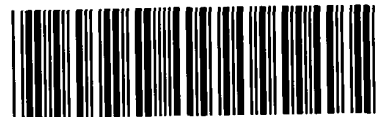


REGISTERED NUMBER: 05137036

**THE CENTRE FOR SOCIAL JUSTICE
REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

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THE CENTRE FOR SOCIAL JUSTICE

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FOR THE YEAR ENDED 31 MAY 2017**

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THE CENTRE FOR SOCIAL JUSTICE

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2017**

Directors:

S Brien
Mrs N M Oliver
Ms C L Usher-Smith
A T Cook
I Duncan Smith
Ms A Eastman

Secretary:

Ms J L Heldreich

Registered office:

34a Queen Annes Gate
London
SW1H 9AB

Registered number:

05137036

THE CENTRE FOR SOCIAL JUSTICE

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MAY 2017

The directors present their report with the financial statements of the company for the year ended 31 May 2017.

Review of business

Director's Overview for the period 1 June 2016 to 31 May 2017

The Centre for Social Justice (CSJ) exists to put social justice at the heart of British politics. We partner with over 350 grassroots charities from Britain's poorest communities, as well as experts from across the world, to develop ambitious, evidence-based and experience-led reforms that tackle the root causes of poverty and social breakdown.

We then take our reforms and, working closely with an extensive network of political, policy and media contacts, campaign for their successful implementation. This is how we fight to transform people's lives by releasing them from poverty.

Seven core values underpin all that we do: we are ambitious about transforming people's lives; we do not believe poverty is only about money, but also people's quality of life and their opportunities to make the most of their potential; we tackle the root causes of poverty, not the symptoms; we are focused on what works; we are committed to following the evidence wherever it leads; we serve the interests of the poorest fifth in Britain; and we believe that prevention is better than cure.

CSJ 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 from across the political spectrum and is regularly featured within major news outlets and newsprint.

Results and Management

Income for the year was £1,179,150 (compared to £1,105,388 in 2015-16). The end of our financial year coincided with the run up to a snap General Election, which was held on 8th June. This was a significant event, which provided opportunities for the CSJ to persuade political parties to adopt policy recommendations in their manifestos.

There were a number of personnel changes at the CSJ this year. Having served as CEO from 2004 to 2010, Baroness Stroud then served as CEO and board member of the CSJ in a period of transition from October 2015 to September 2016, after which she stepped down to become CEO of the Legatum Institute. During her second tenure at the CSJ, Baroness Stroud strengthened the staff team and successfully delivered 15 reports, such as Military Families and Transition, Manifesto for London and Home Improvements, amongst others. For all of her work and continuing support, the Board of Directors would like to put on record its sincere thanks and appreciation.

Andy Cook, who was previously the Director of Programmes at the CSJ, replaced Baroness Stroud as CEO. Prior to this he founded and led the charity, TwentyTwenty, which supports children from one of the most disadvantaged communities in the Midlands get a good education and make the most of their potential. Andy's key focus has been on restructuring the organisation, by introducing heads of policy and specific advisory boards over each area, and by putting the CSJ's Alliance of poverty-fighting charities increasingly at the heart of the organisation. This has been purposed to ensure the CSJ can more successfully outwork its mission to put social justice at the heart of British politics, and has positioned the organisation well to deliver on this mission.

Rory Brooks stepped down as Chairman of the Board of Directors in September 2016. Rory has played a significant role at the CSJ ever since joining it as Chair of the Development Committee in 2012. He has been a constant source of wisdom, strategic insight and support to the CSJ over many years, and leaves with the sincere thanks of the board for all that he has helped the CSJ achieve and become.

The Rt Hon Iain Duncan-Smith MP replaced Rory Brooks as Chairman. Iain founded the CSJ in 2004, and chaired it from 2004 till 2010 when he went into Government as Secretary of State for Work and Pensions, where he introduced the transformative welfare reforms Universal Credit and the Work Programme, amongst other significant reforms.

Upon returning to the CSJ he has been supporting the CEO and senior team restructure and refinance the organisation, and using his detailed knowledge of government and politics to help the organisation become ever more effective in its work.

Two further board members - Adam Wethered and Mark Yallop - also stepped down in September 2016. They have both served four years on the board, and have diligently and expertly helped guide the organisation through transitions, always being very generous with their time and resources to ensure the continued success of the CSJ in its mission to put social justice at the heart of British politics. The board would like to thank them for their significant and enduring contribution towards the CSJ.

Adele Eastman, Senior Associate at Farrer & Co joined the board in January 2017. She comes with significant experience in charity law and as an expert on child protection and poverty alleviation.

THE CENTRE FOR SOCIAL JUSTICE

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MAY 2017

A New Structure

The CSJ has been restructured in 2016/17 to make three elements central to all that we do.

First, we have increased our ability to link the backstreets of Britain with the corridors of power by moving the CSJ's Alliance of poverty-fighting charities to the heart of our operations.

Second, we have focussed our policy and advocacy work on those areas we know are fundamental to tackling poverty: family, education, welfare and work, personal debt and addiction. We have also worked on criminal justice reform as so much of these poverty problems are concentrated in the criminal justice system.

Third, we have introduced expert Advisory Boards across each of our policy areas, and introduced a specific Impact Team, to maximise the likelihood of our reforms being taken up by government and making a significant, tangible difference to the lives of those in poverty. A brief summary of each of these areas is set out below.

The Grassroots

The CSJ is inspired and nourished by its unique relationship with the CSJ Alliance: a group of 350 frontline, poverty-fighting charities. These organisations are spread across the length and breadth of Britain, acting as our "eyes and ears" on the ground. These small and innovative ventures are highly effective and truly understand the nature of poverty and social breakdown.

The CSJ draws heavily from the Alliance's experience, meaning government can be sure that the reforms we suggest are based on what has been road tested and proven to work on the ground. This helps government develop effective strategies to alleviate the suffering of the poorest and prevents policies being developed which are detached from reality.

The CSJ placed the Alliance at the centre of its operations by appointing an Alliance Director to oversee this part of the organisation. We also hosted our Alliance Awards Ceremony, where the following grassroot charities received a £10,000 award for excellence in tackling poverty: Red Balloon, Invisible Walls Wales, Auditory Verbal, Money Buddies, Steps2Recovery and The Clink.

Policy

In the past year, 19 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 Need for Community (June 2016)
- Delivering a Care Leavers' Strategy (August 2016)
- Annual Fatherhood Survey (August 2016)
- 48:52 (September 2016)
- Road to Brexit (September 2016)
- The Case for Strengthening Universal Credit Work Allowances (October 2016)
- The Use of Digital Technologies to tackle Financial Exclusion (November 2016)
- Bullying and Self-Exclusion: Who Cares?
- Selective Education and Social Mobility (December 2016)
- Reforming Contributory Benefits (December 2016)
- Everyone's Business (December 2016)
- Next Steps for Universal Support in Universal Credit (December 2016)
- The Syrian Refugee Crisis (February 2017)
- Submission to the Women and Equalities Committee (March 2017)
- Housing First (March 2017)
- Homes Fit for Heroes (March 2017)
- Rethinking Disability at Work (March 2017)
- Creating a Society Free of Serious Personal Debt (April 2017)
- Targeted, Timely and Reliable Access to Credit (April 2017)

The CSJ also undertook a review of its policy priorities to ensure work was focussed on what will make the greatest difference in the fight against poverty. As a result, CSJ policy will be focussed on the following for the coming year:

Education

- Developing a new early education and childcare system to ensure that children from poorer backgrounds are not disadvantaged before they enter primary school

THE CENTRE FOR SOCIAL JUSTICE

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MAY 2017

- Presenting the Government with a plan to radically transform Alternative Provision to ensure the most challenging children get the best possible education
- Reviewing the entire education system to ensure it is effective at preparing the most disadvantaged children for robust career paths. Papers and campaigns will include: technical education; plugging our skills gaps; apprenticeships; and careers advice and the role of employers

Work and Welfare

- Setting out how the welfare reform, Universal Credit, can be most effectively rolled out and how we can make the most of this transformational reform to support people into employment and to progress in work
- Undertaking a review of the Future of Work and how, as the world of work changes, everyone can benefit from employment, especially the poorest

Family

- Collating a series of papers which will show how strong families are crucial to advancing a range of positive social outcomes from improved child mental health through to tackling reoffending
- Carrying out a ground-breaking review of children in care with the aim of substantially reducing the number of children requiring care and improving the outcomes of those who do
- Publishing an inaugural annual survey of fatherhood in the UK to raise awareness for the fatherhood crisis present in Britain

Addiction and Debt

- We are setting out a state of the nation on debt, to help politicians, businesses and others to understand the scale and shape of Britain's debt problems
- We are initiating a campaign to ensure those with addictions receive the help they need to become abstinent and make the most of their potential

Criminal Justice

- Setting out plans to transform the approach to sentencing women, developing proposals to enable a network of community-based women's centres
- Outlining plans for reforming probation and developing earlier and more local interventions to reduce recidivism and crime
- Policy briefing papers and roundtables on drugs in prison, gun crime and child
- Sexual exploitation

Impact

Over the years the CSJ has transformed the political landscape and our reforms have improved millions of people's lives and rescued hundreds of thousands from poverty.

Our work has directly led to the introduction of new laws that have brought about meaningful reform, new policy that has shifted culture and government practice and millions of pounds investment into programmes proven to tackle poverty.

Our work proves that better policy and laws can, and do, change people's lives. Here are three of the key reforms we have successful help bring in this year:

Ending rough sleeping

In February 2017, the CSJ, working with Crisis, presented a plan to all political parties on how to end rough sleeping for good.

The number of people sleeping rough has increased by over 130 per cent since 2010. Our work showed that it would be possible to end rough sleeping for those with the most entrenched needs using a Housing First approach.

The Government agreed, and has committed to ending halving rough sleeping over this Parliament and ending it altogether within a decade.

Helping people out of severe personal debt

At the end of 2016 we were approached by an Alliance charity, StepChange, who specialise in helping people tackle personal debt. They told us how people were increasingly getting stuck in vicious spirals of debt due to the lack of a "breathing space" to freeze debts long enough for a sensible repayment plan to be formed. This was also a longstanding CSJ recommendation.

THE CENTRE FOR SOCIAL JUSTICE

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MAY 2017

We agreed to conduct a roundtable together to campaign for a debt "breathing space". We hosted it in March 2017. It was attended by Treasury Ministers and other parliamentarians, frontline charities and businesses. We also published a policy paper making the case for the policy change.

When the snap election was called weeks later, both the Labour and Conservative Manifestos included a promise to introduce a debt "breathing space". It is now being introduced by Government.

Giving the lowest paid workers an effective two per cent tax cut

In 2009, the CSJ set out the blueprint for the welfare reform, Universal Credit. It is already proving successful as, compared with the old welfare system, people are more likely to be in work, stay in work and earn more.

It could, however, be even more effective. In our original blueprint we recommended that those in low paid work have their benefits withdrawn at a rate that allows them to keep 45p in every pound they earn.

Yet, in Summer 2016, the government was only giving people 35p of every pound they earned. The CSJ campaigned for Britain's lowest paid workers to keep more of what they earn. We produced a short paper arguing for this and campaigned ahead of the 2017 Autumn Statement.

Our campaigning was successful and the 2017 Autumn Statement improved the amount the poorest workers kept by two pence for every pound they earn.

Directors

The directors shown below have held office during the whole of the period from 1 June 2016 to the date of this report.

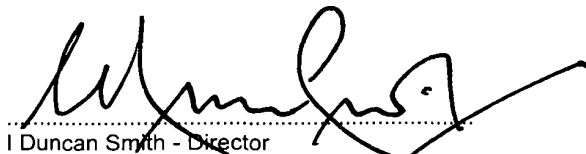
S Brien
Mrs N M Oliver
Ms C L Usher-Smith

Other changes in directors holding office are as follows:

R H Brooks (Chairman) - resigned 12 September 2016
A Wethered - resigned 12 September 2016
M Yallop - resigned 12 September 2016
Baroness P Stroud (Chief Exec) - resigned 23 January 2017
A T Cook - appointed 20 October 2016
I Duncan Smith - appointed 12 September 2016
Ms A Eastman - appointed 23 January 2017

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:



I Duncan Smith - Director

Date: 27 February 2018

THE CENTRE FOR SOCIAL JUSTICE

INCOME STATEMENT
FOR THE YEAR ENDED 31 MAY 2017

	Notes	2017 £	2016 £
Turnover		1,179,150	1,105,388
Direct Costs		(171,993)	(64,197)
Gross profit		1,007,157	1,041,191
Administrative expenses		(1,090,269)	(1,013,037)
Operating (loss)/profit	4	(83,112)	28,154
Interest receivable and similar income		221	325
(Loss)/profit before taxation		(82,891)	28,479
Tax on (loss)/profit		-	-
(Loss)/profit for the financial year		(82,891)	28,479

The notes form part of these financial statements

THE CENTRE FOR SOCIAL JUSTICE (REGISTERED NUMBER: 05137036)

BALANCE SHEET
31 MAY 2017

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	5	1,042	1,777
Current assets			
Debtors	6	64,727	35,497
Cash at bank		464,295	643,359
		529,022	678,856
Creditors			
Amounts falling due within one year	7	52,760	120,438
Net current assets		476,262	558,418
Total assets less current liabilities		477,304	560,195
Reserves			
Retained earnings	8	477,304	560,195
		477,304	560,195

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2017.

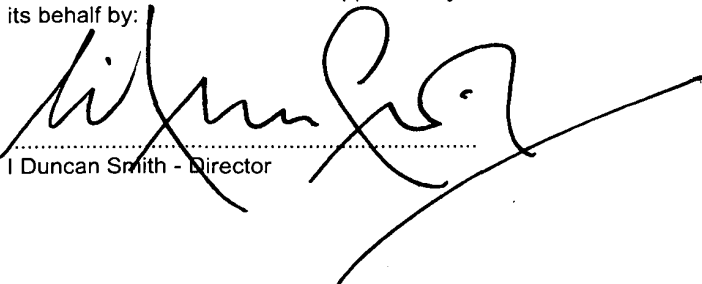
The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2017 in accordance with Section 476 of the Companies Act 2006.

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

The financial statements were approved by the Board of Directors on 27th Feb '18 and were signed on its behalf by:


I Duncan Smith - Director

The notes form part of these financial statements

THE CENTRE FOR SOCIAL JUSTICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

1. Statutory information

The Centre for Social Justice is a private company, limited by shares, registered in Not specified/Other. The company's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of 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.

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.

Plant and machinery etc - 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.

THE CENTRE FOR SOCIAL JUSTICE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2017**

2. 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 an 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.

3. Employees and directors

The average monthly number of employees during the year was 13.

4. Operating (loss)/profit

The operating loss (2016 - operating profit) is stated after charging:

	2017 £	2016 £
Depreciation - owned assets	735	896

5. Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 June 2016 and 31 May 2017	12,668
Depreciation	
At 1 June 2016	10,891
Charge for year	735
At 31 May 2017	11,626
Net book value	
At 31 May 2017	1,042
At 31 May 2016	1,777

THE CENTRE FOR SOCIAL JUSTICE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2017

6. Debtors: amounts falling due within one year

	2017 £	2016 £
Other debtors	48,418	15,150
Prepayments	16,309	20,347
	<u>64,727</u>	<u>35,497</u>

7. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	9,111	90,646
Pension Control Ac	2,804	-
Social security and other taxes	18,823	17,822
Accrued expenses	22,022	11,970
	<u>52,760</u>	<u>120,438</u>

8. Reserves

	Retained earnings £
At 1 June 2016	560,195
Deficit for the year	(82,891)
At 31 May 2017	<u>477,304</u>