

REGISTERED COMPANY NUMBER: 02790390 (England and Wales)
REGISTERED CHARITY NUMBER: 1027978

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
CHRISTIAN ACTION AND RESOURCE ENTERPRISE

CHRISTIAN ACTION AND RESOURCE ENTERPRISE

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FOR THE YEAR ENDED 31 MARCH 2021

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal activity of the company in the year under review was that of relieving poverty, hardship and distress in Grimsby, Cleethorpes and the surrounding area in North East Lincolnshire.

ENSURING OUR WORK DELIVERS OUR AIMS

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit and complied with section 17(5) of the 2011 Charities Act when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees/Directors consider how planned activities will contribute to the aims and objectives they have set.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The results for the year and the financial position of the company are shown in the annexed accounts. A summary of the results for the year is given on page 7 of the accounts.

The charity has continued to meet its aims and objectives for 2020/21 through the following service provision;

CARE Shop

We continue to seek new innovative ways to promote and advertise the shop due to increased competition and reductions in the number of donations due to the current economic climate. Sales at the shop have been seriously affected this year due to the many restrictions which have been, and continue to be, imposed on society in general, and on what is deemed to be non-essential shops, by the government due to the continuing Coronavirus (Covid-19) pandemic.

Our furniture Donation Scheme continues to be unique as it remains the only charity shop in the area that donates furniture and other essential items free of charge to people in need. Our ability to fulfil such requests for these items suffered indirectly from the periods of lockdown that took place within this accounting year; both by people's inability to drop off donated items to us and the fact that so many people found themselves on furlough through the Coronavirus Job Retention Scheme, who then sought to sell their items online and through social media platforms to supplement their loss of income.

Disappointingly, we were only able to assist 359 (38 furniture, 43 CARE utilities, 7 CARE food vouchers, 7 other, 264 NELC Hardship) people (including children) with donations towards food vouchers, gas, electricity, clothing, and furniture to those experiencing poverty, hardship and distress to the increased value of £12,796.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

ACHIEVEMENT AND PERFORMANCE

CARE Housing

This year proved to be a very difficult one for us and our Housing Scheme in particular was badly affected due to Covid-19 and the necessary restrictions that the government put in place on house viewings and house moves during the periods of national lockdowns. We were not the only housing charity or organisation affected in this way. Nationally, Estate and Letting Agents experienced a major loss of income themselves. A benefit that those people under the threat of being made homeless was that the government placed a moratorium on evictions during this time.

Through the operation of CARE Housing, which offers a Damages Guarantee Scheme to landlord's, aiming to assist those who are homeless or pending homeless; during the year we were approached for help by 209 people and housed 10 families or single people. We continue to manage the tenancies of over 150 tenants through CARE Housing who are vulnerable or have completed a programme of support.

During the lifetime of its operation, CARE Housing has housed 4,174 local people in private landlord accommodation.

We continue to provide accommodation for difficult to house, formerly homeless residents, in 7 flats located above the CARE Shop funded by a loan from Triodos Bank, which also allowed us to purchase the shop. Many of the tenants we work with struggle to get work, other than agency work, or to be fit for work. Due to the often temporary, zero hours nature of this work they can often build up arrears on their rent payments to us. It has been our choice not to pursue tenants who fall into this category as it is our belief that temporary work is a valuable step into full-time work, sometimes this causes considerable problems with benefit delay and adjustment, so from -time -to -time arrears can build up which become very difficult to repay. However, we are pleased to report that this year no tenant was in the position of leaving us with any rent arrears.

CARE Community Support

This year ended with us in the second of three years of funding from The National Lottery Community Fund, which will end on 30th June 2022.

The project provides 1:1 floating support in the client's home and support drop-in sessions across our Access Points. The support encompasses the following key areas: personal support, access to basic needs, financial support, health and wellbeing and community participation. The key areas for Community Support are now: Preventing Homelessness; Increasing Confidence; Improving Health and Wellbeing; Improving Life Skills; Maximising Income and Accessing Basic Needs.

In the last year the project has supported 208 adults and 131 children through its 1-1 Community support and 628 adults and 317 children through contacts made via the access point Open House. Although these numbers are down on the previous year, they are remarkable when considering the circumstances of the pandemic and the way that our day-to-day working practices had to adapt and change to a 'new normal'.

CARE Emergency Food Provision

Although we changed the way that we offered our emergency food provision last year (2019-20), when we stopped giving actual food parcels out to the public from our Grimsby Access Point, we continued to do this from our Immingham Access Point, because our food provision remained the main, if not only, regular source available to people in Immingham.

That said during 2020-21 by our efforts we fed 364 people and provided for many more through the food that was donated to us by 55 organisations, including churches, schools, and individuals, and then distributed to third-party providers; by a conservative calculation this could have fed another 2,000 people.

Christmas Toy Appeal

Once again in the run up to December we held our usual 'Toys for Joy' appeal, as we have done for many years. We appeal for donations of brand-new toys, or the cash to purchase them, and we donate them to families who find the Christmas season a highly stressful time of the year for them and a time that can lead to indebted families falling deeper and deeper into the clutches of door-to-door lending companies.

We thank various donors: companies, churches, schools, supermarkets, agencies, and individuals who give generously to us and thereby this year enabled us to bless 721 (636 in Grimsby and 105 in Immingham) children with brand-new toys.

Staff & Volunteers

Throughout 2020-2021 we have;

Sustained just over 11.69 FTE salaries at the end of the financial year.

Provided training and access to employment for the unemployed and those lacking confidence to work (1 paid staff during the year had been a service user when first encountering CARE).

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

ACHIEVEMENT AND PERFORMANCE

Created additional volunteering opportunities helping to integrate vulnerable people back into mainstream working life. Through General Management, the CARE Shop, CARE Housing & Community Support and our Access Points we have benefited from 1711 volunteer hours representing £ 14,920 (no. of hours x Living wage £ 8.72) in salaries equivalent. This was greatly reduced this year due to the pandemic restrictions; several of our volunteers fell into the vulnerable and clinically extremely vulnerable categories, with the latter having to shield for many months.

Premises

The CARE Shop is situated on Alexandra Road, Cleethorpes and above the shop are our seven flats. Together these form the main source of our own funds.

The Grimsby Access Point on Hainton Avenue in Grimsby continues to provide drop-in facilities for people in crisis and need, and we also have our own training room to facilitate meetings, training and other group activities.

The Immingham Access Point is located within the Community Civic Hub and provides drop-in facilities like that of our Grimsby Access Point and operates an emergency food provision service.

Income

CARE continues to be a not-for-profit charity. However, we continue to strive to achieve financial sustainability through generating income from CARE Shop sales, rental from the charity's properties and the 4% management charge to landlords. This can then be used to fund other areas of the charity enabling us to provide a holistic service to people in need across North East Lincolnshire.

CARE has received funding from its own shop sales and rental income from properties within its ownership, but in addition also from, The National Lottery Community Fund, Nationwide, Mercers, and personal gift aided donations, other donations, and a 4% management charge to CARE Housing landlords.

FINANCIAL REVIEW

Reserves policy

Free reserves at the end of the year amount to £135,123 (2020 - £95,709) and are considered by the Trustees/Directors to be adequate. Additionally, the previous acquisition of the building at Alexandra Road and the subsequent improvement in house prices has meant that our owning the freehold provides additional security.

Reserves are higher than anticipated, (due primarily to the small business grants and additional funding received), this will help us navigate the slow trading build-up envisaged at the shop.

Post balance sheet activities

COVID-19 and its effects on the charity lasted throughout the entire financial year end 31st March 2021. It is clear there has been an adverse effect, both financially and operationally with our plans which will continue into the new financial year. We are continuing to mitigate this as much as possible.

To counter the immediate effect of the 'lockdown', as stated above our shop staff were put on furlough, and they have been on and off periods of furlough coinciding with the three national lockdowns that continued into this year that these accounts are reporting on, and into the new financial year. (At the time of writing our shop has reopened, and staff have returned to work.)

Support of clients has continued, throughout 'lock-downs', via phone & digital technology, but without the physical face-to-face contact that historically would have been the case.

Our furniture donation capability has seriously curtailed, but that should pick up as the shop and support staff are now operating again.

We would like to acknowledge the huge amount of work that has been undertaken by our General Manager and his team to make the shop, offices and drop-in facilities 'COVID-19 Secure'.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

FINANCIAL REVIEW

FUTURE PLANS

Over the course of the next few years, there will be a focus on pursuing new opportunities to enable the charity to become less reliant on funding streams and reach sustainability. However, we also realise that to sustain our Housing and Community Support service we will still be reliant on outside grants, even if to a lesser degree, so we will continue to look for funding opportunities wherever we can. Social Investment and Commercial Sponsorship are two different areas that we will investigate because grant funding is becoming more difficult to obtain.

Fundraising Co-ordinator

Over the coming months, and as soon as possible, part of our overall strategy across the charity will be to advertise and recruit a part-time (0.6 FTE) Fundraising Co-ordinator to assist the General Manager to undertake a review of the charity's strategic fundraising requirements year-on-year to better sustain ourselves and ensure that we are able to continue to support our mission to the people of North East Lincolnshire.

ENVIRONMENTAL SUSTAINABILITY

Like most of society today, we recognise the damage of man-made climate change to the environment and ecology of the planet and the need to reduce our carbon footprint. Over the last two years we have started to make changes to move from paper-based systems to a paperless office; we will continue to explore ways to achieve this, but we will have to do this in incremental steps.

Since 2018 our default position has been to not automatically print out customer receipts in our shop; only issuing one if the customer specifically wants one. In March 2021 we signed up to the 'Beat the receipt' campaign and signed the 'Paperless Pledge'.

In addition, we have signed up to the Ethical Property Foundation Workshop series of such workshops and learning opportunities to learn what steps we can take and why it is vital we understand the property changes affecting our organisation; what we need to do as occupier, tenant or landlord to make our workplace energy efficient and a comfortable, productive working environment; understand the principles of cost and energy efficient maintenance management; how to spend to save money and cut carbon emissions.

Following on from this we will look to put in place an Ethical Property Plan which will form part of our environment and ecology strategy across the charity designed to reduce our carbon footprint and contribute to the government's plans to achieve Net-Zero carbon emissions in the years ahead.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is governed by its Memorandum and Articles of Association.

As the company is limited by guarantee, there were no beneficial interests in the company.

Recruitment and appointment of new trustees

CARE seeks to appoint trustees/directors from persons who share the same ethos. It seeks to identify those most suitable to bring a balance of skills and strengths to the board.

Organisational structure

Management and Trustees/ Directors are responsible for the management of the Charity and its assets in furtherance of its objects.

Induction and training of new trustees

On appointment, all Trustees/Directors undertake an induction to include overview of the Charity, breakdown of responsibilities.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees/Directors have examined the major strategic, business and operational risks that the Charity faces and confirms that systems have been established to monitor and control these risks and ensure that the necessary steps can be taken when appropriate. Considerable work has been undertaken and professional services engaged of a reputable health and safety company to advise on all aspects of health and safety and employment regulations. A formal risk register has now been implemented.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02790390 (England and Wales)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Registered Charity number

1027978

Registered office

47 Alexandra Road
CLEETHORPES
DN35 8LE

Trustees

D. Jones
D. Robinson
D. A. Postle
Rev J W Ellis (resigned 30.9.20)
A N Jewitt

Independent Examiner

Chloe Tams
A.C.A
Smethurst & Co LLP
12 Abbey Road
GRIMSBY
DN32 0HL

Bankers

HSBC
55 Victoria St S
Grimsby
DN31 1UX

Senior Staff

Mr. S. Durkin

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Christian Action And Resource Enterprise for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

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

Approved by order of the board of trustees on 20 September 2021 and signed on its behalf by:

D. Jones - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CHRISTIAN ACTION AND RESOURCE ENTERPRISE (REGISTERED NUMBER: 02790390)**

Independent examiner's report to the trustees of Christian Action And Resource Enterprise ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of A.C.A which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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

Chloe Tams
A.C.A
Smethurst & Co LLP
12 Abbey Road
GRIMSBY
DN32 0HL

20 September 2021

CHRISTIAN ACTION AND RESOURCE ENTERPRISE

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

| | Notes | Unrestricted fund £ | Restricted funds £ | 31.3.21 Total funds £ | 31.3.20 Total funds £ |
|------------------------------------|-------|------------------------|-----------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | 2 | 30,552 | 224,111 | 254,663 | 305,972 |
| Charitable activities | | | | | |
| Core | | 35,114 | - | 35,114 | 38,129 |
| Other trading activities | 3 | 41,061 | - | 41,061 | 110,944 |
| Investment income | 4 | 91 | - | 91 | 244 |
| Other income | | 75,133 | - | 75,133 | - |
| Total | | <u>181,951</u> | <u>224,111</u> | <u>406,062</u> | <u>455,289</u> |
| EXPENDITURE ON | | | | | |
| Raising funds | | 96,553 | - | 96,553 | 106,329 |
| Charitable activities | | | | | |
| Core | | 39,561 | 216,800 | 256,361 | 268,591 |
| Total | | <u>136,114</u> | <u>216,800</u> | <u>352,914</u> | <u>374,920</u> |
| NET INCOME | | <u>45,837</u> | <u>7,311</u> | <u>53,148</u> | <u>80,369</u> |
| Transfers between funds | 18 | <u>2,492</u> | <u>(2,492)</u> | <u>-</u> | <u>-</u> |
| Net movement in funds | | <u>48,329</u> | <u>4,819</u> | <u>53,148</u> | <u>80,369</u> |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | <u>121,414</u> | <u>96,780</u> | <u>218,194</u> | <u>137,825</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>169,743</u></u> | <u><u>101,599</u></u> | <u><u>271,342</u></u> | <u><u>218,194</u></u> |

The notes form part of these financial statements

**BALANCE SHEET
31 MARCH 2021**

| | Notes | Unrestricted fund £ | Restricted funds £ | 31.3.21 Total funds £ | 31.3.20 Total funds £ |
|--|-------|------------------------|-----------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 10 | 228,211 | - | 228,211 | 234,102 |
| CURRENT ASSETS | | | | | |
| Stocks | 11 | 17,253 | - | 17,253 | 14,200 |
| Debtors | 12 | 5,547 | - | 5,547 | 4,630 |
| Cash at bank and in hand | | 139,743 | 101,599 | 241,342 | 200,557 |
| | | <u>162,543</u> | <u>101,599</u> | <u>264,142</u> | <u>219,387</u> |
| CREDITORS | | | | | |
| Amounts falling due within one year | 13 | (27,420) | - | (27,420) | (26,898) |
| | | <u>135,123</u> | <u>101,599</u> | <u>236,722</u> | <u>192,489</u> |
| NET CURRENT ASSETS | | | | | |
| | | <u>363,334</u> | <u>101,599</u> | <u>464,933</u> | <u>426,591</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | | | |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 14 | (193,591) | - | (193,591) | (208,397) |
| | | <u>169,743</u> | <u>101,599</u> | <u>271,342</u> | <u>218,194</u> |
| NET ASSETS | | | | | |
| FUNDS | | | | | |
| Unrestricted funds | 18 | | | 169,743 | 121,414 |
| Restricted funds | | | | 101,599 | 96,780 |
| | | | | <u>271,342</u> | <u>218,194</u> |
| TOTAL FUNDS | | | | | |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit 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 charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 20 September 2021 and were signed on its behalf by:

D. Jones - Trustee

CHRISTIAN ACTION AND RESOURCE ENTERPRISE

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', 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.

The charity has departed from the Charities SORP and FRS 102 in order to depreciate all freehold property at a rate of 2% on a straight line basis.

The treatment required by the Charities SORP and FRS 102 where an asset comprises of two or more major components is that each component should be depreciated separately over its useful life and that the value of land is not depreciated.

The trustees consider that depreciating all freehold property at a rate of 2% on a straight line basis reflects the value of the asset for the charity, and have concluded that the accounts present a true and fair view.

Incoming resources

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

Charitable expenditure 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, include those costs that assist the work of the charity but do not directly undertake charitable activities and also include governance costs, those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

Tangible fixed assets

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

| | |
|---------------------|---------------------|
| Freehold property | - 2% Straight Line |
| Plant and machinery | - 25% Straight Line |

The charity has a policy to capitalise assets in excess of £250.

All fixed assets are included at cost less accumulated depreciation and Trustees carry out an impairment review when they see necessary.

Stocks

The Trustees/Directors consider it appropriate to reflect the replacement cost of donated goods and food on hand at the year end as income.

CHRISTIAN ACTION AND RESOURCE ENTERPRISE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from corporation tax on its charitable activities.

Irrecoverable VAT is charged to the Statement Of Financial Activities in the period to which it relates.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods

Donated goods are recognised in income at sales value when they are sold.

General services provided by volunteers and organisations are not recognised in the statement of financial activities. Further details of these are disclosed in the Trustees report.

Donated goods for distribution are recognised in the statement of financial activities when distributed at market value as donations and charitable expenditure.

Operating lease

Rentals on operating leases are charged to the statement of financial activities based on the terms set out by the lease agreements in place

2. DONATIONS AND LEGACIES

| | 31.3.21 | 31.3.20 |
|----------------------------------|----------------|----------------|
| | £ | £ |
| Gifts and donations | 37,351 | 46,811 |
| Sir Alec Black Charity donations | 12,560 | 12,564 |
| Grants | 204,752 | 246,597 |
| | <u>254,663</u> | <u>305,972</u> |

Grants received, included in the above, are as follows:

| | 31.3.21 | 31.3.20 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Local Authority (N.E.L.C) | 10,000 | - |
| National Lottery Community Fund | 153,054 | 184,790 |
| Lincolnshire Community | 3,000 | - |
| Mercers | 27,273 | 61,807 |
| RWE | 4,000 | - |
| National Lottery | 6,925 | - |
| Other grants | 500 | - |
| | <u>204,752</u> | <u>246,597</u> |

CHRISTIAN ACTION AND RESOURCE ENTERPRISE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

3. OTHER TRADING ACTIVITIES

| | | |
|-------------|-------------------|-------------------|
| | 31.3.21 | 31.3.20 |
| | £ | £ |
| Shop income | 41,061 | 110,944 |
| | <u> </u> | <u> </u> |

4. INVESTMENT INCOME

| | | |
|--------------------------|-------------------|-------------------|
| | 31.3.21 | 31.3.20 |
| | £ | £ |
| Deposit account interest | 91 | 244 |
| | <u> </u> | <u> </u> |

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

| | | |
|---|-------------------|-------------------|
| | 31.3.21 | 31.3.20 |
| | £ | £ |
| Independent examiners fee and payroll costs | 3,395 | 2,900 |
| Depreciation - owned assets | 8,383 | 8,471 |
| | <u> </u> | <u> </u> |

6. TRUSTEES' REMUNERATION AND BENEFITS

Mrs. A. M Jones the wife of trustee Mr. D Jones received remuneration as salary during the year of £10,669 (2020 - £9,227)

There were no other trustees' remuneration or other benefits for the year ended 31 March 2020 or for the year ended 31 March 2019.

Trustees' expenses

There were no trustees' expenses paid during the year ended 31 March 2021. Trustees' expenses paid during the year ended 31 March 2020 totalled £88.

7. STAFF COSTS

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

| | | |
|--------------------------|-------------------|-------------------|
| | 31.3.21 | 31.3.20 |
| Shop | 4 | 4 |
| General Management | 3 | 4 |
| Family Housing & Support | 9 | 8 |
| | <u> </u> | <u> </u> |
| | 16 | 16 |
| | <u> </u> | <u> </u> |

No employees received emoluments in excess of £60,000.

Key management remuneration paid to key management during the year amounts to £21,694 (2020 - £21,215)

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund £ | Restricted funds £ | Total funds £ |
|-----------------------------------|---------------------------|--------------------------|---------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Donations and legacies | 32,070 | 273,902 | 305,972 |
| Charitable activities | | | |
| Core | 38,129 | - | 38,129 |
| Other trading activities | 110,944 | - | 110,944 |
| Investment income | 244 | - | 244 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total | 181,387 | 273,902 | 455,289 |

CHRISTIAN ACTION AND RESOURCE ENTERPRISE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

| | Unrestricted fund £ | Restricted funds £ | Total funds £ |
|------------------------------------|---------------------------|--------------------------|-----------------------|
| EXPENDITURE ON | | | |
| Raising funds | 103,532 | 2,797 | 106,329 |
| Charitable activities | | | |
| Core | 54,150 | 214,441 | 268,591 |
| Total | <u>157,682</u> | <u>217,238</u> | <u>374,920</u> |
| NET INCOME | 23,705 | 56,664 | 80,369 |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | 97,709 | 40,116 | 137,825 |
| TOTAL FUNDS CARRIED FORWARD | <u><u>121,414</u></u> | <u><u>96,780</u></u> | <u><u>218,194</u></u> |

9. INDEMNITY INSURANCE

The company has paid £900 (2020 - £945) for insurance in respect of Trustees/Directors' liabilities incurred in connection with the discharge of their duties.

10. TANGIBLE FIXED ASSETS

| | Freehold property £ | Improvements to property £ | Plant and machinery £ | Totals £ |
|-----------------------|---------------------------|-------------------------------------|-----------------------------|-----------------------|
| COST | | | | |
| At 1 April 2020 | 286,942 | 47,084 | 40,947 | 374,973 |
| Additions | - | - | 2,492 | 2,492 |
| At 31 March 2021 | <u>286,942</u> | <u>47,084</u> | <u>43,439</u> | <u>377,465</u> |
| DEPRECIATION | | | | |
| At 1 April 2020 | 86,948 | 16,032 | 37,891 | 140,871 |
| Charge for year | 5,739 | 942 | 1,702 | 8,383 |
| At 31 March 2021 | <u>92,687</u> | <u>16,974</u> | <u>39,593</u> | <u>149,254</u> |
| NET BOOK VALUE | | | | |
| At 31 March 2021 | <u><u>194,255</u></u> | <u><u>30,110</u></u> | <u><u>3,846</u></u> | <u><u>228,211</u></u> |
| At 31 March 2020 | <u><u>199,994</u></u> | <u><u>31,052</u></u> | <u><u>3,056</u></u> | <u><u>234,102</u></u> |

CHRISTIAN ACTION AND RESOURCE ENTERPRISE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

| | | |
|--|----------------|----------------|
| 11. STOCKS | | |
| | 31.3.21 | 31.3.20 |
| | £ | £ |
| Donated stock | 17,253 | 14,200 |
| | <u>17,253</u> | <u>14,200</u> |
| 12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | | |
| | 31.3.21 | 31.3.20 |
| | £ | £ |
| Other debtors | 4,722 | 3,764 |
| VAT | 825 | 866 |
| | <u>5,547</u> | <u>4,630</u> |
| 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | | |
| | 31.3.21 | 31.3.20 |
| | £ | £ |
| Bank loans (see note 15) | 14,149 | 13,256 |
| Tax | 2,719 | 2,857 |
| Other creditors | 10,552 | 10,785 |
| | <u>27,420</u> | <u>26,898</u> |
| 14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR | | |
| | 31.3.21 | 31.3.20 |
| | £ | £ |
| Bank loans (see note 15) | 193,591 | 208,397 |
| | <u>193,591</u> | <u>208,397</u> |
| 15. LOANS | | |
| An analysis of the maturity of loans is given below: | | |
| | 31.3.21 | 31.3.20 |
| | £ | £ |
| Amounts falling due within one year on demand: | | |
| Bank loans | 14,149 | 13,256 |
| | <u>14,149</u> | <u>13,256</u> |
| Amounts falling between one and two years: | | |
| Bank loans - 1-2 years | 14,450 | 13,627 |
| | <u>14,450</u> | <u>13,627</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | 45,215 | 58,410 |
| | <u>45,215</u> | <u>58,410</u> |
| Amounts falling due in more than five years: | | |
| Repayable by instalments: | | |
| Bank loans | 133,926 | 136,360 |
| | <u>133,926</u> | <u>136,360</u> |
| 16. LEASING AGREEMENTS | | |
| Minimum lease payments under non-cancellable operating leases fall due as follows: | | |
| | 31.3.21 | 31.3.20 |
| | £ | £ |
| Within one year | 17,767 | 14,000 |
| Between one and five years | 11,550 | 14,917 |
| | <u>29,317</u> | <u>28,917</u> |

CHRISTIAN ACTION AND RESOURCE ENTERPRISE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

17. SECURED DEBTS

The following secured debts are included within creditors:

| | | |
|------------|-------------------|-------------------|
| | 31.3.21 | 31.3.20 |
| | £ | £ |
| Bank loans | 207,740 | 221,653 |
| | <u> </u> | <u> </u> |

The bank loan is secured by a legal charge over 46-47 Alexandra Road, Cleethorpes, DN35 8LE.

18. MOVEMENT IN FUNDS

| | At 1.4.20 | Net | Transfers | At |
|---------------------------|----------------|---------------|----------------|----------------|
| | £ | movement | between | 31.3.21 |
| | | in funds | funds | £ |
| | | £ | £ | |
| Unrestricted funds | | | | |
| General fund | 121,414 | 45,837 | 2,492 | 169,743 |
| Restricted funds | | | | |
| Restricted Funds | 56,270 | 1,078 | (2,492) | 54,856 |
| Big Lottery fund | 40,510 | 6,233 | - | 46,743 |
| | <u>96,780</u> | <u>7,311</u> | <u>(2,492)</u> | <u>101,599</u> |
| TOTAL FUNDS | <u>218,194</u> | <u>53,148</u> | <u>-</u> | <u>271,342</u> |

Net movement in funds, included in the above are as follows:

| | Incoming | Resources | Movement |
|---------------------------|----------------|------------------|---------------|
| | resources | expended | in funds |
| | £ | £ | £ |
| Unrestricted funds | | | |
| General fund | 181,951 | (136,114) | 45,837 |
| Restricted funds | | | |
| Restricted Funds | 71,057 | (69,979) | 1,078 |
| Big Lottery fund | 153,054 | (146,821) | 6,233 |
| | <u>224,111</u> | <u>(216,800)</u> | <u>7,311</u> |
| TOTAL FUNDS | <u>406,062</u> | <u>(352,914)</u> | <u>53,148</u> |

Comparatives for movement in funds

| | At 1.4.19 | Net | At |
|---------------------------|----------------|---------------|----------------|
| | £ | movement | 31.3.20 |
| | | in funds | £ |
| | | £ | |
| Unrestricted funds | | | |
| General fund | 97,709 | 23,705 | 121,414 |
| Restricted funds | | | |
| Restricted Funds | 40,116 | 16,154 | 56,270 |
| Big Lottery fund | - | 40,510 | 40,510 |
| | <u>40,116</u> | <u>56,664</u> | <u>96,780</u> |
| TOTAL FUNDS | <u>137,825</u> | <u>80,369</u> | <u>218,194</u> |

CHRISTIAN ACTION AND RESOURCE ENTERPRISE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 181,387 | (157,682) | 23,705 |
| Restricted funds | | | |
| Restricted Funds | 89,112 | (72,958) | 16,154 |
| Big Lottery fund | 184,790 | (144,280) | 40,510 |
| | <u>273,902</u> | <u>(217,238)</u> | <u>56,664</u> |
| TOTAL FUNDS | <u>455,289</u> | <u>(374,920)</u> | <u>80,369</u> |

A current year 12 months and prior year 12 months combined position is as follows:

| | At 1.4.19 £ | Net movement in funds £ | Transfers between funds £ | At 31.3.21 £ |
|---------------------------|----------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds | | | | |
| General fund | 97,709 | 69,542 | 2,492 | 169,743 |
| Restricted funds | | | | |
| Restricted Funds | 40,116 | 17,232 | (2,492) | 54,856 |
| Big Lottery fund | - | 46,743 | - | 46,743 |
| | <u>40,116</u> | <u>63,975</u> | <u>(2,492)</u> | <u>101,599</u> |
| TOTAL FUNDS | <u>137,825</u> | <u>133,517</u> | <u>-</u> | <u>271,342</u> |

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 363,338 | (293,796) | 69,542 |
| Restricted funds | | | |
| Restricted Funds | 160,169 | (142,937) | 17,232 |
| Big Lottery fund | 337,844 | (291,101) | 46,743 |
| | <u>498,013</u> | <u>(434,038)</u> | <u>63,975</u> |
| TOTAL FUNDS | <u>861,351</u> | <u>(727,834)</u> | <u>133,517</u> |

National Lottery Community Fund is for a CARE Housing & Community Support project from July 2019 for three years.

Nationwide Building Society Funding is towards costs for a Housing tenancy officer and Housing Manager for the year to 30th June 2020.

The Food Larder Fund provides basic provisions to those people in need, individuals & families that are referred to us by other agencies.

CHRISTIAN ACTION AND RESOURCE ENTERPRISE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

18. MOVEMENT IN FUNDS - continued

Lincolnshire Community Foundation provided 2 grants; to help people in need due to COVID, and to fund PPE for staff & volunteers

Groundworks Tesco grant was for the purchase of CARE Shop start up packs.

A Mercer grant was for two years from March 2019 for the Touching lives with hope, transforming lives with action project. A further Mercer grant was received to fund salaries from April 2021 to March 2022.

RWE grant and other donations is for the annual Toys for Joy scheme which donates toys to families in need at Christmas.

Sir Alec Black's Charity funds items donated to clients in need.

NELC hardship fund grant funded support to vulnerable people for utility donations and food vouchers during the Covid pandemic.

Transfers into the general fund are in relation to assets that have been purchased from restricted income where the restrictions have been met.

19. EMPLOYEE BENEFIT OBLIGATIONS

The charity makes contributions into a defined contribution scheme for its employees. The amount charged to the Statement Of Financial Activities during the year was £5,283 (2020 - £4,807). There were no pension amounts outstanding at the 31st March, 2021.

20. CONTINGENT LIABILITIES

During the year, the Company has given guarantees to landlords. These guarantees will only become payable if at the point of vacating, damage has been done to the premises and the vacating tenant does not personally fulfil obligations to the landlord.

During the year no guarantees became payable (2020 - £100 honoured).

At the balance sheet date the contingent liability representing landlord guarantees potentially payable amounted to £3,500 (2020 - £8,000)

21. RELATED PARTY DISCLOSURES

Total donations from Trustees during the year amounted to £125 (2020 - £272)

There were no further related party transactions for the year ended 31 March 2021, other than those disclosed at note 6.