

**THE CENTRE FOR SOCIAL JUSTICE  
REPORT OF THE DIRECTORS AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2016**

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**THE CENTRE FOR SOCIAL JUSTICE**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2016**

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	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Income Statement</b>	<b>5</b>
<b>Other Comprehensive Income</b>	<b>6</b>
<b>Balance Sheet</b>	<b>7</b>
<b>Statement of Changes in Equity</b>	<b>8</b>
<b>Notes to the Financial Statements</b>	<b>9</b>
<b>Reconciliation of Equity</b>	<b>13</b>
<b>Reconciliation of Profit</b>	<b>15</b>
<b>Trading and Profit and Loss Account</b>	<b>16</b>

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**THE CENTRE FOR SOCIAL JUSTICE**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MAY 2016**

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**Directors:**

S Brien  
R H Brooks (Chairman)  
Mrs N M Oliver  
Mrs C L Usher-Smith  
A Wethered  
M Yallop  
Baroness P Stroud (Chief Exec)

**Secretary:**

Warwick Consultancy Services Limited

**Registered office:**

34a Queen Anne's Gate  
London  
SW1H 9AB

**Registered number:**

05137036

## THE CENTRE FOR SOCIAL JUSTICE

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MAY 2016

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The directors present their report with the financial statements of the company for the year ended 31 May 2016.

#### Review of business

##### Director's Overview for the period 1 June 2015 to 31 May 2016

The Centre for Social Justice (CSJ) exists to put social justice at the heart of British politics. Its vision is to give people in the UK, who are experiencing the worst multiple levels of disadvantage and issues of injustice, every possible opportunity to reach their full potential.

The principles behind this vision are: A mandate for the whole of the UK, not just isolated areas; A focus towards the bottom 20% of society and those who without an external intervention may never fulfil their potential; An acclaimed evidence base that harnesses grass-roots practice and avoids short term thinking; To provide a clear route out of poverty via a hand-up, not a hand-out; A commitment to the transformation of lives, not just alleviating symptoms.

The CSJ's research is disseminated through publications, media coverage, social media, online, and via high-profile influencing events throughout the year. The CSJ engages with policy makers across the political spectrum and is regularly featured within major news outlets and news print.

#### Results and Management

Income for the year was £1,105,388 (compared to £1,598,202 in 2014-15). During the previous financial year, ending 31st May 2015, the activity in the weeks leading up to the May 2015 General Election resulted in a significantly higher than usual number of funded events and publications – and therefore a higher level of income. In the year ending 31st May 2016, changes of structure and management (described below) reduced the CSJ's annual expenditure. These factors help to explain the difference in annual financial results for 2014-15 compared to 2015-16.

In August of 2015, the CSJ's then Chief Executive Christian Guy was appointed by the Prime Minister to join the policy team in 10 Downing Street to advise the Prime Minister on issues of welfare reform and life chances. During his tenure as CEO, Christian oversaw the publishing by the CSJ of landmark research most notably *Breakthrough Britain* (2015) and *It Happens Here* (2013). These reports resulted in the creation of the government's Life Chances strategy and the passing of the Modern Day Slavery Act, respectively. For all of this the Board of Directors would like to put on record its sincere thanks and appreciation.

Following Christian's move into government, in October 2015 Baroness Philippa Stroud, one of the CSJ's founders, re-joined the organisation as the CSJ's Chief Executive after five years working with Iain Duncan Smith at the Department for Work and Pensions. Under new leadership, the CSJ undertook a strategic restructure which resulted in a reduction in the organisation's annual running costs while at the same time significantly bolstering the CSJ's senior leadership team. As a result of these changes, the CSJ has in place a strong team and a dynamic vision for the years ahead. In addition, the CSJ has a healthy bank balance to fund working capital requirements going forward.

Mark Florman stepped down as Chairman of the Board of Directors in March 2016. Mark has been involved in the CSJ since the organisation was founded in 2004 and he has played a significant role in its development and progress since then. The board thanks Mark for his enduring contribution and achievements which were celebrated in June 2016 at a reception hosted at the CSJ's new Westminster offices. Rory Brooks was appointed as his successor.

#### Policy and Research

In the past year, 12 reports have been published by the CSJ which have not only attracted a great deal of media attention but have also had a huge impact on government policies and attitudes towards social justice. A full list of these publications is provided below.

The prominent areas the CSJ has focused its reports in this previous year have been:

## Family

The CSJ published ***Military Families and Transition***, a report highlighting the difficulties faced by military personnel and their families. Some of the issues covered in the report included family stability, mental health, alcohol addiction, domestic abuse, children's education, and serious personal debt. The report aimed to overcome and dispel the stigmas and challenges surrounding these families.

The CSJ's report entitled ***Where next for the Family Test?*** proposed that government departments should accumulate and publish the measures taken to ensure stability in families and how each government department is supporting families. This report also proposed that evidence should be offered on the positive impact of achieving family stability. The CSJ believes that strengthening the family test and preserving it in law, would increase family stability and, if implemented effectively, it would become an essential part of policy development.

In our ***Parenting Classes*** report, we suggested the government should develop a new scheme of parenting classes making them an essential factor in improving family life. This report also emphasised the important role of parents throughout their child/children's life in order to maximise their development and life chances. The CSJ believes that strong, stable families benefit the whole of society.

## Personal Finance

In the report ***Future Finance***, the CSJ provided a range of recommendations which focused on how the expansion of new services could help reduce personal debt and the multiple problems that result from it. The report also focused on the causes of debt, primarily in low income households and stated that tackling it requires a holistic approach with a focus on people and their families.

The CSJ's ***Help to Save*** report focused on creating a new savings scheme which could be used to leverage credit at lower rates. The report recommended using efficiency savings to create a new generation of savers, so that the government could assist low earners to save and therefore limit the problems caused by debt and poor financial planning.

Our short briefing note, ***Reforming Tax Credits***, aimed to assist the government in its decisions about reforming tax credits so as to increase the likelihood that future reforms would be useful and workable. The CSJ believes that further reforms should not simply consist of making cuts to Universal Credit which could undermine the aim of making work pay.

## Homes

The CSJ proposed ways to limit poor life chances throughout the private and social rented sectors and, ultimately, to change the government's approach to housing policy. The recommendations were published in ***Home Improvements*** and focused on tackling instability in the housing market and therefore establish secure housing.

## Children

In the short paper on ***Reforming the Child Poverty Act***, the CSJ criticised the current measures on child poverty, believing they fail to fully understand the true nature of poverty. The CSJ called on the government to focus on tackling the root causes of poverty and to radically improve the lives of the most disadvantaged families.

## Causes of Poverty

In the ***Open Letter to the Chancellor of the Exchequer from Baroness Stroud*** the CSJ encouraged the government to focus on and tackle poverty with plans based on the CSJ's Five Pathways to Poverty. The letter asked the government to use the spending review to incorporate major social reforms with a new life chances agenda.

In this report, the CSJ wanted to change the current poverty measures by particularly focusing on the CSJ's Five Pathways to Poverty. In ***Improving Life Chances***, the CSJ called for these to be incorporated into law and advocated for them to be used by the government to transform the way poverty is viewed in society.

## Society

The ***Manifesto for London*** was directed at the new London Mayor and focused on the predominant problems in London: youth unemployment, low pay, and renting in the private sector. The CSJ suggested that a Deputy Mayor for Social Justice should be appointed. The CSJ suggested a range of recommendations such as the introduction of a London-wide Social Lettings Agency to provide security to landlords and to help potentially vulnerable tenants through specialised one to one support.

## Media, Events, Impact

The CSJ's reports and its various researches have been numerous referred to in the media, throughout the previous year. It has been mentioned 304 times in British newspapers. The CSJ published 22 press releases over this period covering a broad range of topics from child poverty to household debt.

The CSJ has also been involved with 46 events including hosting 9 roundtable discussions and 13 events at the annual political Party Conferences. The events covered a broad range of topics including a speech from the then Prime Minister David Cameron. Throughout the year the CSJ has engaged with individuals and organisations in business, politics, and the charitable sector.

The **12 reports** that have been published by the CSJ this year were:

- Future Finance: A new approach to financial capability (June 2015)
- Reforming the Child Poverty Act (June 2015)
- Reforming Tax Credits - An Options Paper (November 2015)
- Open Letter to the Chancellor of the Exchequer from Baroness Stroud (November 2015)
- Improving Life Chances (February 2016)
- Home Improvements. A social justice approach to housing policy (March 2016)
- Help to Save (March 2016)
- Delivering a Life Chances Strategy
- Parenting Classes (April 2016)
- Manifesto for London (April 2016)
- Where Next for the Family Test? (April 2016)
- Military Families and Transition (May 2016)

The CSJ is excited to continue its work with its Alliance of 350+ poverty fighting charities who, collectively, represent best practice in fighting poverty around the UK. This is a core part of the CSJ's work and will continue to be in the years to come.

## DIRECTORS

- S Brien
- R H Brooks
- M Florman (retired March 2016)
- Mrs N M Oliver
- Mrs C Usher-Smith
- Baroness P Stroud (elected October 2015)
- A Wethered
- M Yallop

THE CENTRE FOR SOCIAL JUSTICE

REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MAY 2016

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**Directors**

The directors shown below have held office during the whole of the period from 1 June 2015 to the date of this report.

S Brien  
R H Brooks (Chairman)  
Mrs N M Oliver  
Mrs C L Usher-Smith  
A Wethered  
M Yallop

Other changes in directors holding office are as follows:

M Florman - resigned 23 March 2016  
C O Guy - resigned 28 August 2015  
R J H Robson - resigned 1 September 2015  
Baroness P Stroud (Chief Exec) - appointed 3 October 2015

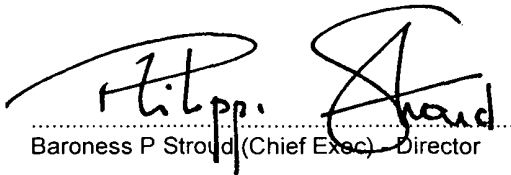
This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board:



.....  
R H Brooks (Chairman) - Director

Date: 12/09/2016.....



.....  
Baroness P Stroud (Chief Exec) - Director

Date: 12/09/2016 .....

THE CENTRE FOR SOCIAL JUSTICE

INCOME STATEMENT  
FOR THE YEAR ENDED 31 MAY 2016

	Notes	2016 £	2015 £
Turnover		1,105,388	1,598,202
Direct Costs		<u>(64,197)</u>	<u>(224,926)</u>
Gross profit		1,041,191	1,373,276
Administrative expenses		<u>(1,013,037)</u>	<u>(1,094,118)</u>
Operating profit	3	28,154	279,158
Interest receivable and similar income		<u>325</u>	<u>71</u>
Profit on ordinary activities before taxation		28,479	279,229
Tax on profit on ordinary activities	4	<u>-</u>	<u>-</u>
Profit for the financial year		<u>28,479</u>	<u>279,229</u>

The notes form part of these financial statements



THE CENTRE FOR SOCIAL JUSTICE

OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MAY 2016

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	Notes	2016 £	2015 £
Profit for the year		28,479	279,229
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>28,479</u>	<u>279,229</u>

The notes form part of these financial statements

**BALANCE SHEET**  
**31 MAY 2016**

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	5		1,777		467
<b>Current assets</b>					
Debtors	6	35,497		19,150	
Cash at bank		<u>643,359</u>		<u>534,505</u>	
		678,856		553,655	
<b>Creditors</b>					
Amounts falling due within one year	7	<u>120,438</u>		<u>22,406</u>	
<b>Net current assets</b>			<u>558,418</u>		<u>531,249</u>
<b>Total assets less current liabilities</b>			<u>560,195</u>		<u>531,716</u>
<b>Reserves</b>					
Retained earnings	8		<u>560,195</u>		<u>531,716</u>
			<u>560,195</u>		<u>531,716</u>

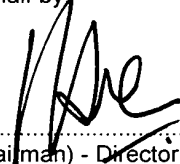
The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2016.

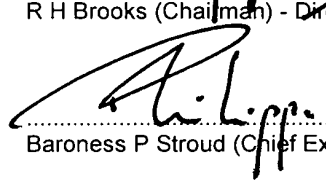
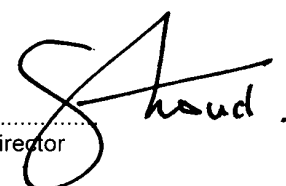
The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board of Directors on ....12/09/2016..... and were signed on its behalf by:

  
.....  
R H Brooks (Chairman) - Director

   
.....  
Baroness P Stroud (Chief Exec) - Director

THE CENTRE FOR SOCIAL JUSTICE

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MAY 2016

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	Retained earnings £	Total equity £
Balance at 1 June 2014	252,487	252,487
Changes in equity		
Total comprehensive income	<u>279,229</u>	<u>279,229</u>
Balance at 31 May 2015	<u>531,716</u>	<u>531,716</u>
Changes in equity		
Total comprehensive income	<u>28,479</u>	<u>28,479</u>
Balance at 31 May 2016	<u><u>560,195</u></u>	<u><u>560,195</u></u>

The notes form part of these financial statements

1. **Accounting policies**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

A summary of principal accounting policies, all of which have been applied consistently throughout the year and the preceding year is set out below.

**Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.  
This is consistent with previous reporting years.

**Turnover**

Turnover represents income received as grants or other contributions.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	-	Straight line over 3 years
Computer equipment	-	Straight line over 3 years

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Going concern**

These financial statements have been prepared on a going concern basis.

The current economic conditions present increased risks for all businesses. In response to such conditions, the directors have carefully considered these risks including an assessment on uncertainty on future trading projection for a period of at least 12 months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis.

Based on assessment, the directors consider that the Company maintains an appropriate level of liquidity, sufficient to meet the demands of the business including any capital and servicing obligations and external debt liabilities.

In addition, the Company's assets are assessed for recoverability on a regular basis, and the directors consider that the Company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubts upon the Company's ability to continue as a going concern. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2016

1. Accounting policies - continued

**Financial instruments**

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds basic financial instruments which comprise cash and cash equivalents, trade and other receivables, trade and other payables. The company has chosen to apply the provisions of Section 11 Basic Financial Instruments and Section 12 Other Financial Instruments in full.

Financial assets - classified as basic financial instruments

(i) Cash and cash equivalents include cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

(ii) Trade and other receivables

Trade and other receivables are initially recognised at the transaction price, including any transaction costs, and subsequently measured at amortised cost including the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

At the end of each reporting period, the Company assesses whether there is objective evidence that a receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

(iii) Trade and other payables

Trade and other payables are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the discounted amount of the cash expected to be paid.

2. Staff costs

	2016 £	2015 £
Wages and salaries	602,169	778,465
Social security costs	56,975	82,070
Other pension costs	<u>30,575</u>	<u>26,615</u>
	<u>689,719</u>	<u>887,150</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Employees	<u>10</u>	<u>21</u>

3. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Other operating leases	91,679	56,998
Depreciation - owned assets	<u>896</u>	<u>510</u>
Directors' remuneration	<u>-</u>	<u>-</u>

4. Taxation

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 May 2016 nor for the year ended 31 May 2015.

THE CENTRE FOR SOCIAL JUSTICE

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2016

5. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Totals £
<b>Cost</b>			
At 1 June 2015	8,933	1,529	10,462
Additions	-	2,206	2,206
At 31 May 2016	<u>8,933</u>	<u>3,735</u>	<u>12,668</u>
<b>Depreciation</b>			
At 1 June 2015	8,933	1,062	9,995
Charge for year	-	896	896
At 31 May 2016	<u>8,933</u>	<u>1,958</u>	<u>10,891</u>
<b>Net book value</b>			
At 31 May 2016	<u>-</u>	<u>1,777</u>	<u>1,777</u>
At 31 May 2015	<u>-</u>	<u>467</u>	<u>467</u>

6. Debtors: amounts falling due within one year

	2016 £	2015 £
Trade debtors	-	4,000
Other debtors	15,150	15,150
Prepayments	<u>20,347</u>	<u>-</u>
	<u>35,497</u>	<u>19,150</u>

7. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	90,646	1,585
Net Pay Control	-	(1,560)
Social security and other taxes	17,822	22,381
Accrued expenses	<u>11,970</u>	<u>-</u>
	<u>120,438</u>	<u>22,406</u>

8. Reserves

	Retained earnings £
At 1 June 2015	531,716
Profit for the year	<u>28,479</u>
At 31 May 2016	<u>560,195</u>

9. First year adoption

This is the first year that the company has presented its results under FRS102 (an obligatory change according to guidelines from the Financial Reporting Council). The last financial statement under UK GAAP were for the year ended 31 May 2015. The date of transition to FRS102 was 1 June 2015. There are no reconciling differences to the profit for the financial year ended 31 May 2015 and the total equity as at 1 June 2015 and 31 May 2015 between UK GAAP as previously reported and FRS102.

Due to the straight forward nature of the Company's business and financial instruments, judgements, estimates, and provisions there were no further adjustments to the Company's balance sheet at 1 June 2015 or 31 May 2015 on transition to FRS 102.

THE CENTRE FOR SOCIAL JUSTICE

RECONCILIATION OF EQUITY

1 JUNE 2014

(DATE OF TRANSITION TO FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>Fixed assets</b>				
Tangible assets		<u>977</u>	<u>-</u>	<u>977</u>
<b>Current assets</b>				
Debtors		19,150	-	19,150
Cash at bank		<u>292,101</u>	<u>-</u>	<u>292,101</u>
		<u>311,251</u>	<u>-</u>	<u>311,251</u>
<b>Creditors</b>				
Amounts falling due within one year		<u>(59,741)</u>	<u>-</u>	<u>(59,741)</u>
<b>Net current assets</b>		<u>251,510</u>	<u>-</u>	<u>251,510</u>
<b>Total assets less current liabilities</b>		<u>252,487</u>	<u>-</u>	<u>252,487</u>
<b>Net assets</b>		<u>252,487</u>	<u>-</u>	<u>252,487</u>
<b>Reserves</b>				
Retained earnings		<u>252,487</u>	<u>-</u>	<u>252,487</u>
		<u>252,487</u>	<u>-</u>	<u>252,487</u>

The notes form part of these financial statements



THE CENTRE FOR SOCIAL JUSTICE

RECONCILIATION OF EQUITY - continued  
31 MAY 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>Fixed assets</b>				
Tangible assets		<u>467</u>	<u>-</u>	<u>467</u>
<b>Current assets</b>				
Debtors		19,150	-	19,150
Cash at bank		<u>534,505</u>	<u>-</u>	<u>534,505</u>
		<u>553,655</u>	<u>-</u>	<u>553,655</u>
<b>Creditors</b>				
Amounts falling due within one year		<u>(22,406)</u>	<u>-</u>	<u>(22,406)</u>
<b>Net current assets</b>		<u>531,249</u>	<u>-</u>	<u>531,249</u>
<b>Total assets less current liabilities</b>		<u>531,716</u>	<u>-</u>	<u>531,716</u>
<b>Net assets</b>		<u>531,716</u>	<u>-</u>	<u>531,716</u>
<b>Reserves</b>				
Retained earnings		<u>531,716</u>	<u>-</u>	<u>531,716</u>
		<u>531,716</u>	<u>-</u>	<u>531,716</u>

The notes form part of these financial statements

THE CENTRE FOR SOCIAL JUSTICE

RECONCILIATION OF PROFIT  
FOR THE YEAR ENDED 31 MAY 2015

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	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>Turnover</b>	1,598,202	-	1,598,202
Direct Costs	<u>(224,926)</u>	<u>-</u>	<u>(224,926)</u>
<b>Gross profit</b>	1,373,276	-	1,373,276
Administrative expenses	<u>(1,094,118)</u>	<u>-</u>	<u>(1,094,118)</u>
<b>Operating profit</b>	279,158	-	279,158
Interest receivable and similar income	<u>71</u>	<u>-</u>	<u>71</u>
<b>Profit on ordinary activities before taxation</b>	279,229	-	279,229
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Profit for the financial year</b>	<u><u>279,229</u></u>	<u><u>-</u></u>	<u><u>279,229</u></u>

The notes form part of these financial statements