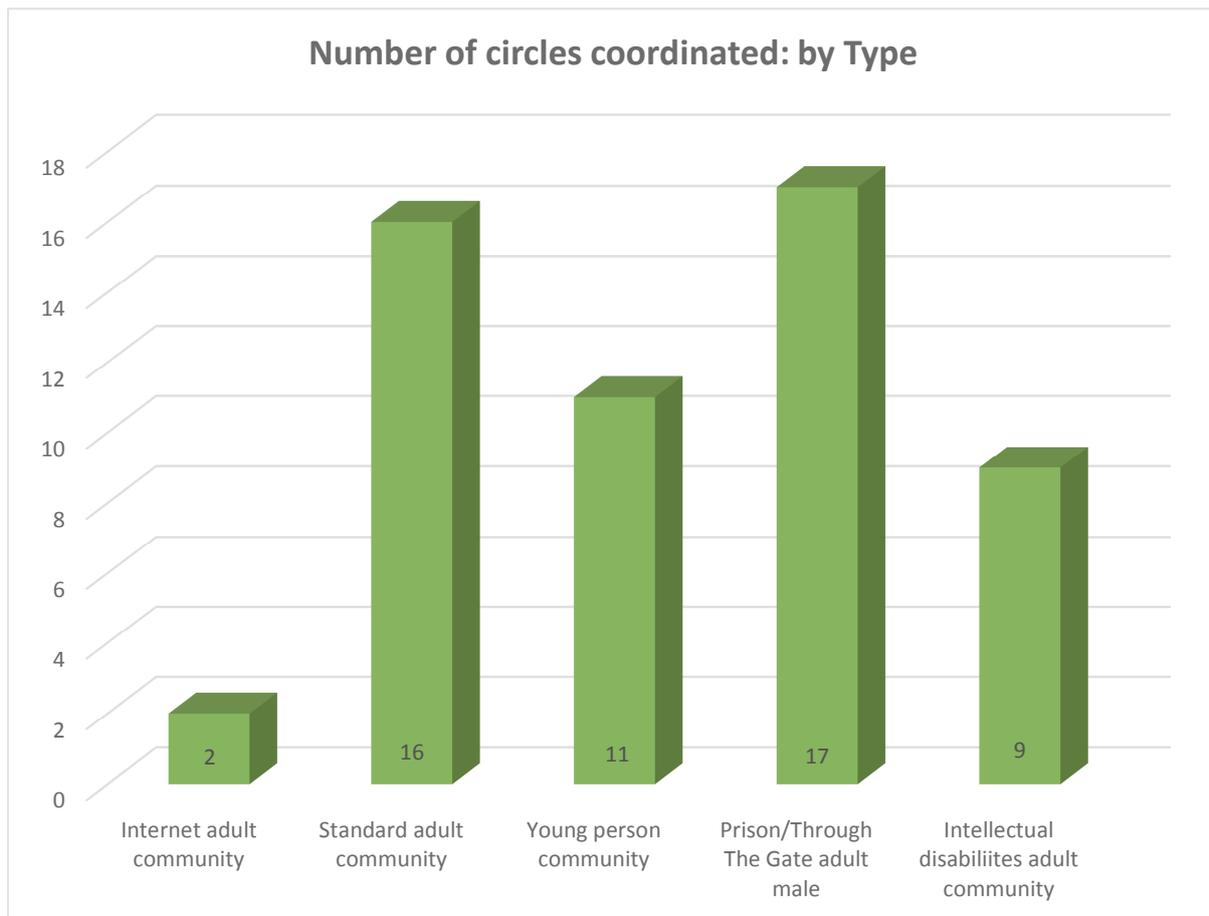
Frances Crook OBE, CEO, Howard League for Penal Reform, 2018

Circles of Support and Accountability

In 2018-19 we coordinated 55 active Circles. 21(38%) of those Circles were newly established in year (since April 2018) with the other 34 (62%) carried forward from the previous year. There were proportionately more Circles carried forward than the previous year because there were more prison/through the gate Circles, which last on average 18 months. We coordinated Circles in all 5 police areas in the region. We coordinated ‘standard’ community Circles for adults; prison/through the gate Circles; Circles for young people; and Circles for adults with intellectual disabilities.



More than half (60%) of active Circles were located in Avon and Somerset. However, it is important to note that none of these were ‘standard’ community Circles for adults. Rather, all 33 of these Circles were specialist Circles adapted specifically for young people, adults with intellectual disabilities or prison/through the gate Circles, solely funded through Trusts and Foundations (i.e. no statutory funding contributions).



Around a third of active Circles were ‘standard’ community Circles for adults and another third prison/through the gate Circles for adults. A fifth of Circles were for young people. The remainder were for adults with intellectual disabilities.

Core Member Referrals

During the year 2018-19 there were 86 new core member referral enquiries of which 39 converted into formal referrals. 21(54%) of the formal referrals were allocated to a new Circle in-year. More than 80% of the adult referrals were made by the National Probation Service (NPS). Other referrers included prisons, police, Be Safe Bristol (NHS), Children’s Social Care, Youth Offending, and Avon Forensic Community Learning Disabilities Team.

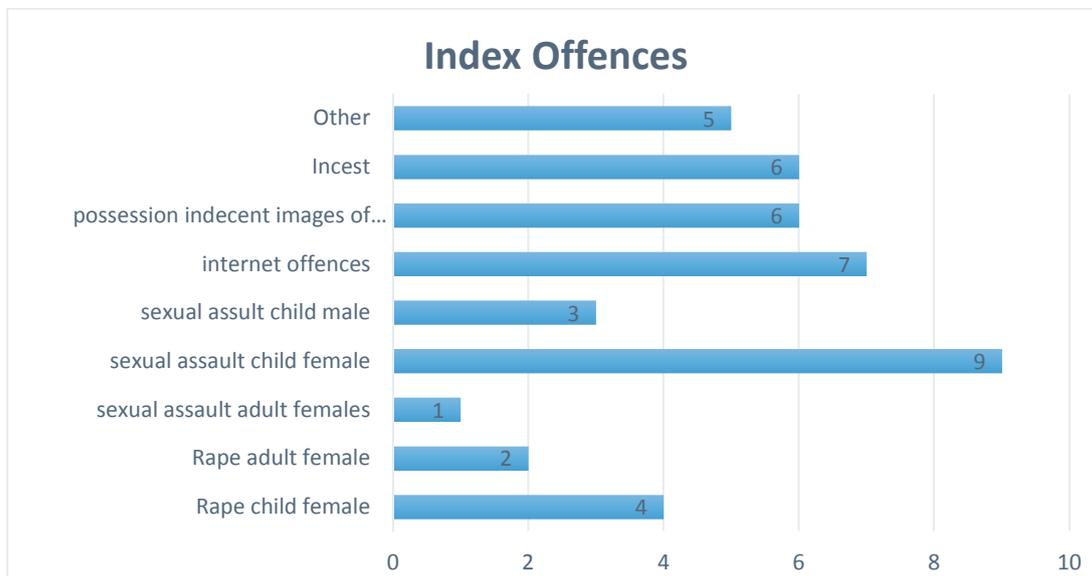
Core Members

In 2018-19 all but 1 of the new core members were male (the other female). 90% of new core members were White British, with 1 Black British/Caribbean and 1 Mixed White/Asian.

At the point they were allocated to a Circle, new core members were between 14 and 57 years old. This includes 4 young people under 18 years old. Almost half (48%) had a disability.

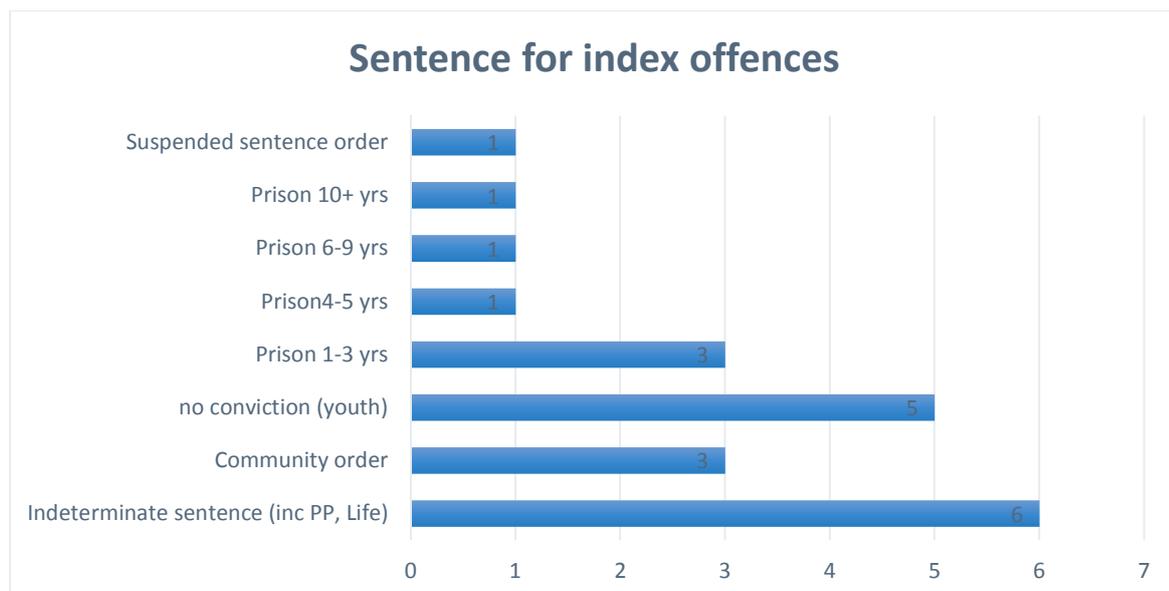
Index Offences, Prevention Orders

For the purposes of the summary presented below, the ‘index offence’ is defined as the last sexual offence for which the core member was convicted, in most cases the offence(s) for which the most recent sentence was imposed. Most core members were convicted of more than 1 category.



‘Other’ includes: sexualised murder, causing a child to engage in sexual activity, attempting to meet a child following online grooming, distribution of indecent images of children

10% of new core members were on licence at the point of referral (compared to 25% the previous year) and 38% were in custody (compared to 25% the previous year). This reflects the growth of our prison/through the gate Circles and working with more young people without convictions. Half of new core members were subject to a Sexual Offences Prevention Order (SOPO) or Sexual Harm Prevention Order (SHPO) at the point of referral.



Outcomes

“Overall we have shown a marked difference in a balanced measure of dynamic risk between the start and end of circles. In other words, during the time that circles have been active, perceived risk due to dynamic factors has reduced for core members. Further evidence from across the evaluations suggests that the circle has had a large contributory effect in this reduction of risk”

Final Evaluation Report, Research in Practice, March 2019 - p57

32 Circles closed in 2018-19, 26 (81%) of which ran their natural course for between 11 and 20 months before planned closures.

6 (19%) Circles closed earlier than planned because:

- 4 x core member’s diminishing engagement
- 1 x core member’s arrest for possession of indecent images of children
- 1 x recalled on Life Licence as risk considered unmanageable in the community (although no further arrests).

Even though these 6 Circles closed sooner than planned, they were all 6-15 months in duration.

Overall these 32 Circles that closed in year were active for between 6 and 20 months (previous year between 1 and 21 months) with an average duration of 12.9 months, This figure is slightly skewed due to the shorter duration of the 6 Circles with an ‘unplanned’ finish - if these are not included, then the average duration of a Circle was 13.7 months.

“I view Circles as a kind of ‘bridge’: not too sympathetic, as family can sometimes be. Not completely risk averse, as probation can sometimes appear to be. Simply a bunch of normal people who are genuinely supportive, providing me a safe place to seek advice & guidance, to give me a gentle nudge here and there.....It’s really hard to express how valuable this extra area of support has been and continues to be for me. Without the support of my Circle, life would be a whole lot more difficult” Core Member, 2018

The findings of the independent evaluation conducted by Research in Practice 2016-2019 are detailed in the Final Evaluation Report, March 2019 here <http://circles-southwest.org.uk/making-a-difference/> The report highlights the statistically significant impact of Circles in reducing dynamic risk factors associated with sexual recidivism over the course of their Circle, including sexual interests, offence related attitudes, relationships and self-management. Dynamic risk is impacted by protective factors such as employment and accommodation status, community connectivity and involvement in positive activities as well as risk factors such as social isolation and emotional loneliness, all of which are addressed by Circles.

“CSW has taken a highly evidence informed approach to evaluation of Circles, and the variety of different questionnaires have provided a rich picture of dynamic risk for core members” Ibid p47

The independent evaluation findings are based on data collected on 58 Circles between November 2016 and March 2019. This includes 36 pilot circles (8 intellectual disabilities, 14 prison/TTG, 14 young people) and 22 'standard' adult community circles.

In a summary of stakeholder interviews the evaluator says that:

"All pilot circles were spoken of positively, though as with the development of any new service, inevitable challenges were experienced. The flexibility and creativity of coordinators in particular appears to have supported the development of pilot circles, with bespoke adaptations to ensure the circle is suited to the core member, whilst retaining the fidelity of the CoSA approach" Ibid – p29

"Through a series of interviews with CSW coordinators and partners, interviewees painted a picture of a supportive organisation which is working with motivated core members towards the organisation's overall aim of 'No More Victims'" Ibid - p30

An example of the type of feedback received from statutory partners:

"Wasn't it a great celebration of a life transformed! I would like to extend immense gratitude to you and your volunteers for the unstinting, selfless commitment shown by all; which has enabled a young man who struggled to see life beyond his 4 walls and likelihood of further offending, develop the social skills and confidence that has seen him thrive and become a mature and responsible member of society, with a life ahead to enjoy. An amazing achievement. Your support in helping manage Y within the community cannot be underestimated, along with the total professionalism displayed throughout". Police Offender Manager, 2018

The evaluation included a number of randomly selected, detailed case studies. It was found that all Circles had lower risk scores at the end of the Circle compared to the start. In addition the following trends were identified (Ibid p51):

- *Relationships are central to Circles:* all core members reported that they felt positive towards other members of their Circle. Most Circles successfully supported core members to develop/rebuild relationships external to the circle. This finding is particularly important as we know that social isolation and emotional loneliness can trigger sexual reoffending, and social relationships are essential to the safe and successful integration of core members in local communities
- *The motivation of the core member supports the process:* the evaluation indicates that core member *"motivation or compliance... appears to have aided the smooth running of the circle"* and that this is a result of a successful screening process, including clear Circle eligibility/suitability criteria and full needs and risk assessment before acceptance to a circle.
- *Well-being appeared to be positively impacted on by Circles,* in particular their self-confidence and mental health
- *Circles offers valuable transitions support,* including following release from prison and moving on from approved premises or residential to independent accommodation/community care arrangements.

“Circles appear to provide a source of positive support, particularly when other support might have fallen away... due to core members challenging behaviour, their past actions, or their own difficulties with self-esteem and well-being. Whatever the reasons for their isolation and seclusion, the circle presents a reliable and consistent structure in their lives which has shown to be supportive in establishing longer term and more permanent changes” Ibid - p52

The evaluation report clearly identifies that all 3 pilot projects have been successful. All have been demonstrated to reduce core member dynamic risk, meaning that they are less likely to sexually reoffend.

The evaluation concludes that:

“CSW has provided a large and valuable service to the region throughout the duration of this evaluation. The majority of core members appear to have reduced dynamic risk of reoffending at the end of their Circles compared to the beginning”. – p59

“Overall we have shown a marked difference in a balanced measure of dynamic risk between the start and end of Circles. In other words, during the time that circles have been active, perceived risk due to dynamic factors has reduced for core members. Further evidence from across the evaluations suggests that the Circle has had a large contributory effect in this reduction of risk”. – p57

Partners in prison, probation and youth services have a positive view of this work, and CSW are complementing wider work in the criminal justice sector. CoSA are an important part of a community-led, strengths-based and restorative approach to reducing the risk of future sexual abuse”. – p59

CASE STUDY: TOM

‘Tom’ was a serving prisoner at an open prison when his offender supervisor spoke to him about CoSA having seen a presentation about our prison/through the gate Circles.

Tom (63 years) had been sentenced to 8 years imprisonment for (historic) offences of indecent assault and gross indecency committed against his 7 year old daughter (she disclosed the offences in her 20’s). Prior to these matters coming to light he and his then wife had divorced and he had moved to a new area. He had remarried and had another child. Following his arrest and subsequent sentence his second wife divorced him and stopped contact with his young daughter. He suffered with periods of depression and severe anxiety whilst in prison and attempted suicide on one occasion. He was to be released to an Approved Premises, due to geographical exclusions, to an area unknown to him and he had no support at all from any friends or family. He was assessed as posing a high risk of serious harm to children and there were concerns he might attempt to contact his second wife and child. In view of this he would be managed at Level 2 MAPPA on release due to multi agency involvement.

Tom was formally referred to CSW for a Circle by his Probation Officer who identified areas of need as low self-esteem, lack of a pro social network, emotional loneliness and social isolation, factors which all contribute to increasing risk of further offending. His mental state was a concern as was the fact that he had lost everything on conviction and now needed to rebuild his life from scratch

once released. He would be subject to Licence Conditions and Sexual Harm Prevention Order (SHPO) prohibitions impacting on where he could live, where he could work, what hobbies he could pursue and requiring him to disclose to any potential partner his offending history. It was considered that a prison/through the gate Circle would both support him and hold him to account in the difficult transition from custody to the community and the challenges that lay ahead.

Tom was subsequently interviewed, was assessed as suitable and seemed genuine in his motivation to lead an offence free life.

Tom met with his Circle volunteers at the prison and was clearly very keen to engage. However there were concerns that he did not really appreciate that life as a Registered Sex Offender was going to be much harder than he imagined - he had always been employed, had his own home and family and friends about him. The prison Circle meetings focused on his hopes and expectations for the future and looking at how realistically this could be achieved, one step at a time. As a determinate prisoner he was not eligible for release on temporary licence to the Approved Premises prior to his release so would not have the opportunity to reengage incrementally into the community. He subsequently would say how important it was to have met the volunteers prior to release so he would know someone outside of the prison establishment who he could talk to and trust. He knew the volunteers were aware of the details of his offences so he had nothing to hide.

Upon release, the volunteers met with him weekly for several months before reducing to fortnightly for the remaining term. Tom found rebuilding his life much harder than anticipated and whilst trying to stay positive at times presented in low mood, anxious, angry and frustrated. He was encouraged to talk about feelings which he had not been able to do in the past and this had contributed to problems in relationships. He began to do this and again subsequently would say how important being able to do this in a situation where he felt safe helped him to begin building relationships outside his Circle. He started to engage in appropriate hobbies and also helped others living in the Approved Premises with literacy. Volunteers supported him in applying for work and dealing with the knock backs. His move from the Approved Premises to independent accommodation raised concerns again about isolation and his health and meetings focussed on how he was spending his time, how he was coping with living alone and managing feelings about not being allowed contact with his younger child and the lifetime damage he knew he had done to his older child. He clearly valued the 'friendship' and care he felt from the volunteers and described them as his 'parachute'. He went on to obtain work, a huge step forward providing a structure, contact with others, an income and rebuilding self-esteem.

Most of the 38 Circle meetings were formal meetings with occasional meetings in a café and shared meals. He particularly valued this, giving him the confidence to engage more in his own local community.

Tom's Circle ended after 18 months of contact during which the 4 volunteers gave 110 direct volunteering hours and 164 indirect volunteering hours. At the final review held with his Probation Officer it was very apparent the regard he had for his volunteers and their freely giving time to spend with him. They had clearly contributed to supporting him in the identified area of need and he had complied fully with Licence and SHPO conditions and had stayed committed to maintaining an offence free life. He spoke highly of the Circle, particularly in supporting him from prison, to supported accommodation, to independent living. His Probation Officer echoed these feelings and

believed that the time and support the circle volunteers had been able to give made an immense difference in his successful transition through these key stages.

"I know the CM found it very beneficial for the Circle to start prior to his release and the Circle helped ease his transition back into the community. Excellent support offered, thank you!"
Probation Officer

"I wasn't sure what I was expecting to start off with but I was surprised about how passionate I felt about being part of a support network for our core member as he didn't have one. So rewarding to see his progress since his release" Volunteer

"It's good to be able to be open and talk about my feelings on a regular basis. It would be nice for it to carry on for a bit longer. The Circle has been really helpful, has given me a lot of good feedback, motivating me to carry on" Core Member

STAFF AND VOLUNTEERS

“Keep up the fantastic work, our community needs you. We are grateful” Alison Hernandez, Police & Crime Commissioner for Devon & Cornwall, 2018

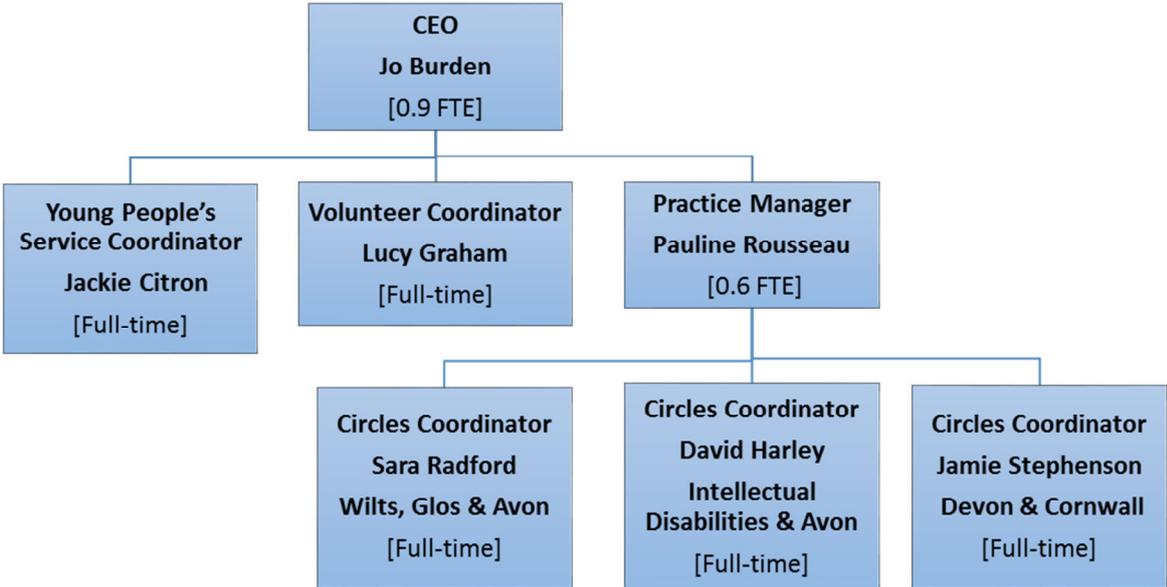
Staff

Our exceptionally skilled and dedicated staff bring extensive combined experience of probation, MAPPA, social work, prisons, sex offender treatment programmes, working with harmful sexual behaviour, youth justice, learning disabilities, crime prevention and volunteering across the statutory and voluntary sectors. The Board is very grateful to the staff for their wholehearted commitment to the work, despite job insecurity, sometimes limited resources and the difficulties inherent in working with this service user group.

Our staffing complement from April 2019 is 6.5 full-time equivalent posts (7 individual staff). The 0.5 FTE NPS secondment arrangement ceased in September 2018 along with NPS funding (see below). Kate Hothersall (Senior Consultant) recently tendered her resignation with effect from end-April 2019. Overall there is a reduction of 0.5 FTE post compared to the previous year.

The Trustees take this opportunity to thank sincerely both Kate Hothersall and Tim Johnson (Dorset Coordinator, NPS secondee) for their valuable contributions to the work of CSW over the years.

Staff structure (from April 19)



Volunteers

“I have a great belief in restorative justice and this is a really practical way in which the community can take responsibility for the reintegration of offenders” Volunteer

Our volunteers are the life-blood of our charity: they don't simply support Circles, they *are* Circles. Their ongoing dedication to protecting communities from sexual harm is exceptional. More than 200 volunteers were active in the 55 Circles coordinated during the year, contributing between them around 6,760 hours direct volunteering time. A conservative estimate of the value in-kind that our volunteers have contributed this year through their direct contact with core members is more than £94,700². At the end of 2018-19 we had 190 retained, trained volunteers across the region.

We have recruited new volunteers in all five police areas across the region. During the year we had 215 new volunteer enquiries that converted to 65 volunteer applications (30% conversion rate, same as previous year). We have an excellent volunteer retention rate meaning that a significant number join consecutive Circles (and a very small minority, concurrent). We trained 73 new volunteers at a series of 2-day core training and assessment events with 11 more awaiting suitable dates. Those people volunteering in Circles for young people or Circles for adults with intellectual disabilities were required to undertake safeguarding training and additional bespoke training, relevant to the particular risks and needs of those specific service user groups.

Development training events for experienced volunteers were well attended and included some excellent input from external professionals including *Attachment Theory & Desistance* (Lydia Guthrie) and *The Impact of Sexual Abuse on Children, Through The Lens of Schema* (Mike Sheath). Our Winter Lecture was delivered by Dr Kieran McCartan on *Challenges in the management of people who have sexually offended: how does CoSA respond to the service user voice?*

Our volunteers: learning from evaluation

“CSW volunteers are not only contributing to the core members’ lives, but are also an important asset to the wider community. Volunteers gain high-quality training and experience in social and criminal justice work, and contribute thousands of hours of their time to preventing reoffending”
Ibid - p57

The evaluation found that (Ibid p53ff):

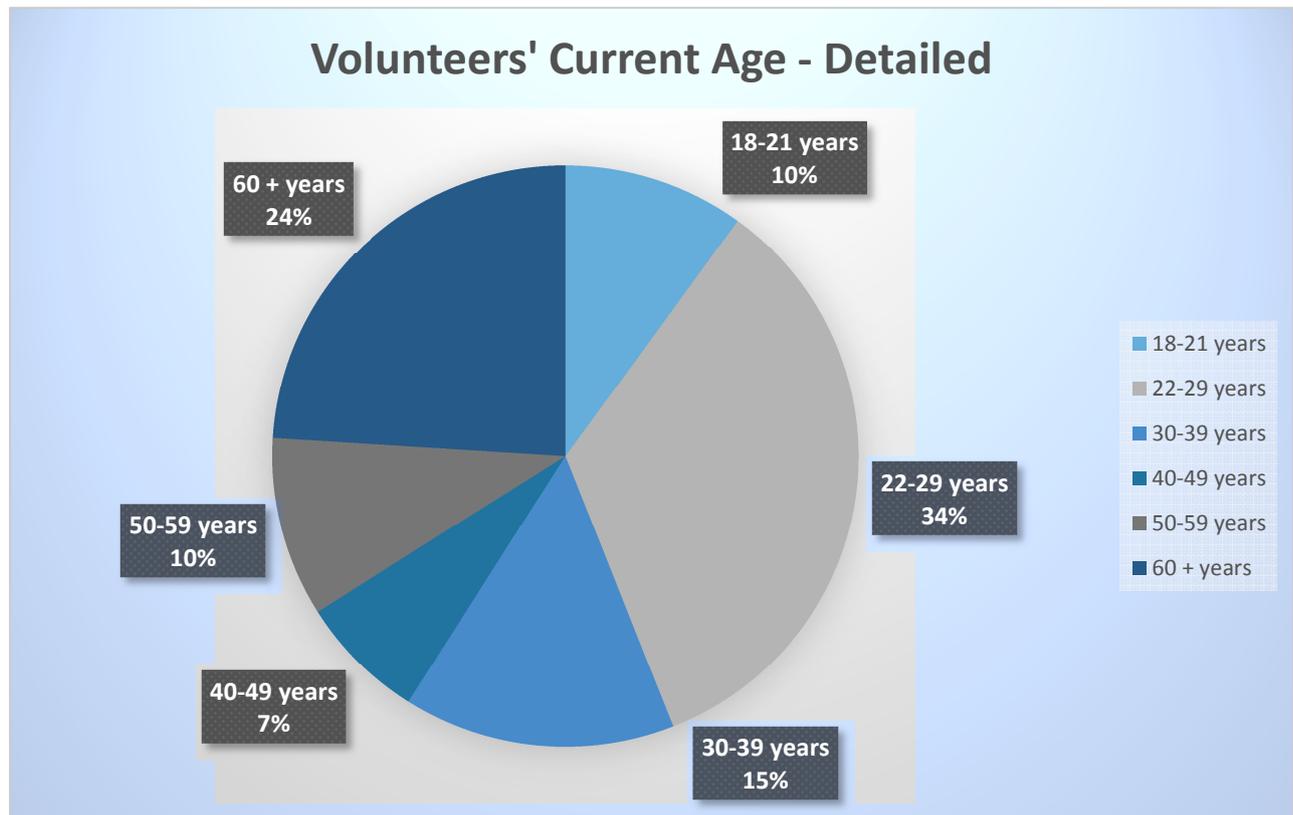
- Volunteers are very positive about their experience: *“the volunteers were extremely positive about their experience of being in a circle. The support provided by coordinators and the training they had received was particularly highly praised”*. The evaluation identified that volunteers found their experience rewarding (87%) and felt safe volunteering (98%). Training and guidance were adequate for the role (98%) and they learnt valuable new skills (79%). Emotional support was rated as extremely high (100%) and almost all said they would recommend volunteering with CSW to others (98%)
- CSW has an excellent volunteer retention rate: *“85% suggested that they intend to volunteer in another circle”*

² Using formulas recommended by Volunteering England and Circles UK

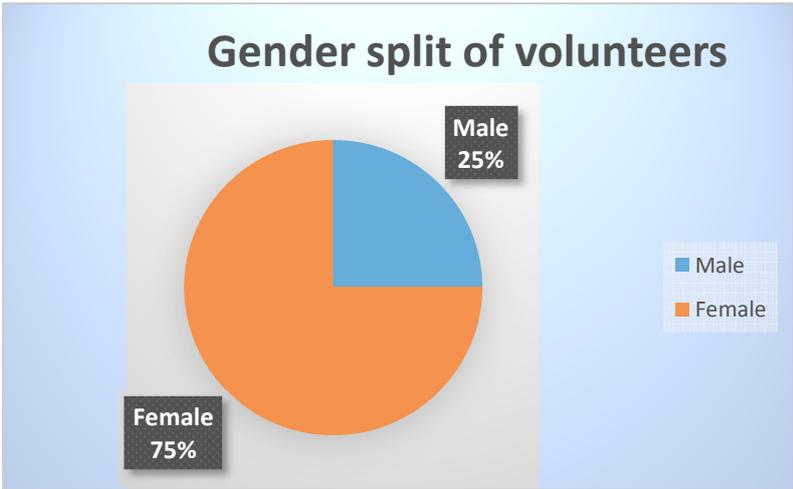
- Involving and investing in Circle volunteers has a wider positive impact in the community *“the development of volunteers by CSW appears to have positive effects for the wider community, with many suggesting that the skills they have learned will be used elsewhere....there is evidence that the work of CSW is developing communities which have increased awareness of working with sexual offenders and are trained and experienced to be more capable of identifying and reducing risks”*
- The cost-benefit of this approach is a key benefit *“the estimated financial value of this community resource is high”* with an estimate £152,000 in-kind contribution in terms of volunteering hours (6,048) with 58 Circles over the period of this evaluation.

Volunteer demographics

This section reports on the demographic of our volunteer group in 2018-19 and is based on a sample of 185 retained volunteers at the end of the year.

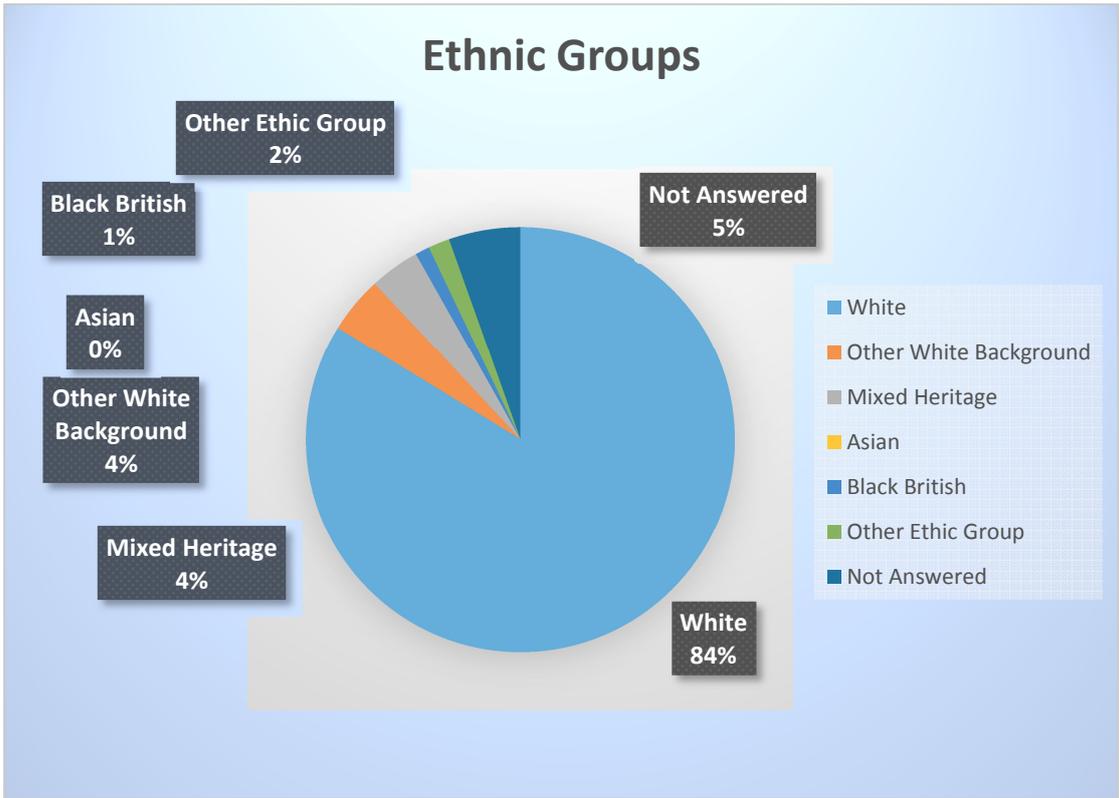


The majority of our volunteers are of working age with a fairly equal split between younger people and people of retirement age. Half are between the ages of 22-40 years old. Our youngest volunteer is 19 years old and our eldest is 85.

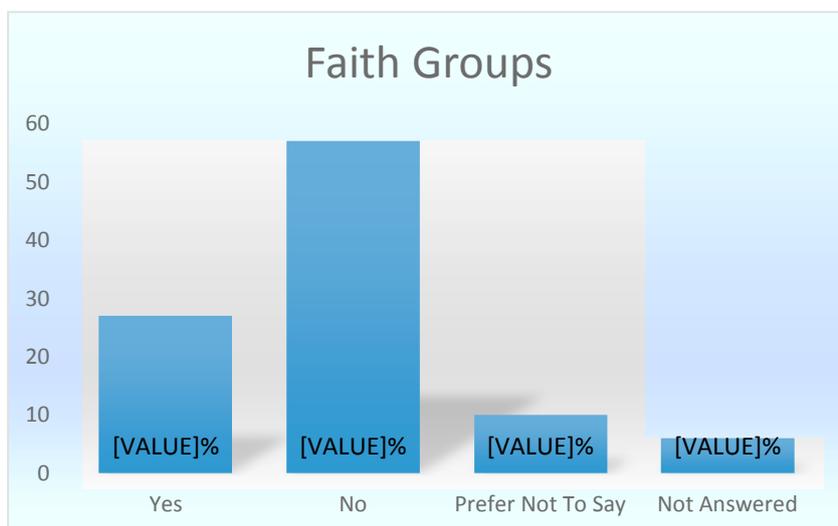
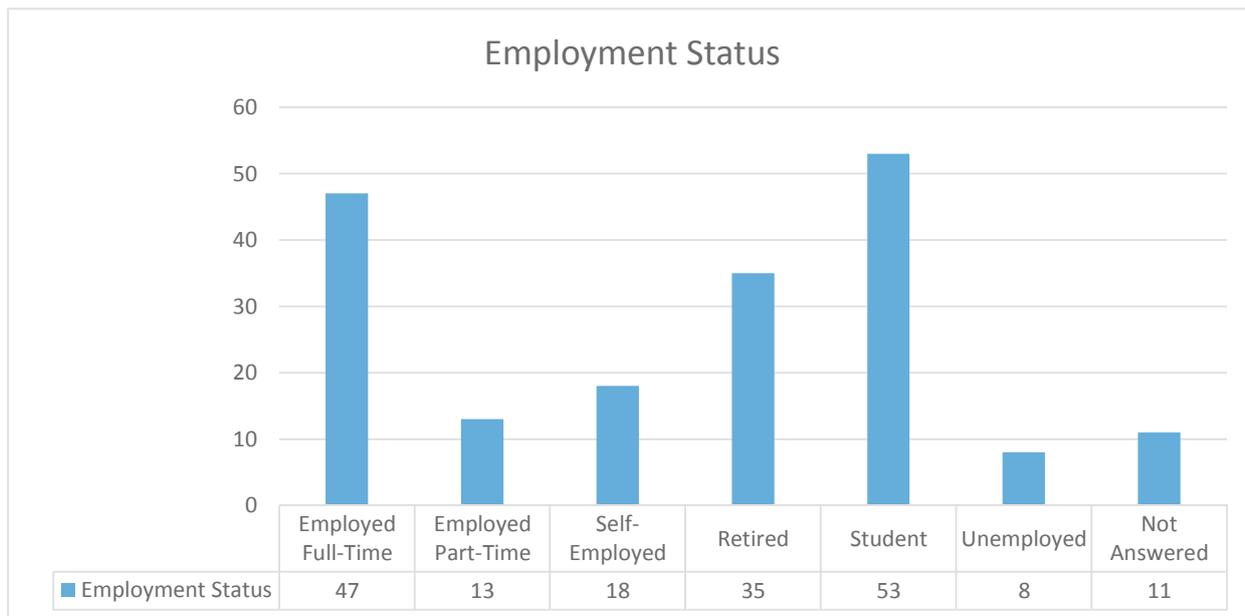


We have, and have always had, significantly more female than male volunteers.

Our volunteers’ ethnic make-up is predominantly White British (84%) which reflects well the ethnic make-up of south west communities as a whole (91.8%) and our service users (95%). We are keen to increase the ethnic diversity of our volunteer group, particularly in areas with proportionately higher ethnic minority population e.g. Bristol (80% White British).

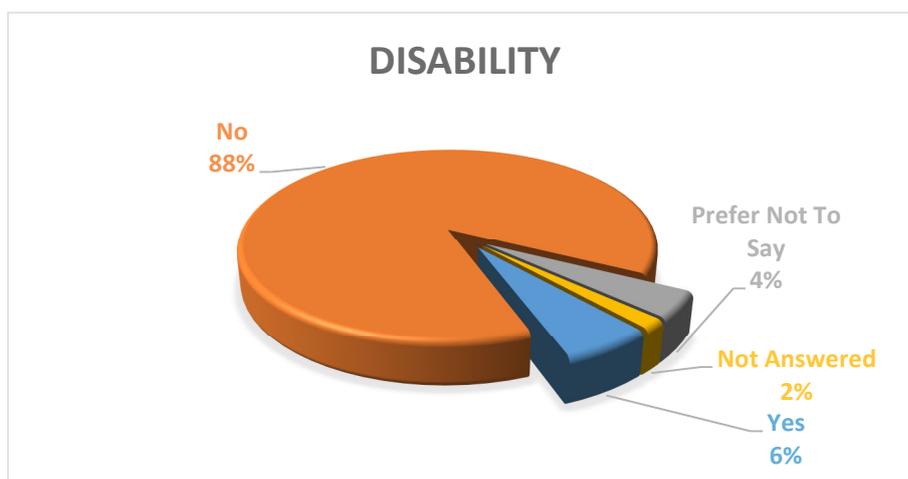


The majority of our volunteers are in employment (44%), with students (30%) being the second largest group. Where possible the Circle make-up reflects a cross-section of the local community, so that the core member can benefit from a wide variety of viewpoints and life experience:

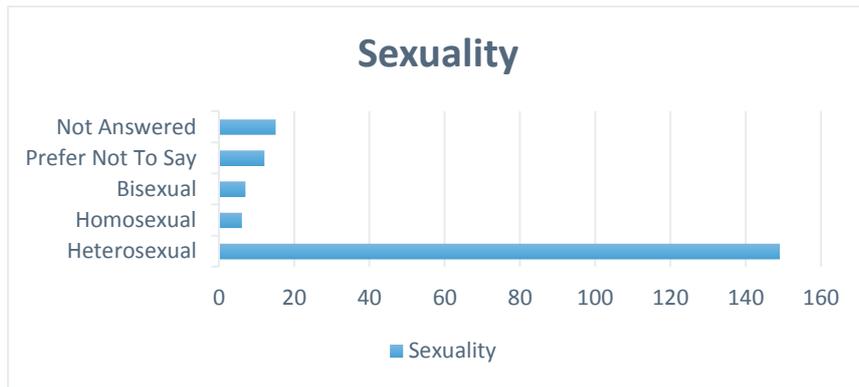


We have a strong contingent of people who are religious (27%), and the Quakers have always been firm supporters. However, we are finding that more and more of our volunteers say they don't have any religious belief (57%).

The majority of our volunteers do not self-define as disabled (88%). Of the people that do (6%)



there is a mix of physical disabilities and non-physical disabilities. CSW is an equal opportunities charity and we strive to adjust and adapt to ensure we include all volunteers, accommodating individual needs.



The vast majority of our volunteers are heterosexual. We continue to work to attract volunteers representing LGBTQ communities.

We work towards recruiting and maintaining a diverse and inclusive volunteer pool across the region, as reflected in our volunteer recruitment strategy.

The Trustees take this opportunity to thank all our volunteers. They are at the heart of what we do and they make a real difference to making their communities safer.

REVIEW OF FINANCIAL POSITION AND PERFORMANCE

The charity's recognised income in 2018-19 amounted to £358,966 (previous year £333,065). This method of recognising income is in accordance with the SORP, the principles of recommended accounting practice, and indicates an increase of income in the year of 7.8%.

Of the recognised income that related to grants, £82,118 (23%) consisted of public sector grants and £272,163 (77%) was derived from Trusts and Foundations. A further £89,511 unexpended funds were brought forward from the previous year. Expenditure amounted to £404,968 (previous year £370,128). At the year-end, £3,300 was carried forward to fund activities in future years and £18,568 was transferred to unrestricted reserves, bringing the total held in unrestricted reserves to £40,209. The charity held £11,250 in advance payments for work to be delivered in 2019-20 all of which was held in cash at the charity's bank. At the time of writing (June 2019), the charity has promises of some £220,660 covering work to be delivered in 2019-20 and the Trustees therefore consider the current financial position to be sound.

The majority of our funding is short term (often 1 year) and we therefore continue to invest significant time and resources into income generation to ensure sustainability going forward.

We acknowledge financial support from a number of grant-making bodies and other donors. A number of individuals and Quaker meetings have again made donations. Some donors have asked to remain anonymous. We are very grateful to them all.

Reserves Policy

During 2017, the Board put in place new accounting and financial management structures to better manage the financial complexities of the charity's operation. This included reconsideration of its Reserves Policy. Hitherto, it had aimed to have available the equivalent of three months' operating costs as unrestricted reserves in order to provide adequate cover against any cash flow problems that might arise and to create a prudent contingency fund. However the Board considered that a more directly relatable methodology should be used for the establishment of a reserve requirement.

They therefore considered a number of scenarios which would require reserves, and, whilst recognising the need to retain sufficient cash reserves, the worst case was determined as the need for an immediate stop to all activity and closedown; numerically, this was calculated to be £34,980, largely based on staff redundancy payments. This figure was recalculated at the 2018-19 year-end to be £39,241. The transfer at the 2018-19 year-end of £18,568 unrestricted funds to reserves brings the total held in unrestricted reserves to £40,209 which therefore meets the reserves requirement determined by the Trustees. In addition, the Charity would not start any Circle without committed funding for that Circle to continue running for at least a year, and in the opinion of the Trustees there has never been a time when existing commitments were at actual risk of default.

RISK MANAGEMENT

The Trustees maintain a comprehensive risk register for the charity with named persons leading on key risk areas. This is reviewed on a regular basis and this financial year we have continued to develop our risk management policy and procedures in light of Charity Commission regulations. This includes benchmarking ourselves against the 2018 NCVO Legal Checklist for the Boards of Charities and voluntary organisations. The Board continues to dynamically review risks faced by the charity and ensure we have appropriate control strategies in place to mitigate those risks so we can continue and expand our work. This year we have in particular focused on:

- *Unrestricted Reserves:* We have increased our unrestricted reserves and have now achieved the requirement of our current Reserves Policy. We shall continue to ensure that the charity has enough working capital to deal with any short-term cash-flow difficulties. We always balance this with the need to ensure we dedicate the maximum amount of our resources to delivering direct services.
- *Safeguarding:* Our staff, volunteers, core members and the community we serve is at the heart of everything we do at CSW and is a key governance priority for the Board. This year we have reviewed and introduced new safeguarding training for staff and volunteers. We are determined to ensure CSW is safe for our volunteers, staff and service users.
- *Data Protection:* GDPR. One of the biggest technical and data related events in the last year was the implementation of the General Data Protection Regulation (GDPR) on 25th May 2018. We worked hard to ensure that our systems and processes comply with said requirements, including appointing an expert consultant to help us to review and revise systems and processes as necessary. This included formal staff/trustee training and ongoing expert advice and guidance. We appointed a Trustee to lead on data protection compliance and we will continue to invest time and money to ensure we get our data right and continue to develop the data skills necessary.

CSW aims to lead by example as a local employer. Staff policies have been reviewed to ensure they are up to date, fair to all and reflect our employees' views. Our safer recruitment policy is currently under review. Our staff were involved in writing our strategic plan and are consulted, where possible, on important issues. Salaries and benefits are regularly reviewed and a pension scheme is available for all staff.

We are always grateful to our various funders and without their support we would not be able to deliver our services. We always take great care to ensure any funds received are carefully allocated in accordance with the terms of such grants and we ensure Providers are given regular and comprehensive feedback on how these monies are spent. We highly value any contribution made to our charity and strive to ensure it is spent as efficiently and effectively as possible.

FUTURE PLANS

“There is no doubt that there are turbulent times ahead but with focus and foresight, smaller charities will pull through” Facing Forward, Lloyds Bank Foundation, 2017

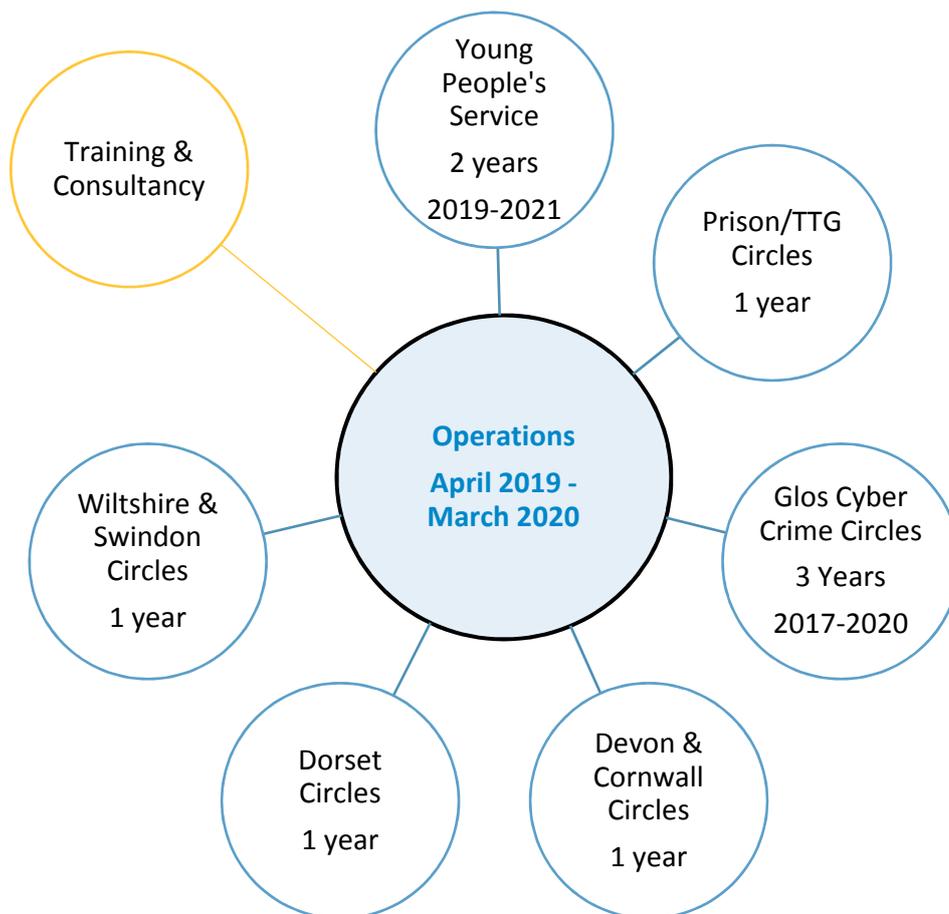
We are passionate in our desire to positively impact on the lives of people who have sexually offended as they move along their desistance journey and thereby to make an important contribution to the prevention of sexual abuse in south west communities. The charity continues to develop and be sustained, in the short term at least. However, we produce this report at a time of national instability and to survive we must remain alert to the signs of uncertainty, instability and fragility that impact on volunteering, income generation and partnership work. There are challenges to be overcome necessitating continued adaptation to achieve our mission. It is reassuring, therefore, to begin the new financial year (2019-20) in relatively good financial health and with the confidence that we will secure the income required in year to meet the approved budget.

In areas where statutory contributions are forthcoming, we will work hard to generate match-funding to maintain our core work. Funding dependent, we will also respond to demand by diversifying, continuing to provide adapted versions of the tried and tested model of CoSA. The adapted projects, for young people, for adults with intellectual disabilities, and the prison/through the gate project, have been well received with positive independent evaluation. They have enabled us to collaborate with new partners (e.g. prisons, NHS teams, children’s services, Be Safe, youth offending teams, Glebe House) and identify new funding streams (both public sector and trusts/foundations).

CSW Operations 2019-20

The diagram below shows operations for which we have funding secured at the time of writing (June 2019). Unfortunately we begin the year without funding secured for new circles for adults with intellectual disabilities. However, we hope to re-establish this service during the year.

This year we include a new project initiative – training and consultancy. Our ambition is to transfer our expertise to become a provider of training and consultancy in our specialist field, reinvesting income generated into our core services. We are now testing this out on a small scale with the intention of providing training and consultancy for professionals and group-work programmes for partners/families of people who have sexually offended, enabling them to become ‘protectors’.



There are a series of other projects and initiatives that, funding dependent, we are keen to explore in the coming year. These have been variously driven by need/demand and would all contribute to 'No More Victims' of sexual abuse, including:

- Extending the prison/through the gate circles project to a prison exclusively for men with sexual convictions, varying the model to place a coordinator within the prison (evaluation recommendation) – current discussions with HMP The Verne, National Probation Service and Dorset OPCC are encouraging.
- In partnership with the Lucy Faithfull Foundation, to deliver 'Inform Plus' and 'Inform' psycho-educational group-work programmes around internet offending – current discussions with Devon & Cornwall OPCC and police are promising.
- With the police, continue to explore initiatives for people assessed at lower risk, in recognition that *'We cannot arrest our way out of the situation – if we are to stem this tide and protect more children we must make prevention and rehabilitation a priority'* Chief Constable Simon Bailey, NPCC lead for child protection.
- Explore the potential for further diversification of the Circles model for new user groups – services for younger children (10-13) and their families are of particular interest.
- Continue to seek opportunities to establish a prevention initiative for (un-convicted) people with a sexual attraction to children. Should funding be identified then ideally we would like

to pilot and evaluate 'HARP', the prevention programme born of the research and development project we undertook a couple of years ago.

Sustainability of the charity is dependent on demonstrating that what we do works. Funding dependent, we intend to commission a Phase 2 independent evaluation that will extend and expand the recent evaluation to capture a significant number of complete datasets from which to draw statistically significant conclusions pertaining to the adapted Circles projects. This will contribute to the growing UK evidence base on the effectiveness of CoSA as well as informing programme development and replication.

Income Generation

In 2018-19 we secured £82,118 from local public sector sources, but an additional £272,163 from voluntary sources, including grants from independent funders and donations. This means that for every £1 of public funding, we levered in £3.31 from other sources, more than tripling the public sector investment. This trend is set to continue in the coming year.

We are proud of our achievements in relation to income generation but this remains a constant challenge: more time is being dedicated to fundraising and, despite our best attempts, full cost recovery is rare. Most funders want to fund innovation rather than core costs or 'more of the same' and we have diversified our offer to maximise this potential. However, our experience is that there is less availability of funding for our 'core work' and increasing competition for scarce resources.

The announcement by HMPPS in March 2018 that funding for Circles would end in September 2018 was unexpected as in the 15 months leading up to this decision, Circles UK had engaged in discussions with HMPPS officials to introduce a nationally commissioned contract for Circles. The consequences of that decision are far reaching. The NPS Deputy Director for South West South Central has indicated that she would like Circles provision to continue locally. However, this may now be complicated by the recent announcement of the end of Transforming Rehabilitation. We are grateful to the OPCCs of Dorset and Wiltshire/Swindon for continuing to fund Circles in areas where NPS has ceased funding, meaning we have been able to maintain a presence in those areas.

Although the impact of the forthcoming probation restructuring is as yet unknown, we are encouraged that there is an expectation of greater voluntary sector involvement and an emphasis on pre-release and 'through the gate' support to which we can competently contribute.

We have secured funding for 2019-20 from four of the five South West OPCCs but potential for funding beyond March 2020 is as yet unknown. Given that there is no statutory funding for Avon & Somerset, we have been able to offer standard community Circles in Avon & Somerset on a spot-purchase basis only since April 2016. We hope that the region will benefit from a growth in NPS and/or OPCC commissioning of Circles going forward, and we will work hard to build effective relationships with the new South West Reducing Re-offending Board.

Managing Growth and Sustainability

We do not underestimate the challenge of managing and sustaining significant growth in the current climate. We are committed to ensuring that our staff and volunteers are provided with an infrastructure fit for purpose and the support they need to ensure they deliver the best service possible.

As we move into the new financial year, our sustainability strategy is key in order to ensure that services can be maintained and the charity is in a stable position going forward.

ACKNOWLEDGEMENT AND THANKS

Our 2018-19 achievements have been reliant on our partnerships with, and support from, a growing number of trusts and foundations, statutory and voluntary organisations, and understanding individuals. Alongside enormous thanks to our volunteers for their time and expertise, we wish to thank sincerely the following donors:

- AB Charitable Trust
- Anonymised major donor
- Big Lottery Fund
- Devon & Cornwall Police & Crime Commissioner
- Friends Therapeutic Community Trust (Glebe House)
- Garfield Weston Foundation
- Gloucestershire Police & Crime Commissioner
- Henry Smith Charity
- Kernow Clinical Commissioning Group
- Lloyds Bank Foundation
- National Probation Service (South West South Central)
- Rayne Foundation
- Sir James Reckitt Charity
- Wiltshire & Swindon Police & Crime Commissioner
- Woodward Charitable Trust

(This list does not include new donors for 2019-20)

Besides the above support, we have appreciated donations from individual volunteers, members of the public and Quaker groups who share our vision. We are also grateful for in-kind support received from many community groups who have promoted and supported our work in various ways.

In addition, we are grateful for the expertise of Redpath Creative and The Group of Seven for their contributions to our promotional collateral.

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of CSW Limited for the purposes of company law) are responsible for preparing the report of the Trustees and the financial statements in accordance with applicable law and Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102).

Company law requires the Trustees to prepare financial statements for each financial year which 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 net income or expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records which are such as to disclose, with reasonable accuracy, the Charity’s financial position at any time, and to enable the Trustees to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the Charity’s assets, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Board of Trustees on and signed on its behalf by:

.....
Tim Price (Chair)

CIRCLES SOUTH WEST
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
FOR THE PERIOD ENDED 31 MARCH 2019

I report to the trustees on my examination of the accounts of Circles South (the Company) for the year ended 31 March 2019 which are set out on pages 26 to 34.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Chartered Accountants (ACA), which is one of the listed bodies.

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

(1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or

(2) the accounts do not accord with those records; or

(3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or

(4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

J Fletcher FCA
Chartered Accountants
Crown Chambers
Bridge Street
Salisbury
SP1 2LZ

Date: September 2019

CIRCLES SOUTH WEST
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds (Note 7)	Restricted funds (Note 8)	Total 2019	Total 2018
INCOME FROM:					
Donations and legacies					
Grants					
Public sector	2a	7,390	74,728	82,118	98,624
Private sector	2a	98,428	173,735	272,163	232,778
Donations	2b	1,356	-	1,356	1,247
Investments				-	
Bank and deposit interest	2c	96	-	96	116
Other incoming resources	2d	647	2,586	3,233	300
TOTAL		107,917	251,049	358,966	333,065
EXPENDITURE ON:					
Charitable activities	3	89,349	315,619	404,968	370,128
TOTAL		89,349	315,619	404,968	370,128
NET INCOME/(EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		18,568	(64,570)	(46,002)	(37,063)
Transfer between funds		-	-	-	-
NET MOVEMENT IN FUNDS		18,568	(64,570)	(46,002)	(37,063)
RECONCILIATION OF FUNDS:					
Total funds brought forward		21,641	67,870	89,511	126,574
Total funds carried forward		£ 40,209	£ 3,300	£ 43,509	£ 89,511

The statement of financial activities include all gains and losses in the period. All incoming resources and resources expended derive from continuing activities.

CIRCLES SOUTH WEST
REGISTERED NUMBER: 07369778

BALANCE SHEET
AS AT 31 MARCH 2019

	Notes	2018	2017
CURRENT ASSETS			
Debtors	4	7,773	-
Cash at bank and in hand		71,225	203,148
		<u>78,998</u>	<u>203,148</u>
LIABILITIES			
Creditors: Amounts falling due within one year	5	(35,489)	(113,637)
Net current assets		43,509	89,511
Total net assets		<u>£ 43,509</u>	<u>£ 89,511</u>
THE FUNDS OF THE CHARITY			
General fund	7	40,209	21,641
Restricted funds	8	3,300	67,870
TOTAL CHARITY FUNDS		<u>£ 43,509</u>	<u>£ 89,511</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirement of the Companies Act 2006 with respect to accounting records and the preparation of the financial statements.

The financial statements have been prepared in accordance with the provisions available to companies subject to the small companies' regime .

The financial statements were approved and authorised by the Trustees below.

Approved by the board of trustees on _____ and signed on its behalf by:

Tim Price (Chair)

CIRCLES SOUTH WEST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES

a. Basis of accounting

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 Charities Act 2011, the Financial Reporting Standard applicable in the UK and Republic of 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 Act 2006.

Circles South West Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

b. Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

c. Company status

The charitable company is a company limited by guarantee incorporated in England and Wales. The members of the charitable company are the Trustees named on page 2. The registered office is 7, Madeira Road, Bournemouth, BH1 1QL.

In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

d. Fund accounting

Funds held by the charity fall into the following categories:

- (i) Unrestricted general funds:
These are funds which can be used, at the discretion of the trustees, in accordance with the charitable objects of the Charity and which have not been designated for other purposes.
- (ii) Restricted funds:
These are funds which can only be used by the Charity for particular purposes. Restrictions arise either when they are specified by the donor or when funds are raised for a specific purpose.
The restriction is that the funds have to be spent on a specific project. It is the policy of the board of trustees to carefully monitor the application of these funds in accordance with the restrictions placed on them.

e. Income

All income is recognised once the charity has entitlement to it, and it is certain that the income will be received, and its monetary value can be measured with sufficient reliability.

Grants and donations for specific purposes are accounted for as receivable and are treated as forming restricted funds.

f. Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. The Charity is not able to recover VAT and this is reported as part of the expenditure to which it relates.

g. Going concern

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

h. Charitable activities

Charitable expenditure includes all expenditure directly related to the objects of the Charity and governance and other support costs.

CIRCLES SOUTH WEST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

i. Governance costs

These costs represent the costs incurred by the Charity in respect of management and administrative expenditure and compliance with statutory and legal requirements.

j. Tangible fixed assets

Tangible fixed assets costing over £1,000 are capitalised. Assets costing less than this amount are written off on purchase. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life.

k. Debtors

Debtors are measured at the amounts the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

l. Cash at bank and in hand

Cash at bank and in hand includes cash and cash on deposit.

m. Liabilities

Liabilities are measured at the amounts the charity anticipates it will pay to settle a debt or the amount it has received as an advance payment for goods or services it must provide.

n. Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at their settlement value.

2. INCOME - by fund

	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total 2019</u>	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total 2018</u>
a. Grants						
Public sector	7,390	74,728	82,118	8,539	90,085	98,624
Private sector	98,428	173,735	272,163	69,475	163,303	232,778
	<u>£ 105,818</u>	<u>£ 248,463</u>	<u>£ 354,281</u>	<u>£ 78,014</u>	<u>£ 253,388</u>	<u>£ 331,402</u>
b. Donations	<u>£ 1,356</u>	<u>£ -</u>	<u>£ 1,356</u>	<u>£ 1,247</u>	<u>£ -</u>	<u>£ 1,247</u>
c. Bank/deposit interest	<u>£ 96</u>	<u>£ -</u>	<u>£ 96</u>	<u>£ 116</u>	<u>£ -</u>	<u>£ 116</u>
d. Other income	<u>£ 647</u>	<u>£ 2,586</u>	<u>£ 3,233</u>	<u>£ 300</u>	<u>£ -</u>	<u>£ 300</u>

CIRCLES SOUTH WEST
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2019

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total 2019</u>	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total 2018</u>
Rehabilitation of offenders						
Direct costs	86,511	302,117	388,628	10,217	343,935	354,152
Governance costs	2,838	13,502	16,340	15,175	801	15,976
Other support costs	-	-	-	-	-	-
	<u>£ 89,349</u>	<u>£ 315,619</u>	<u>£ 404,968</u>	<u>£ 25,392</u>	<u>£ 344,736</u>	<u>£ 370,128</u>

Governance costs

	<u>2019</u>	<u>2018</u>
Finance management and bookkeeping costs	13,502	12,683
Accountancy charges and independent examiner's fee	1,800	2,000
Trustees' expenses	1,038	1,293
	<u>£ 16,340</u>	<u>£ 15,976</u>

6 trustees were reimbursed for travel and office expenses totalling £1,038 (2018 - 6 trustees reimbursed £1,293).

No trustees received any remuneration or benefits during the year (2018 - £nil).

4. DEBTORS

	<u>2019</u>	<u>2018</u>
Accrued income	£ -	£ -
Debtors	£ 2,049	£ -
Prepayments	£ 5,724	£ -
	<u>£ 7,773</u>	<u>£ -</u>

5. CREDITORS: Amounts falling due within one year

	<u>2019</u>	<u>2018</u>
Trade creditors	13,580	9,161
Other creditors	6,159	20,676
Accruals	4,500	3,800
Deferred income	11,250	80,000
	<u>£ 35,489</u>	<u>£ 113,637</u>

Deferred Income

	<u>2019</u>	<u>2018</u>
Balance at 1 April 2018	80,000	19,024
Amounts released to income	(80,000)	(19,024)
Amounts deferred in the year	11,250	80,000
Balance at 31 March 2019	<u>£ 11,250</u>	<u>£ 80,000</u>

Deferred income comprises funding received during the year for 2018/19. £NIL (2018 - £80,000) related to unrestricted funds and £11,250 (2018 - £NIL) to restricted funds.

CIRCLES SOUTH WEST
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2019

6. ANALYSIS OF STAFF COSTS

	<u>2019</u>	<u>2018</u>
Salaries and wages	235,917	223,269
Social security costs	20,465	19,000
Pension costs	9,415	8,801
Total	£ 265,797	£ 251,070

There were no employees with emoluments over £60,000.

The average monthly headcount was equivalent to 6.5 full time staff (2018: 7.4 staff).

During the year, no Trustee received any remuneration or benefits in kind (2018: Nil).

During the year, 6 Trustees were reimbursed for travel and office expenses totalling £1,038 (2018 - 6 Trustees - reimbursed £1,293)

The CEO, Ms Jo Burden, is considered to be the key management personnel of the charity. The total paid to the key management person during the year of the charity (excluding pension contributions) was £46,033 (2018 - £43,849).

7. UNRESTRICTED FUNDS

	<u>Balance at</u>		<u>Movement in funds</u>		<u>Transfers</u>		<u>Balance at</u>
	<u>1 April</u>		<u>Income</u>	<u>Expenditure</u>	<u>between</u>		<u>31 March</u>
	<u>2018</u>				<u>funds</u>		<u>2019</u>
General fund	£ 21,641	£ 107,917	£ (89,349)	£ -	£ -		£ 40,209

8. RESTRICTED FUNDS

	<u>Balance at</u>		<u>Movement in funds</u>		<u>Transfers</u>		<u>Balance at</u>
	<u>1 April</u>		<u>Income</u>	<u>Expenditure</u>	<u>between</u>		<u>31 March</u>
	<u>2018</u>				<u>funds</u>		<u>2019</u>
Rehabilitation of offenders							
Young People's Service	17,310	70,978	(88,270)	-	-		18
Adapted Circles	5,020	35,987	(40,994)	-	-		13
Prison Project	24,860	61,275	(85,656)	-	-		479
Capacity Building	-	1,906	(429)	-	-		1,477
Glebe House Circles	-	-	-	-	-		-
Prevention R&D Project	-	-	-	-	-		-
Gloucestershire Cyber Circles	4,380	16,012	(20,388)	-	-		4
Devon & Cornwall Circles	5,020	36,534	(41,407)	-	-		147
Dorset Circles	6,480	9,821	(16,158)	-	-		143
Wiltshire Circles	4,800	18,537	(22,318)	-	-		1,019
Avon & Somerset Circles	-	-	-	-	-		-
Volunteering Project	-	-	-	-	-		-
	£ 67,870	£ 251,050	£ (315,620)	£ -	£ -		£ 3,300

CIRCLES SOUTH WEST
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2019

9. SUMMARY OF FUNDS

	<u>Balance at</u> <u>1 April</u> <u>2018</u>	<u>Movement in funds</u>		<u>Transfers</u> <u>between</u> <u>funds</u>	<u>Balance at</u> <u>31 March</u> <u>2019</u>
		<u>Income</u>	<u>Expenditure</u>		
General fund	21,641	107,917	(89,349)	-	40,209
Restricted fund	67,870	251,050	(315,620)	-	3,300
	<u>£ 89,511</u>	<u>£ 358,967</u>	<u>£ (404,969)</u>	<u>£ -</u>	<u>£ 43,509</u>

Restricted fund purposes:

The community-based Circles of Support and Accountability in Dorset, Wiltshire, Devon & Cornwall are for adults who have been convicted of serious sexual offences and are considered to be at high risk of re-offending / causing serious harm. The Gloucestershire 'Cyber Circles' Project is similar but has a specific focus on internet offenders (cyber-sexual crimes).

The non-geographic projects provide Circles of Support and Accountability for younger people (Young People's Service; Glebe House Circles); for adults with intellectual disabilities (Adapted Circles); and for adults convicted of sexual offences starting in prison prior to their release and then on into the community (Prison Project).

The Volunteering Project supports the delivery of Circles of Support and Accountability through the recruitment, vetting, training, support and supervision of volunteers across the region.

Funds received in the year specifically for 2019/20 are included in deferred income (Note 5).

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2019	<u>Unrestricted</u> <u>funds</u>	<u>Restricted</u> <u>funds</u>	<u>Total</u> <u>2019</u>
Debtors	549	7,224	7,773
Cash at bank and in hand	41,267	29,958	71,225
Current Liabilities	(1,607)	(33,882)	(35,489)
	<u>£ 40,209</u>	<u>£ 3,300</u>	<u>£ 43,509</u>
2018	<u>Unrestricted</u> <u>funds</u>	<u>Restricted</u> <u>funds</u>	<u>Total</u> <u>2018</u>
Debtors	-	-	-
Cash at bank and in hand	27,728	175,420	203,148
Current Liabilities	(6,087)	(107,550)	(113,637)
	<u>£ 21,641</u>	<u>£ 67,870</u>	<u>£ 89,511</u>

CIRCLES SOUTH WEST
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2019

11. RECOGNITION OF INCOME

Income is recognised when the charity is entitled to it and not when it incurs the related expense.

Unspent income for specific expenditure is carried forward as restricted funds.

If the income were to be recognised so that it was matched to the expenditure within the accounts, the income for the year would have been as follows:

	2019	2018
Pro forma income	<u>£343,536</u>	<u>£382,436</u>

12. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.