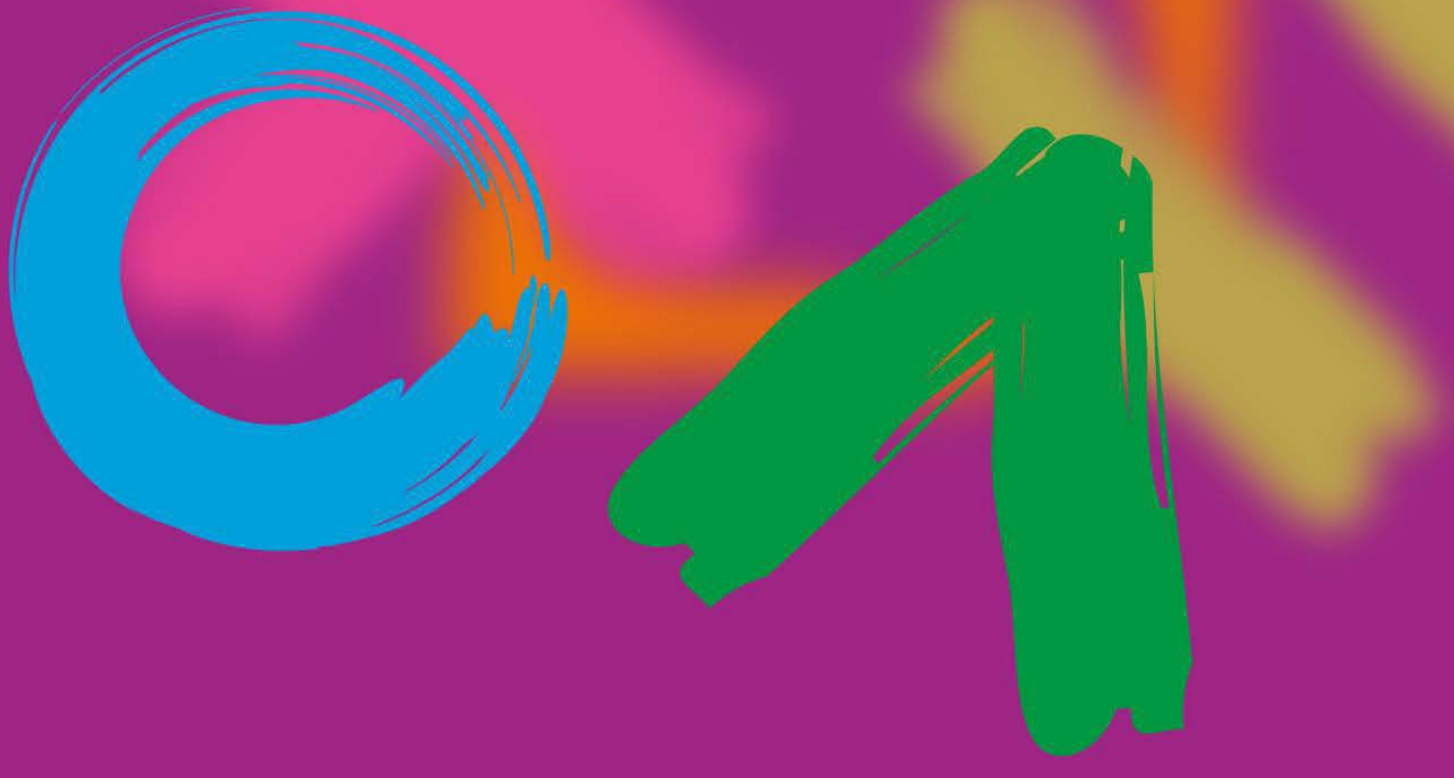
CRANSTOUN

Empowering People, Empowering Change

Trustees' Annual Report 2021-22



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Introduction from the Chair of Trustees

This has been an incredible year for Cranstoun. We have been through a significant amount of change, from a whole new strategy and rebrand for the charity to some excellent recognition of some of the innovative services that we operate across the country.

Without a doubt, Cranstoun is empowering people and empowering change amongst people who use our services and amongst the staff team. We have adapted to the challenges that the pandemic continued to throw at us and, I feel that, as an organisation Cranstoun has managed to take these challenges and use them to our advantage. That has been shown through the new talent we have brought into the charity over the year and adapt the way in which we operate our services.

This has been the first complete year under Charlie Mack's stewardship as our CEO and the energy that he has brought along with his experience and knowledge in the areas in which we work has been crucial at what has been a challenging time for the whole third sector.

The comprehensive work undertaken on the new strategy and vision led by Charlie, the Senior Leadership Team, my fellow board of Trustees and involvement from all of the Cranstoun staff and from people who use our services has meant that our new strategy is ambitious, bold and puts the people we work with at the very heart of our ambition to help people rebuild and live safe, happy lives.

The next year is going to be equally exciting as we continue to implement the new strategy and grow our work to be a world class leader in rebuildinglives.

Lesleigh Bounds

Chair of the Board of Trustees

Introduction from the Chief Executive

It is an honour to lead an organisation which everyday changes people's lives for the better.

In 2021-22 we have come on a big journey, with a whole new vision for the charity which is taking us in a new direction. A direction which will mean we are more loud and bold on behalf of the people who use our services, ensuring that the voice of the charity is heard. We have set some solid foundations with our new strategy and brand over the past twelve months and the work that we have done in our services and the growth we have seen has been incredibly important.

We supported over 20,000 adults and young people in 2021-22 across our services in alcohol & other drugs, criminal justice, domestic abuse and housing, That's an increase of more than a third and is testament itself to the hugely important work that our staff do day-in day-out to empower people to help them live safer and healthier lives.

Our work is having a huge impact not just to the people using our services, but to their families, friends, colleagues and communities too. We're now able to reveal that our Criminal Justice Services in the West Midlands for example are making a saving to local communities and taxpayers of around £15million each year. That is the impact of some of the innovation that we have led on in recent years, helping to address the root causes of people's substance use and support them into accessing treatment and other support.

Our newly structured Strategic Leadership Team have been crucial in the way that Cranstoun has transformed over the past year. I am proud to work with them and our Board of Trustees with that shared vision to bring about new approaches in our services which will set us apart from our competition.

None of our work would be possible without our staff teams, our volunteers, trainees, peer mentors and the people who use our services who keep us all going and underpin the commitment we have to bring about change.

Charlie Mack

Chief Executive

Trustees' Report

The Trustees of Cranstoun present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out on pages 36 to 40 of the attached financial statements and comply with the charitable company's Articles of Association last amended 23 November 2016, applicable laws and the requirements of the Statement of Recommended Practice for Charities (SORP FRS102, second edition).

Structure, Governance and Management

Constitution

Cranstoun is a company limited by guarantee and a registered charity.

Organisation

The Board of Trustees is responsible for the governance and strategic direction of the charity, and the Senior Management Team, led by the Leadership Team, manages the charity on a day-to-day basis.

Group structure and related parties

On 15 December 2016, Cranstoun assumed control of Swanswell Charitable Trust ("Swanswell") following its appointment as sole member creating the Cranstoun Group. Swanswell is a registered charity with similar operations and objectives to Cranstoun. Following this date, the results of Cranstoun and Swanswell have been reported on a consolidated basis.

On October 31st 2021, as agreed by the Trustees, Swanswell Charitable Trust was closed and a full merger with Cranstoun took place with all Swanswell's assets and liabilities at that date being transferred to Cranstoun.

Swanswell Charitable Trust was formally dissolved by Companies House on the 18/10/2022

Trustees

A full listing of the Cranstoun's Trustees is presented on page 28. All trustees are members of the charity and agree to contribute £1 in the event of a winding up. All Trustees present themselves for election at the first Trustees' meeting, following their appointment and thereafter one third of the Trustees stand for re-election each year. As a company limited by guarantee, with no share capital, none of the Trustees has any beneficial interest in the charitable company.

During the year committees of Trustees deal with specific areas of the charity's governance as follows:

Nomination and Renumeration Committee (NaRC)
Hugh Simpson - Chair
Lesleigh Bounds
Katharine Patel

Innovation and Development Committee
David Alcock – Chair
James Nicholls
Naomi Burke-Shyne
Alastair Graham
Rebecca Kemp
Hugh Simpson (to February 2022)
Katharine Patel (by invitation)

Quality, Governance & Safety Committee
Franklin Apfel – Chair
Hugh Simpson
Anne Campbell
David Alcock (to March 2022)

Audit Committee
Katharine Patel – Chair
David Alcock
Rebecca Kemp
Andy Furlong

Selection and appointment of Trustees

The Group Nomination and Remuneration Committee (NaRC), as a sub-Committee of the full Board of Trustees, oversees the selection and appointment of Trustees as well as attending to any training and development issues related to the Trustee Board.

Together with the utilisation of informal networks, Cranstoun also works with specialist recruitment organisations to strengthen the Board when necessary. Potential Trustees are offered a phased engagement with the organisation. Informal meetings with senior staff and Trustees are undertaken, including the opportunity of site visits to operational services and the central office. If mutually agreed, Trustees are then appointed in accordance with the company's Articles ofAssociation.

Trustees are selected against the requirements of a ratified 'Board Role Profile' and 'Trustee Person Specification', which identify the relevant skill and knowledge sets being sought by the charity. New Trustees' induction includes the provision of a Trustee Directory, which details roles and responsibilities of Trustees and presents the strategic and operational plans of the charity.

Further induction incorporates visits to operational sites with additional training or support provided according to identified need.

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure, of the company and group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in thefinancial statements
- Prepare the financial statements on a going concern basis unless it's inappropriate to presume that the charitable company will continue in business

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

So far as each of the Trustees is aware at the time the report is approved:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charitable company's website. Legislation in England and Wales governing the preparation and dissemination of financial statements and other information included in Trustees' reports may differ from legislation in other jurisdictions.

Pay policy for senior staff

The pay of the Leadership Team (key management personnel) is reviewed annually by the NaRC and ratified by the Board of Trustees. This review takes into account general wage inflation, any pay increases available to staff and benchmarking of the salaries and benefits of senior executives in similar organisations.

Objectives and Activities

Our vision

To be a world-class leader in rebuilding lives.

Our Purpose

To inspire and empower people to live healthier and happier lives.

Our mission

To identify, develop and deliver innovative, evidence-informed solutions that rebuild lives.

Our new vision, purpose and mission sit at the heart of our new five-year strategy. They are bold, ambitious and will guide us for the years to come.

The key words of 'happier' and 'healthier' remain core to our purpose and are key to the outcomes that people who use our services desired in consultation with them in producing the new strategy.

Our mission explains how we will achieve our vision and will include areas such as investment in innovation and development, growing our profile in the policy space and working in collaboration with other organisations and partners across the globe.

Public benefit

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the objects and planning future activities. The Trustees confirm that the activities are for the benefit of the public and that, although there is inevitably some private benefit accruing to the beneficiaries, this is necessary and incidental to the objects.

Objects of Cranstoun

The objects of the charity are:

- The relief and reduction of harm caused by drug and alcohol use to individuals and communities; and
- The relief of poverty, sickness, deprivation and distress among persons who are dependent upon or affected by dependence on drugs, alcohol and other similar substances or compounds of possible or suspected danger to the individual and the community; and
- The relief of poverty, sickness and distress and the provision of financial assistance among those related or dependent upon those persons referred to above; and
- The education and training of individuals and the community at large and the advancement of education and training in the dangers arising from the habitual or isolated or other use of drugs or alcohol together with the publication of material relating to dependence upon drugs or alcohol; and
- To undertake research into the special problems arising from persons with drug or alcohol problems and into methods of alleviating them and to publish the results of such research; and
- The prevention of dependence upon drugs or alcohol, the consultation, treatment and care of those suffering from and the rehabilitation of those relieved from dependence upon drugs or alcohol; and
- The provision of facilities for recreation and other leisure occupation for persons with drug or alcohol problems in the interests of their social welfare within the meaning of the Recreational Charities Act 1857 and as limited in that Act; and
- The advancement of education; and
- The relief of need in individuals arising from their youth, age, gender, infirmity or disability, financial hardship or social circumstances; and
- Such other exclusively charitable activities as the Trustees may from time to time determine.

Our Values

Ambitious Having a strong desire or determination to succeed

Collaborative Working together to achieve a goal

Compassionate Showing genuine concern for someone else and their needs

Creative Coming up with new ideas and solutions to resolve a problem or do something in a betterway

Respectful Showing consideration or regard to something or someone

Strategic Report

In March 2021, we started our journey on developing and delivering a brand new five year strategy and a refreshed brand. We did this together with all of our staff, volunteers, people who use our services, commissioners, and advocates of our work.

The thorough process included analysis of the organisation and the sectors in which we work, we facilitated workshops based on this information to agree Cranstoun's new purpose and vision along with our proposed mission, a staff strategy engagement group was created by the CEO to engage and involve all staff, volunteers and peer mentors in the development of translating our new vision into practical reality.

We held a series of workshops throughout the whole organization and created a dedicated section on the Cranston Connect intranet for further staff engagement. A service user group was also formed which engaged with people who use our services to ensure co-production of the strategy. We also agreed our five strategic aims. The strategic leadership team working within their directorates and teams established our five year Hard High Goals and our annual goals for year one.

Mission: To identify, develop and deliver ***innovative, evidence informed***

solutions that rebuild lives.

- Innovative – says trying something new – may involve co-production from the beginning?
- Could require extra money – needs the investment if piloting something new or funding from a supporter?
- Commissioners may be keen to try different things
- You may have ideas that don't work and that's okay – need to feel empowered to try things and learn where things don't work as much as they do.
- Need to evidence thesuccess/achievement/impact
- Contractual boundaries can hinder this?
- Who are our innovation partners – some commissioners / not all
- Investment should be tied to innovation – should be opportunities to propose pilots and get ahead of new trends.

- We can take control and design our new services
- Could we have an innovation fund – great idea – empowers solutions – the best ideas come from front line staff
- We can be brave
- Create the evidence base and lead evolving service offers

Evidence informed:

- Evidence / innovation – get new ideas from others – collaborative partners
- Who are the movers shakers who are already building the evidence base?
- Evaluation
- Time to build our own evidence base
- Aligning and measuring in the same way
- Streamline our systems for sensible data

What would evidence based look like:

- For marketing – we can promote ourselves and articulate our success
- Switch – adds value within our contract areas – impress commissioners.
- Development – articulating why we do what we do – connect need – offer – impact
- Know we are doing the right things in the best possible way.
- Getting the fullest and most relevant picture.
- If starting today – what would we want to measure? Strip our thinking down and start again?

Our new brand and identity

We launched our new brand in February 2022 along with our new website. It followed a piece of work that begun in 2020-2021 to go hand in hand with the development of our new strategy and mission.

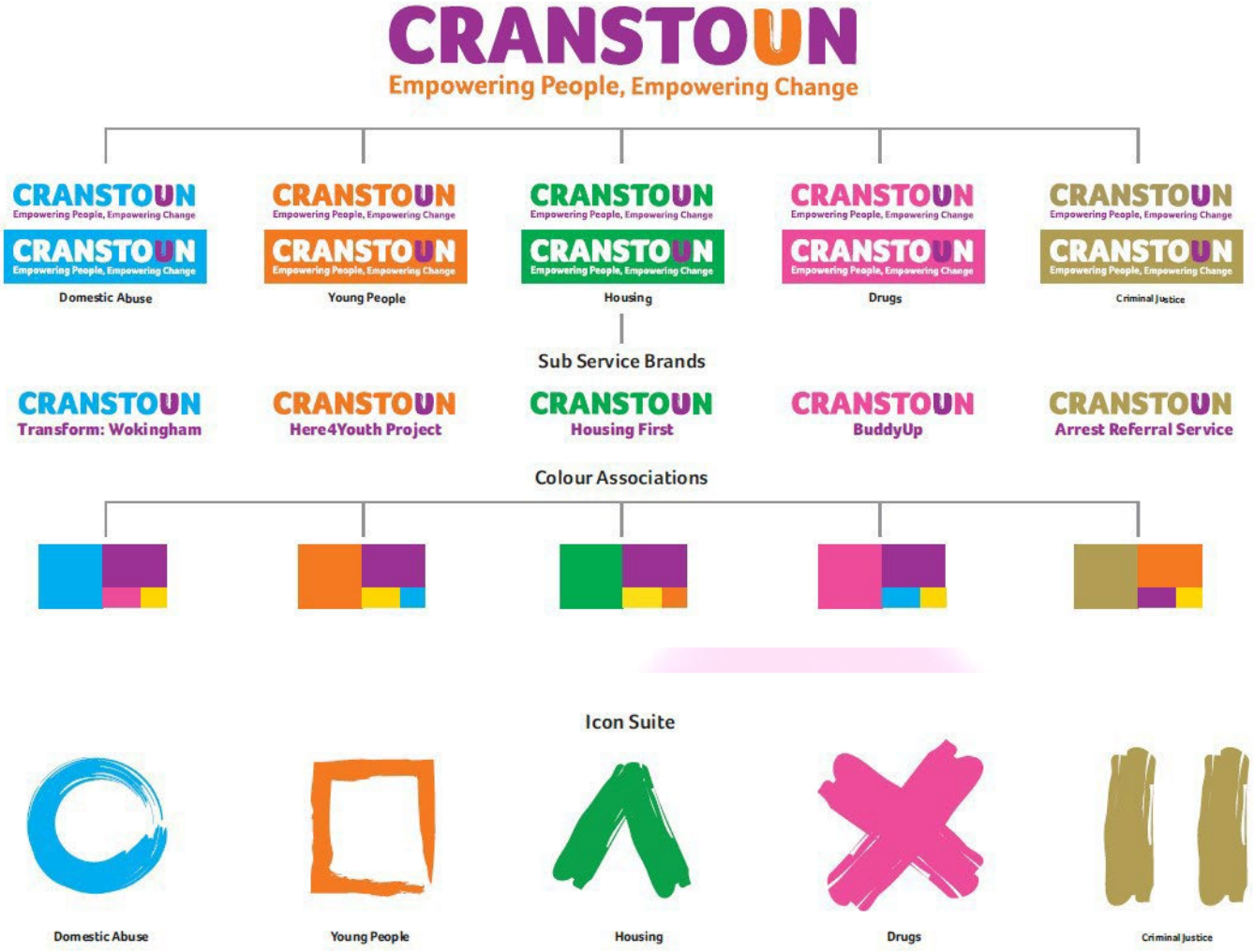
The new brand for Cranstoun encapsulates everything that is the essence of the charity; supporting people to rebuild their lives, inspiring transformation and empowering people and empowering positive change. Cranstoun is a special charity, its been around for 50 years and has an exciting ambitious future ahead.

In communicating the new Cranstoun brand, which has been created with a broad range of stakeholder involvement, from the outset this new brand is for everyone. It is owned by staff, people who use our services, service user representatives, commissioners and supporters, and is a reflection of the importance of this special charity, formed by two visionary people Annie and Michael Dixon in 1969. The new Cranstoun brand is anchored in the heritage which provided support and hope to thousands of people, families and communities, and will continue to do so.

Our new brand reflects the fresh approaches we take to respond daily, and the heritage which underpins our work alongside our future ambition to grow and support beyond our current locations. Our new brand, like our charity is ambitious, and bold, and we want it to engulf everyone who interacts with it and experiences it with the courage to know that with Cranstoun, empowering people and empowering change is possible every single day.

Our Branding

The new identity for the charity brings uniformity and more cohesion that previously existed. Rather than having multiple brands, with a range of different logos we are now able to clearly show the full breadth of our services. Below is an example of the brand hierarchy and the associated iconography for each service area.



Imagery

As part of our new branding, we have moved away from traditional, corporate photography and stock images. We are a charity rooted in real situations, working to empower people to rebuild their lives. Our imagery reflects this.

Achievements and performance

Across England, every day, Cranstoun provides services for those facing difficulties with domestic abuse, alcohol and other drugs, housing and criminal justice.

At Cranstoun our work is person-centered and has real, human experience at the heart of it. Our brand is centred in our work - our job is to make people feel safe, to empower people with the tools to create lasting change, to reduce harm, to rebuild lives, to inspire people to live healthier, safer lives, to stand for social justice and to remind every person that they are worthy of respect and compassion.

Cranstoun has continued to operate high quality, successful and safe services across England in 2021-22. Here we focus on the key achievements and performance over the year and the impact that we've had on society.

During 2021-22 we continued to be affected by the impact of the COVID-19 pandemic and our teams continued to adapt in a way to support people who use our services get the help they needed.

All of our services are rated as 'Good' by the Care Quality Commission.

During the year, we have continued to offer a wide range of services across Greater London, the Midlands, Southern England and South Yorkshire with work underway to deliver new services and expanding our offer in areas in which we currently work.

Our service areas have included:

- Adult substance use services delivering community-based outreach, treatment, recovery and support services.
- Criminal justice services providing offenders with the opportunity to break the cycle of crime and support with substance use.
- Domestic abuse services including perpetrator programmes and partner support.
- Supported housing services, delivering holistic support targeted to develop living skills and help people to access community services and networks.
- Integrated young peoples' services and specialist services for young people and their families & carers

Cranstoun Adult Substance Use Services

In 2021/22 we operated substance use services in the Royal Borough of Windsor & Maidenhead, Sandwell, Sutton, West Berkshire, Wokingham and Worcestershire.

Our substance use service in Wokingham launched in April 2021 as a new area for Cranstoun.

More than **11,500 referrals** were made to our adult substance use services in 2021-22.

Almost **8,000 people** were in either structured or unstructured treatment within our services.[1]

Our services had a **successful completion exit rate of 48.1%.**

We continued to operate needle exchange and naloxone provision across our areas of service and gave out more than **1,100 naloxone kits** and almost 400 people accessed our needle exchange services.[2]

Our services achieve excellent outcomes for the people who use our services as well as local communities. Our services support people into treatment that works for them, offering a range of interventions through clinical and alternative methods.

Our services continue to perform well against the national averages. Our service in Sutton consistently performed very highly in 2021-22. For alcohol and non-opiate successful unstructured exits seeing a **rate of 44.9%** compared to a **32.8% national average.** Sutton also saw **49.5% successful exits** from structured treatment for non-opiates compared to **37.1% national average**.

The support we provide at our substance use services is person-centred, meaning we focus on what the person using the service sees as important in helping them to achieve their recovery goals, whatever they may be.

The Treatment Outcomes Profiles (TOP) for our adults' services were very positive in 2021-22, scoring consistently above the national average. Across our services, for physical health people **exited with a score of 14.8** compared to a **national average of 14.4.** With regards to psychological health people had **an average exit score of 15** compared **to 14.4 nationally**. The average score for overall **quality of life on exit was at 15.3** well above the **national average of 14.8**.

[1] **Note**: Data in this report is retrieved from several different sources including NDTMS, service case management systems, workbooks and data leads themselves. Figures should be considered approximate.
Please note that some services do not operate on a Structured/Non-structured modality design. Some services work as a referral in, completion or non-completion type service.

[2] Note: The numbers of Naloxone kits recorded is reliant on staff updating systems.

Cranstoun Housing

Cranstoun's housing support services don't just provide a roof over peoples' heads – they deliver holistic and asset-based support to develop living skills and identify strengths. We deliver both supported housing and community based floating support.

There were **2,540 referrals** into our housing services in 2021-22 which had a successful **exit rate of 72.7%** in 2021-22.

Birmingham Housing Support:

Our Birmingham housing support services provide community-based floating support to Birmingham residents at risk of homelessness and are available to:

- Households in temporary accommodation
- Single adults and childless couples
- Female and male victims of domestic abuse.

These services engage people early, preventing crisis and ensuring safety. We connect people with community services, personalised networks and activities, transitioning people into independence and enabling them to thrive.

Cranstoun's Housing First Pilot continued in 2021-22 to support entrenched rough sleepers in Birmingham to secure, settle into, and sustain their own accommodation in line with the principles of the Housing First model. Housing First believes that housing is a right, and views secure housing as a stable platform from which other issues can be addressed. Our support is intensive, flexible and holistic. Our Housing First navigators provide their interventions where they are needed across Birmingham, and for as long as the support is required. This project is one of three regional pilots of this model, funded by the Government and commissioned locally by the West Midlands Combined Authority and Birmingham City Council. There were **58 people being supported by the Housing First Team** in 2021-22.

Cranstoun is also commissioned by Birmingham City Council to deliver PURE, a project to Birmingham citizens who face barriers into the employment market. Our Intervention Workers support, guide and mentor individuals to help them access employment, education or training. The PURE project is part-funded by the European Social Fund. 2021-22 saw **139 referrals to the PURE project**.

Supported Housing:
Our supported housing services in Wandsworth provide both accommodation based and floating support to borough residents with a history of substance use. Our approach is personalised and flexible, helping those with substance use issues and responding to changing needs including lapses and relapses.

We work in partnership with drug and alcohol treatment services and other partners to support residents in their recovery, helping them to develop strategies that enable independent living.

Cranstoun Criminal Justice Services

In 2021-22 Cranstoun continued to operate criminal justice services in the West Midlands and West Mercia Police Force areas.

The Cranstoun Arrest Referral Service (CARS) operated across West Midlands Police's Custody Facilities.

Our Alcohol Related Violence Course received **182 referrals** in 2021-22 of which 180 people successfully completed the programme.

The Arrest Referral Team **issued 51 naloxone kits** to people leaving custody.

DIVERT

Our DIVERT scheme operated across the West Midlands and West Mercia Police Force areas, generating **over 3,500 referrals**, over 2,000 assessments were made of which, **99% of people exited the service successfully.**

Arrest Referral Service

There were **over 3,000 referrals** into the Arrest Referral Service in 2021-22. The team carried out over 2,700 assessments of people in custody. Of those, the Arrest Referral Team were able to make 1,703 onward referrals to other services and agencies.

There were **217 Drug Rehabilitation Requirements** and **168 Alcohol Treatment Requirements** issued in the West Midlands following the team's work. Now more than 1/5 of these types of alternatives to custodial sentences that are given out across England and Wales come from the West Midlands.

In December 2021, we announced some initial findings from our evaluation of the Arrest Referral Service in the West Midlands, that the avoidance cost created by the CARS service has **saved local taxpayers £15million.**.

The scheme, commissioned by the West Midlands Police and Crime Commissioner, delivered by Cranstoun with support from the Probation Service has been instrumental in driving up the number of people being given Drug Rehabilitation Requirements and Alcohol Treatment Requirements across the West Midlands area.

CranstounHere4YOUth

We work with young people to empower them to make healthy choices around their alcohol and drug use – choices that are important to them. Our services help the young person to identify and use their strengths as a way to overcome any difficulties they may be experiencing. Our friendly and approachable workers provide support wherever the young person feels most comfortable, whether at home, in school or at a café.

Within our young people's services, the safety and wellbeing of the people who use our services is paramount. We have a range of safeguarding policies, procedures and training in place across the charity to ensure that any safeguarding concerns are identified and responded to in a timely manner.

We provide services to young people in Buckinghamshire, Dudley, Sutton, Wokingham and Worcestershire.

In 2021-22 there were over **1,400 referrals** made into our Young Persons' Services with more than **1,146 people** in structured or unstructured treatment throughout the year. The successful completion rate for all of our Young Persons' Services was 69.8%.

As part of our new visual identity, all of our young peoples' services are now part of the Here4YOUth sub-brand. We work with young people to help them make positive changes by supporting them with their emotional health and wellbeing.
Young Peoples' Outcomes Record (YPOR) were developed to assess changes to health and wellbeing during a young persons' time accessing drug and alcohol treatment services. Those exiting our Young Peoples' Services had an **average score of 7.5** in 2021-22, above the **national average of7.3**.

Cranstoun Domestic Abuse Support Services

We're committed to challenging domestic abuse in all its forms. We have substantially increased our domestic abuse service provision and have delivered a range of interventions in 2020-21 specifically targeted at supporting victims and survivors to safety as well as challenging perpetrators of abuse to take responsibility for their behaviour.

In 2021-22 we operated domestic abuse support services and perpetrator programmes in:

- Men & Masculinities programmes in Ealing, Havering, Hounslow, Barking & Dagenham, Sussex, Worcestershire
- Transform, Sutton
- Domestic Abuse Housing Support Services, Birmingham
- Drive Worcestershire, Herefordshire, South Gloucestershire
- Wokingham Domestic Abuse Support Service
- Inspire to Change, South Yorkshire

There were over **4,800 referrals** into our Domestic Abuse Services during 2021-22 with **68.9 % of people accessing our services** during the year making **successful exits**.

Our Men & Masculinities programme is specifically for men, designed to deepen their understanding of themselves and their relationships. It is free and accessible to any men who are aware that their relationships have become distressing and damaged by their abusive behaviour, violence or issues of coercive control. The programme creates a safe and supportive space for participants to explore the impact of gender socialisation on their relationships, their substance use, their experiences of parenting and self-care and self-esteem.

In 2021-22 Cranstoun also led on a pilot for the ReMove programme in Barking & Dagenham. This is an area of innovation which focuses on addressing the root causes of a perpetrators behaviour, and removes them from the family home rather than having the victim-survivors relocate. This project is being independently evaluated and will report back in 2022-23.

Another major new service launched in 2021-22 was the Inspire to Change programme in South Yorkshire. Commissioned by the South Yorkshire Local Authorities and the local Police and Crime Commissioner,

In January 2022 Wokingham Borough Council announced a new collaborative partnership to deliver their Domestic Abuse Strategy (2021-2024) which involves working closely with more than 40 local multi-partner agencies and organisations. Cranstoun, as the council's domestic abuse support service provider will be sharing key service information whilst working hand-in-hand to help domestic abuse victims and survivors in Wokingham Borough.

Cranstoun's People

Our people are at the heart of what we do. We recruit people who share our values and develop them to build high performing teams able to make a real difference.

Our workforce is diverse. Our employees, trainees, volunteers, peer mentors and relief staff all bring with them a richness of skills and experience to support our service users to live healthier and safer lives.

We measure our performance through a variety of indicators, including employee retention and attendance, employee engagement and wellbeing, commitment to continuous professional development and awards and accreditations.

Employee engagement and wellbeing

We seek feedback from our staff teams through a variety of ways. Every year, we conduct an Employee Engagement Survey to gather feedback from our staff on a variety of engagement indicators.

In 2020-21 we operated an additional staff survey to seek views and feedback on homeworking during the health pandemic. As a result of the feedback, we consulted further with our staff teams to design and implement permanent changes to our Homeworking Policy. We also made improvements to our IT provision to ensure every member of staff had access to a laptop.

Short term staff sickness for the year remained low at 2%. In 2021-22 Cranstoun averaged a headcount of 402 staff, retention was 81%.

Continuous professional development

We are committed to helping individuals and teams to grow, both professionally and personally. We have continued our investment in online learning, developed our internal training capabilities and invested in professional qualifications and management development programmes.

Our staff **completed 1,511 online courses** in 2021-22 and **143 classroom based** courses.

Accreditations

We are incredibly proud to hold a Gold standard accreditation from Investors in People, recognising the importance that we place in our people. Only 17% of Investors in People accredited organisations achieve Gold.

We have retained our Mindful Employer and Disability Confident Scheme accreditations.

Cranstoun is also a real Living Wage Employer, accredited by the Living Wage Foundation.

Diversity and inclusion

Diversity and inclusion is at the heart of what we do.

All people who use our services are treated fairly and with respect. We are committed to ensuring that our services are accessible, and reach all members of the communities in which we serve.

Cranstoun is an inclusive employer. We are committed to maintaining a culture of diversity and equity. We do not tolerate discrimination, harassment or victimisation. Everyone we work with is treated equally and with respect, irrespective of race, colour, religion, national origin, sex, disability, age, marital status or sexual orientation.

Modern slavery

Cranstoun is committed to meeting the requirements of the Modern Slavery Act. We take a zero tolerance approach to modern slavery of any kind within our recruitment processes, our operations and our supply chain. We take responsibility for being alert to the risks, and taking appropriate action as necessary. We cover modern slavery within our safeguarding training; our staff are expected to report concerns and our managers are expected to act upon all concerns raised.

Disabled employees

All of our policies and procedures are underpinned by a commitment to equality and diversity. Our recruitment procedures ensure that candidates with disabilities are not disadvantaged in any way; our employment practices support individuals with disabilities and ensure fair access to training, development and promotion opportunities. We are a Disability Confident Committed employer.

Employee communication and consultation

We use a variety of mechanisms to inform and consult with our workforce. We inform employees on a range of matters through internal communications, including email, a staff intranet and staff newsletters. Cranstoun is committed to informing and consulting with trade unions, where employees are members of a union, or where a recognition agreement is in place.

Cranstoun strives to develop new ways to communicate with staff and for early 2022-23 will be hosting an all staff event in person, we also have plans underway to make further use of digital tools to excel the way we communicate between services across the charity.

Financial Review

During the year ended 31st March 2022, total group income was £20.0m (2021 £16.3m) and total group expenditure £19.0m (2021: £16.3m). The group result for the year was an overall significant increase in funds of £1.03m (2021: £0.2m increase). This reflects Cranstoun's ability to continue service delivery through the pandemic with minimal impact on funding. During the year, there were savings on travel and clinical costs through changed ways of working together with savings in salary costs because of vacancies in several services.

Subsidiary results included in the consolidated group accounts were Swanswell's income of £0.8m (2021: £1.4m) and expenditure £0.7m (2021: £1.3m) giving an increase in funds of £90k (2021 £67k) and Cranstoun Services Limited's income being £6,725k (2021 £5,037k) and expenditure of £6,724k (2021: £5037k) giving a surplus of £1k.

Overall, the financial position at the end of the year was positive and remains boosted by having a large net cash position in the charity of £6.5m (2021: £5.4m) and in the group of £7.7m (2021: £6.3m). As a result of the surplus, net current assets increased in the charity from £5.8m in 2021 to £7.4m in 2022 and, in the group from £6.4m in 2021 to 7.5m in 2022. Total reserves of the charity at the end of the year were £8 .8m (2021: £7.2m) and total reserves of the group £8.8m (2021: £7.8m).

Investment policy

Cranstoun maintains a portfolio of investments of £1.33m (2021: £1.27m), with the objective of achieving capital growth over the long-term with a medium risk profile. The funds are mainly invested in the Schroder Charity Multi-Asset Fund, which aims to at least maintain the real capital value over the long term whilst generating a sustainable and reliable distribution of 4% per annum. Bonds, cash and absolute return funds are held alongside the Schroder Charity Multi-Asset Fund to reduce and balance the overall risk of the portfolio to reflect the inflation mandate.

In 2021/22, the total return of the portfolio was 5.2%, (2020/21 18.7%)

Following the year-end, the value of the portfolio, has decreased by 2.3% in the first quarter of the year, due to stock market volatility in the period.

Reserves policy

The Cranstoun Group maintains reserves to fund working capital, provide for future capital expenditure, maintain services in the event of significant reductions in income and provide a contingency for any unexpected expenditure or opportunities for development.

The Cranstoun Group's policy is to hold a designated reserve representing the net book value of tangible fixed assets as these are not freely available to support the group's business. The level of this reserve changes as assets are acquired, disposed, or depreciated in line with the accounting policies.

Cranstoun Group also has an innovation fund which is used to fund strategic investment, innovation, and development opportunities.

At the 31 March 2022 Cranstoun's total unrestricted funds were £8.8m and unrestricted funds not committed or invested in tangible fixed assets, the innovation fund, otherwise designated ('the free reserves') were £5.6m. With reference to the underlying operating and financial position of the charity and the risks to which it is exposed, the Board of Trustees has agreed a policy on reserves. This stipulates that the level of free reserves required is in the range between £4.0m and £4.9m and therefore, at present, the free reserves of the charity are slightly above this target range.

It is not intended that Cranstoun Services Limited will hold reserves, and any surpluses generated will be transferred back to Cranstoun through Gift Aid.

At 31 March 2022, the total reserves of the Cranstoun group were £8.8m (2021: £7.8m) and the free reserves £5.7m (2021: £7.5m). This compares with a combined target level of free reserves for the group entities of between 4.0m and £4.9m. The group's current total free reserves are therefore above the specified target range.

Risk Management

The Trustees maintain a register of the risks to which the group is exposed. Formal reviews of the register are undertaken on a twice-yearly basis and involve senior management, together with the Trustee body. The register identifies risks, assesses their severity in terms of impact and likelihood of occurrence and then determines plans to avoid, reduce, share, transfer or mitigate these risks. As a result of this process, the Trustees are satisfied that the risks to which the charity is exposed have been identified and systems have been established and implemented to mitigate exposure to those risks.

The principal risks identified and the plans and strategies for managing these risks are as follows:

- The possible loss of contract income due to the highly competitive operational environment. This risk is mitigated by continual monitoring of service quality and performance, ongoing engagement with development activities, maintaining a competitive cost base and, where appropriate, the use of partnership arrangements to enable the charity to bid for larger contracts.

- The possibility of reduced or changed funding as a result of changes in Government policy. This risk is managed by monitoring government strategy and any legal and regulatory changes, membership of service provider bodies representing the sector and engaging with policy makers and commissioners.

- Pandemic: The coronavirus pandemic is an ongoing challenge but being mitigated through enacting business continuity plans, closely monitoring and following government advice, improved internal and external communications and adopting new methods of working. This approach has enabled Cranstoun to maintain service delivery throughout the COVID-19 crisis.

The Covid –19 pandemic continued during the year end 31 March 2022. Our working practices and operations were amended so that the risk of coronavirus to both employees and people who use our services are reduced. Despite our amended working practices, we have continued to support our clients and provided additional support and help where needed. Our commissioners and people who use our services have continued to support us throughout this period, and we have seen little detrimental financial effect.

At the present time we have not seen any significant business impact as a result of the Russian invasion of Ukraine apart from the general economic impact being experienced across the UK. However, the impact of rising inflation is a serious concern for the Board, and we are seeing significant increases in the cost of utilities, services and consumables.

Trustee's Indemnity Insurance

Cranstoun provides insurance to its Trustees against liability in respect of action brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity insurance remains in force at the date of approving the Trustees' annual report.

Future Plans

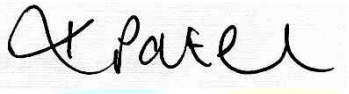
Cranstoun's new five-year strategy will guide the charity in the years to come as we look to grow and expand our services further afield. It remains rooted in providing top quality in our services whilst maintaining our reputation for going above and beyond for people who use our services. With our new strategy we will seek new ways to innovate in our services and use the global evidence base in the areas in which we work.

Our vision to be a 'world-class leader in rebuilding lives' will be supported by innovation. The Innovation and Development Committee, which is overseeing strategic innovation and development across the charity, has begun meeting this year. It will look at new investment opportunities and will look to deploy some of Cranstoun's reserves to support these areas of work.

We have plans to expand our work in policy and lobbying, to have a louder voice on the national and international stage. This will include responses to government consultations, engagement with Select Committees and sharing our work at international conferences. As an evidence informed charity, we know that we are also the holders of a great deal of evidence that our approaches work. This data and evidence base we have built will underpin the work we will do when it comes to influencing policy makers.

In approving this Trustees' Report, the Board are also approving the Strategic Report included herein in their capacity as company directors.

ON BEHALF OF THE BOARD



Lesleigh Bounds, Chair | Katharine Patel, Treasurer | 2nd November 2022

Reference and Administrative Details

Company number: 3306337
Charity number: 1061582
Principal/Registered office: Thames Mews, Portsmouth Road, Esher, Surrey KT10 9AD
Telephone: 020 8335 1830

Board of Trustees:
Lesleigh Bounds, *Chair*
Katharine Patel, *Treasurer*
David Alcock
Franklin Apfel
Hugh Simpson
Andrew Furlong (Appointed January 2022)
Naomi Burke-Shyne (Appointed January 2022)
Alastair Graham (Appointed January 2022)
James Nicholls (Appointed January 2022)
Rebecca Kemp (Appointed January 2022)
Matthew Webster (Appointed January 2022)

Senior Management Team:
Charlie Mack, *CEO* (from 1 November 2020)
Dr. Steve Brinksman, *Medical Director*
Kim Coles, *Director of People & Culture*
Martin Holly FCA, *Director of Finance and Corporate Services*
Megan Jones, *Director of New Business & Services*
Jason Warriner, *Director of Care, Quality & Governance*
Annie Steele, *Assistant Directorof Services*
Wendy Taylor, *Assistant Director of Services*

Bankers:
National Westminster Bank
PO Box 2BA
69 Baker Street
London W1A 2BA

Independent Auditor:
Mazars LLP
6 Sutton Plaza
Sutton Court Road
Sutton
Surrey, SM1 4FS

Investment Managers:
Cazenove Capital Management
12 Moorgate
London EC2R 6DA

Solicitors:
Blake Morgan LLP
New Kings Court
Chandler's Ford
Eastleigh SO53 3LG

Edell Jones & Lessers
First Floor, 54-56 Barking Road
East Ham
London E6 3BP

Independent auditor's report to the members of Cranstoun

Opinion

We have audited the financial statements of Cranstoun (the 'charity') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity and the group's affairs as at 31 March 2022 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Strategic Report and Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Report of the Trustees.

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

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 7. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and its sector, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006, the Charities Act 2011 and the Charities Statement of Recommended Practice.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, income recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

N J Wakefield

Nicola Wakefield
(Senior Statutory Auditor)
For and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Date: 20 December 2022

Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account) for the year ended 31 March 2022

	Note	Funds £'000	Funds £'000	Funds £'000	Funds £'000	Funds £'000	Funds £'000
Income from:							
Donations and legacies		3	-	3	36	-	36
Charitable activities:							
Residential services		539	258	797	478	261	739
Community services		18,047	1,153	19,200	15,144	375	15,519
	2	18,586	1,411	19,997	15,622	636	16,258
Investments		1	-	1	5	-	5
Total income		**18,590**	**1,411**	**20,001**	**15,663**	**636**	**16,299**
Expenditure on:							
Charitable activities:							
Residential services		515	258	773	448	261	709
Community services		17,112	1,153	18,265	15,195	375	15,570
Total Expenditure	3	**17,627**	**1,411**	**19,038**	**15,643**	**636**	**16,279**
Net gains on investments		66	-	66	199	-	199
Net income and net movement in funds		**1,029**	-	**1,029**	**219**	-	**219**
Reconciliation of funds							
Total funds brought forward		7,800	-	7,800	7,581	-	7,581
Total funds carried forward	15	**8,829**	-	**8,829**	**7,800**	-	**7,800**

The organisation has no recognised gains or losses other than those dealt with above.

All the group's activities derived from continuing operations during the above two financial periods.

Group Parent Charitable Company Balance Sheet as at 31 March 2022. Company No: 3306337

	Note	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Fixed assets					
Tangible fixed assets	9	214	256	214	256
Investments	11	1,332	1,266	1,332	1,266
		1,546	1,522	1,546	1,522
Current assets					
Debtors	12	5,098	3,264	4,717	2,629
Cash at bank and in hand		7,727	6,333	6,516	5,425
		12,825	9,597	11,233	8,054
Current liabilities					
Creditors falling due within one year	13	(5,339)	(3,126)	(3,756)	(2,306)
Net current assets		7,486	6,471	7,477	5,748
Total assets less current liabilities		9,032	7,993	9,023	7,270
Creditors falling due after more than one year	13	(203)	(193)	(203)	(103)
Net assets		**8,829**	**7,800**	**8,820**	**7,167**
Represented by:					
Unrestricted funds					
Designated funds	15	3,173	256	3,173	256
General funds	15	5,656	7,544	5,647	6,911
Total unrestricted funds		8,829	7,800	8,820	7,167
Restricted funds	15	-	-	-	-
Total funds		**8,829**	**7,800**	**8,820**	**7,167**

As permitted by section 408 of the Companies Act 2006, the charity has taken exemption from preparing a separate Statement of Financial Activities (incorporating an Income and Expenditure Account). The charity's result for the year was a surplus of £1,653k (2021: £146k surplus).

The financial statements were approved and authorised for issue by the Board of Trustees on 02 November 2022 and signed on their behalf by:

Lesleigh Bounds
Chair

Katharine Patel
Treasurer

Consolidated and Parent Charitable Company Statement of Cash Flows for the year ended 31 March 2022

	Note	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Net cash provided by / (used in) operating activities	21	**1,408**	**(877)**	**390**	**(762)**
Cash flows from investing activities					
Investment income and interest receivable		1	5	1	4
Purchase of property, plant and equipment		(15)	(19)	(15)	(19)
Transfer of Swanswell charitable Trust	10	-	-	715	-
Net cash (used in)/provided by investing activities		**(14)**	**(14)**	**701**	**(15)**
Change in cash and cash equivalents in the year		**1,394**	**(891)**	**1,091**	**(777)**
Cash and cash equivalents at the beginning of the year		**6,333**	**7,224**	**5,425**	**6,202**
Cash and cash equivalents at the end of the year		**7,727**	**6,333**	**6,516**	**5,425**

No analysis of changes in net debt is presented as the charity has no borrowings.

Notes to the Financial Statements
for the Year Ended 31 March 2022

1. ACCOUNTING POLICIES

a) General Information

Cranstoun is a charitable company limited by guarantee incorporated in England and Wales (Company no. 3306337) and a registered charity (charity registration no.1061582). The charity's registered office address is Thames Mews, Portsmouth Road, Esher, Surrey KT10 9AD.

b) Accounting Convention and Basis of Preparation

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments to market value. They are prepared in accordance with Statement of Recommended Practice for Charities (SORP FRS 102, Second edition), applicable accounting standards (FRS 102) and the Companies Act 2006. Cranstoun is a public benefit entity as set out in section 3 of FRS 102.

c) Basis of Consolidation

The consolidated financial statements present the results of the charity and its subsidiary as if they form a single entity (the "Group"). Intercompany transactions between group companies are therefore eliminated in full. The results of acquired operations are included in the consolidated financial statements from the date that control passed to the charity.

d) Going concern

The strong performance of the Group during the year ended 31 March 2022 has provided Cranstoun with a strong foundation for the forthcoming year. Cashflows have been prepared and a range of scenarios have being considered. The Trustees are satisfied that, due to the level of cash and reserves held, even under the worst-case scenario considered there are sufficient funds to continue operating and meet liabilities as they fall due for the foreseeable future. As a result the Trustees are satisfied that it is appropriate to prepare the accounts on a going concern basis.

e) Income

Income is recognised in the period in which the charitable company has entitlement to the funds and it is probable that the income will be received and the amount can be measured reliably. Income is deferred when the charity has to fulfil conditions before becoming entitled or where the donor or contracting party has specified the income be expended in a future period.

Grants from government and other agencies amounting to a contract for services are included as income as the charity earns the right to the consideration by its delivery of those services.

f) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

The cost of charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs relate to the cost of central functions and include governance costs. These are allocated to the charitable expenditure categories on a per capita basis which is designed to reflect the use of the resource.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

g) Tangible Fixed Assets And Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Assets costing more than £5,000 and leasehold improvements costing more than £20,000 are capitalised. The cost of tangible fixed assets is written off by equal annual instalments over their useful lives as follows:

Freehold Property	100 years
Leasehold improvements	The shorter of the remaining length of the lease or the remaining duration of the associated service contract.
Fixtures & fittings, equipment & motor vehicles	4 years
Refurbishment	10 years

The value of property is regularly reviewed in order to identify any permanent diminution in value which, if applicable, would be charged to the SOFA.

h) Fixed Asset Investments

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation and/or sale is taken to the SOFA.

i) Financial instruments - assets and liabilities

Debtors

Debtors are recognised at the settlement amount due.

Cash and cash equivalents

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

j) Fund Accounting

Unrestricted general funds are held by the charity to be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or contracting party or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is given in the notes to the accounts.

k) Leasing And Hire Purchase

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated economic lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the SOFA over the period of the lease. All other leases are regarded as operating leases and the payments made under them are charged to the SOFA on a straight line basis over the lease term.

l) Employee benefits

The charity provides a range of benefits to employees including paid holiday arrangements and retirement benefits through a d efined contribution pension scheme.

Short-term benefits

Short-term benefits, including holidays and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

Termination benefits

Termination payments are payable when employment is terminated by the group before the normal retirement date or end of employment contract. Termination costs are recognised at the earlier of when the group can no longer withdraw the offer of the benefits or when the group recognises any related restructuring costs.

Defined contribution pension schemes

The groups operates defined contribution pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charged represents the contributions payable under the scheme by the group to the fund. The group has no liability under the scheme other than for the payment of those contributions.

Multi-employer defined benefit pension schemes

Cranstoun has direction body status, enabling former NHS employees to remain members of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme. The cost to the group of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

J) CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Cranstoun's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Key areas subject to judgement and estimation are as follows:

Provisions for dilapidation works to leased properties

Management review, and provide for, potential dilapidations in respect of properties where the lease includes an obligation to restore the premises to the condition they were in when the lease was entered into. Management review such provisions on an annual basis and update them in accordance with historical experience and events that might materially impact on the potential costs to the charity. At the balance sheet date the total amount included in creditors was £202,960 (2021: £192,909).

2. INCOME FROM CHARITABLE ACTIVITIES

	General Funds £'000	Restricted Funds £'000	Total 2022 £'000
Residential services			
Board and lodging charges	539	258	797
Other income	-	-	-
	539	258	797
Community services			
Local authorities	3,870	-	3,870
Charitable Trusts	-	1,153	1,153
Other income	14,177	-	14,177
	18,047	1,153	19,200
	18,586	1,411	19,997

INCOME FROM CHARITABLE ACTIVITIES PREVIOUS YEAR

	General Funds £'000	Restricted Funds £'000	Total 2021 £'000
Residential services			
Board and lodging charges	478	261	739
Other income	-	-	-
	478	261	739
Community services			
Local authorities	5,263	-	5,263
Charitable Trusts	-	375	375
Other income	9,881	-	9,881
	15,144	375	15,519
	15,622	636	16,258

3. TOTAL EXPENDITURE

	Direct Staff Related Costs £'000	Other Direct Costs £'000	Support Costs (Note 4) £'000	Total 2022 £'000
Cost of charitable activities				
Residential services	364	350	59	773
Community services	10,909	5,307	2,049	18,265
	11,273	5,657	2,108	19,038

TOTAL EXPENDITURE PREVIOUS YEAR

	Direct Staff Related Costs £'000	Other Direct Costs £'000	Support Costs (Note 4) £'000	Total 2021 £'000
Cost of charitable activities				
Residential services	315	347	47	709
Community services	9,027	4,786	1,757	15,570
	9,342	5,133	1,804	16,279

4. ANALYSIS OF SUPPORT COSTS

	Finance £'000	Central Office Costs £'000	HR Quality & Training £'000	Governance Costs £'000	Total 2022 £'000
Cost of charitable activities					
Residential services	10	36	11	2	59
Community services	345	1,241	366	97	2,049
	355	1,277	377	99	2,108
Basis of allocation	Headcount	Headcount	Headcount	Headcount	

ANALYSIS OF SUPPORT COSTS PREVIOUS YEAR

	Finance £'000	Central Office Costs £'000	HR Quality & Training £'000	Governance Costs £'000	Total 2021 £'000
Cost of charitable activities					
Residential services	8	25	12	2	47
Community services	292	938	436	91	1,757
	300	963	448	93	1,804
Basis of allocation	Headcount	Headcount	Headcount	Headcount	

5. TRUSTEES

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year for acting as a trustee.

During the year £0 (2021: £0) was reimbursed to zero (2021: zero) Trustees for travel expenses incurred in the course of charity business.

6. NET INCOME FOR THE YEAR

This is stated after charging:

	2022	2021
	£'000	£'000
Auditor's remuneration	39	20
Depreciation	57	72
Operating lease rentals	519	552

7. EMPLOYEES

	2022	2021
	£'000	£'000
Wages and salaries	10,007	8,555
Social security	889	768
Pension costs	425	382
Redundancy and termination payments	3	45
	11,324	9,750

The monthly average head count was 402 staff (2021: 328 staff).

The numbers of staff earning in excess of £60,000 excluding employer pension contributions but including benefits in kind are as follows:

	2022	2021
	Number	Number
£60,000 to £70,000	1	2
£80,000 to £90,000	1	-
£90,000 to £100,000	-	2
£110,000 to £120,000	1	-

The total employee benefits of the senior management team (key management personnel) were £772,387 (2021: £790,277).

8. TAXATION

The Charity's activities are exempt from corporation tax.

9. TANGIBLE FIXED ASSETS

Group

	Furniture & Equipment £'000	Motor Vehicle £'000	Freehold Property £'000	Leasehold Improvements £'000	Total £'000
Cost					
At 1 April 2021	364	-	165	87	616
Additions	-	15	-	-	15
Disposals	(79)		-	(41)	(120)
At 31 March 2022	285	15	165	46	511
Accumulated depreciation					
At 1 April 2021	255	-	18	87	360
Charge for the year	56	-	1	-	57
Disposals	(79)		-	(41)	(120)
At 31 March 2022	232	-	19	46	297
Net book value at 31 March 2022	53	15	146	-	214
Net book value at 1 April 2021	109	-	147	-	256

Charity

	Furniture & Equipment £'000	Motor Vehicle £'000	Freehold Property £'000	Leasehold Improvements £'000	Total £'000
Cost					
At 1 April 2021	285	-	165	46	496
Additions	-	15	-	-	15
At 31 March 2022	285	15	165	46	511
Accumulated depreciation					
At 1 April 2021	176	-	18	46	240
Charge for the year	56		1	-	57
At 31 March 2022	232	-	19	46	297
Net book value at 31 March 2022	53	15	146	-	214
Net book value at 1 April 2021	109	-	147	-	256

10. SUBSIDIARY UNDERTAKINGS

Swanswell Charitable Trust (charity no: 1074891 company no: 03692925) which is incorporated in England and Wales is deemed to be a wholly owed subsidiary of Cranstoun from 15 December 2016 on the basis that Cranstoun is the sole member of the Charity. Audited accounts for Swanswell Charitable Trust are filed with the registrar of companies. On 31 October 2021 all assets and liabilities of Swanswell Charitable Trust were transferred to Cranstoun . A summary of the results for the period to 31 October 2021 and a summary of the assets transferred are shown below:

Summary of results

	2022	2021
	£'000	£'000
Total income	777	1,360
Total expenditure	(687)	(1,293)
Net expenditure and movement in funds	90	67

Assets and llabilities Transferred

	£'000
Debtors	151
Cash	787
Creditors	(223)
	715

Cranstoun Services Limited (company no 12313944) which is incorporated in England and Wales is a trading subsidiary in which Cranstoun holds 100% of the ordinary share capital. Cranstoun Services was incorporated on the 13th November 2019 and commenced trading on 1 January 2020. A summary of the results for the 12 months ended 31 March 2022 and a summary balance sheet at the end of the year are shown below:

Summary of results

	2022	2021
	£'000	£'000
Total income	6,725	5,037
Total Expenditure	(6,724)	(5,037)
Net income and movement in funds	1	-

Summary balance sheet

	2022	2021
	£'000	£'000
Debtors	3,152	1,028
Creditors	(3,145)	(1,022)
Net assets & funds	7	6

11. GROUP AND CHARITY INVESTMENTS

	2022	2021
	£'000	£'000
Investment portfolio		
Market value at 1 April 2021	1,266	1,067
Net gains on revaluation	66	199
Market value at 31 March 2022	1,332	1,266
Historical cost at 31 March 2022	741	741

This is made up as follows:

	2022	2021
	£'000	£'000
Analysis of Investments		
Listed investments	1,229	1,165
Cash	103	101
	1,332	1,266

12. DEBTORS

	Group	Group	Charity	Charity
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade debtors	2,595	1,820	1,409	1,023
Prepayments and accrued income	2,436	1,365	1,680	1,161
Amounts owed by subsidiary undertakings	-	-	1,561	403
Other debtors	67	79	67	42
	5,098	3,264	4,717	2,629

13. CREDITORS

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Amounts Falling Due Within One Year				
Trade creditors	413	410	413	383
Accruals	2,204	956	1,624	789
Deferred income	1,783	1,154	1,292	807
Social Security & other taxes	296	220	296	208
Pension contributions	71	56	71	52
Other creditors	572	330	60	67
	5,339	3,126	3,756	2,306
Amounts Falling Due After More Than One Year				
Accruals	203	193	203	103

Deferred Income represents funding received in advance of the provision of the related service. All deferred income held at the end of the previous financial year has been recognised in the current financial year.

14. PENSION COSTS

The charity and group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the charity in independently administered funds and there are two providers, Standard Life, and Aviva. The pension costs charged in the year were £424,892 (2021: £381,679).

15. STATEMENT OF FUNDS

Group

	Balance at 01-Apr-21 £'000	Income £'000	Expenditure £'000	Investment Gains/Losses £'000	Transfers £'000	Balance at 31-Mar-22 £'000
Restricted Funds						
Residential services	-	258	(258)	-	-	-
Community services	-	1,153	(1,153)	-	-	-
Total Restricted Funds	-	1,411	(1,411)	-	-	-
Unrestricted Funds						
Designated Funds						
Innovation fund					2,959	2,959
Fixed Asset Fund	256	-	-	-	(42)	214
Total Designated Funds	256	-	-	-	2,917	3,173
General Funds	7,544	18,590	(17,627)	66	(2,917)	5,656
Total Unrestricted Funds	7,800	18,590	(17,627)	66	-	8,829
Total Funds	7,800	20,001	(19,038)	66	-	8,829

Charity

	Balance at 01-Apr-21 £'000	Income £'000	Expenditure £'000	Gains/Losses £'000	Transfers £'000	Balance at 31-Mar-22 £'000
Restricted Funds						
Residential services	-	259	(259)	-	-	-
Community services	-	1,123	(1,123)	-	-	-
Total Restricted Funds	-	1,382	(1,382)	-	-	-
Unrestricted Funds						
Designated Funds						
Innovation fund					2,959	2,959
Fixed Asset Fund	256	-	-	-	(42)	214
Total Designated Funds	256	-	-	-	2,917	3,173
General Funds	6,911	18,549	(16,962)	66	(2,917)	5,647
Total Unrestricted Funds	7,167	18,549	(16,962)	66	-	8,820
Total Funds	7,167	19,931	(18,344)	66	-	8,820

Restricted funds are for the following purposes:

Residential services: This represents partial funding for 5 residential homes in London which operate programmes to rehabilitate ex-drug users so that they can lead a drug-free life.

Community services: This represents grants to support various community initiatives.

Designated funds are for the following purposes:

Innovation Fund: This is used to fund strategic investment, innovation and development opportunities.
Fixed Asset Fund: This fund represents the net book value of freehold properties and other fixed assets.

STATEMENT OF FUNDS PREVIOUS YEAR

Group

	Balance at 01-Apr-20 £'000	Income £'000	Expenditure £'000	Investment Gains/Losses £'000	Transfers £'000	Balance at 31-Mar-21 £'000
Restricted Funds						
Residential services	-	261	(261)	-	-	-
Community services	-	375	(375)	-	-	-
Total Restricted Funds	-	636	(636)	-	-	-
Unrestricted Funds						
Designated Funds						
Fixed Asset Fund	309	-	-	-	(53)	256
Total Designated Funds	309	-	-	-	(53)	256
General Funds	7,272	15,663	(15,643)	199	53	7,544
Total Unrestricted Funds	7,581	15,663	(15,643)	199	-	7,800
Total Funds	7,581	16,299	(16,279)	199	-	7,800

Charity

	Balance at 01-Apr-20 £'000	Income £'000	Expenditure £'000	Investment Gains/Losses £'000	Transfers £'000	Balance at 31-Mar-21 £'000
Restricted Funds						
Residential services	-	262	(262)	-	-	-
Community services	-	375	(375)	-	-	-
Total Restricted Funds	-	637	(637)	-	-	-
Unrestricted Funds						
Designated Funds						
Fixed Asset Fund	309	-	-	-	(53)	256
Total Designated Funds	309	-	-	-	(53)	256
General Funds	6,713	14,296	(14,350)	199	53	6,911
Total Unrestricted Funds	7,022	14,296	(14,350)	199		7,167
Total Funds	7,022	14,933	(14,987)	199	-	7,167

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group

	Tangible Fixed Assets £'000	Investments £'000	Current Assets £'000	Liabilities £'000	Total £'000
Designated funds					
Innovation fund			2,959		2,959
Fixed Asset Fund	214	-	-	-	214
General funds	-	1,332	9,866	(5,542)	5,656
Total Funds	214	1,332	12,825	(5,542)	8,829

Charity

	Tangible Fixed Assets £'000	Investments £'000	Current Assets Assets £'000	Liabilities £'000	Total £'000
Designated funds					
Innovation fund			2,959		2,959
Fixed Asset Fund	214	-	-	-	214
General funds	-	1,332	8,274	(3,959)	5,647
Total Funds	214	1,332	11,233	(3,959)	8,820

ANALYSIS OF NET ASSETS BETWEEN FUNDS PREVIOUS YEAR

Group

	Tangible Fixed Assets £'000	Investments £'000	Current Assets Assets £'000	Liabilities £'000	Total £'000
Designated funds					
Fixed Asset Fund	256	-	-	-	256
General funds	-	1,266	9,597	(3,319)	7,544
Total Funds	256	1,266	9,597	(3,319)	7,800

Charity

	Tangible Fixed Assets £'000	Investments £'000	Current Assets Assets £'000	Liabilities £'000	Total £'000
Designated funds					
Fixed Asset Fund	256	-	-	-	256
General funds	-	1,266	8,054	(2,409)	6,911
Total Funds	256	1,266	8,054	(2,409)	7,167

17. STATUS

The company is limited by guarantee with no share capital and is a registered charity. In the event of the company being woun d up, the Trustees' liability is limited to £1 each.

18. LEASE COMMITMENTS

At 31 March 2022, the group had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2022 Land and Buildings £'000	2022 other £'000	2021 Land and Buildings £'000	2021 Other £'000
Payments due in:				
Not later than 1 year	377	20	212	7
Later than 1 year and not later than 5 years	1,054	28	771	6
More than 5 years	36		-68	-
	1,467	48	1,051	13

19. CAPITAL COMMITMENTS

There are no capital commitments.

20. CONTINGENT LIABILITIES

There are no contingent liabilities.

21. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Net Income for the year	1,029	219	937	146
Depreciation charges	57	72	57	72
Gains on investments	(66)	(199)	(66)	(199)
Dividends, interest and rents from investments	(1)	(5)	(1)	(4)
(Decrease) in debtors	(1,834)	(1,406)	(2,088)	(1,041)
Increase in creditors	2,223	494	1,551	264
Decrease in Onerous Lease Provision	-	(52)	-	-
Net Cash provided by /(used in) operating activities	1,408	(877)	390	(762)

22. RELATED PARTY TRANSACTIONS

During the year Cranstoun recharged costs totalling £484,086 (2021: £831,762) to Swanswell its subsidiary undertaking. At the balance sheet date a balance of £0 (2021: £47,752) was owed to Cranstoun. Also, Swanswell recharged Cranstoun £48,020 (2021 £133,488) in the year.

Cranstoun also recharged costs totalling 6,717,441 (2021 £4,781,000) to Cranstoun Services Ltd its trading subsidiary. At the balance sheet date a balance of £1,561,250 (2021 £354,903) was outstanding to Cranstoun.