

Charity registration number 313454

Unlock

Trustees' report and financial statements

for the year ended 31 December 2023

Unlock

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Trustees' Report for the year ended 31 December 2023

The trustees present their report together with the financial statements of the charity and the independent examiner's report for the year ended 31 December 2023.

REFERENCE & ADMINISTRATIVE INFORMATION

Charity Name	Unlock
Registered Charity Number	313454
Charity Office	Unlock 15 Station Road Rotherham South Yorkshire S60 1HN
Website	www.unlock-urban.org.uk
Start of financial year	1 January 2023
End of financial year	31 December 2023
Trustees	Nicholas Carter - Chair Andrew Dorton Rev Canon Suzanne Sheriff
Chief Officer	Dawn Lonsdale
Bankers	The Co-operative Bank plc PO Box 250 Skelmersdale WN8 6WT Charities Deposit Fund 80 Cheapside London EC2V 6DZ
Independent Examiner	Peter Winter MA FCCA 20 Hallam Grange Road Sheffield S10 4BJ

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Trustees' Report for the year ended 31 December 2023

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STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

The Charity is governed by a declaration of Trust dated 25 May 1972, as amended by a supplemental deed dated 19 August 1999 and a deed of variation dated 6 July 2001.

Trustee Recruitment and Appointment

The trustees named on page 1 have served during the beginning of the year under review until the date of approval of these accounts. Appointment of trustees is governed by the Trust Deed of the Charity. The board of trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

Trustee Induction and Training

New trustees undergo orientation to brief them on their legal obligations under charity law, the decision making process, the aims and objectives and recent financial performance of the charity.

Organisational Structure

The Charity has a board of trustees who meet regularly and are responsible for the strategic direction and policy of the Charity. The trustees delegate the management of the Charity to the National Council. The National Council assigns the day-to-day responsibility for training and staff management to the Chief Officer.

Risk management

The trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finance of the Charity and are satisfied that systems are in place to mitigate exposure to major risks. Where appropriate, additional systems or procedures have been established to mitigate the risks faced by the Charity. External risks include the loss of funding, the effects of this have been minimised by the procedures in place, which have resulted in funding being secured from a variety of sources. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent delivery for all operational aspects of the Charity. These procedures are reviewed periodically to ensure they still meet the needs of the charity.

OBJECTIVES AND ACTIVITIES

Aims and Objectives

Unlock is a Christian Charity that has worked since 1973 to help urban churches of any denomination respond to the challenges in their areas. We are especially concerned with helping people in "text-shy" cultures to explore their faith.

As well as deploying a team of workers, Unlock publishes a variety of group Bible study packs, games, Lent courses, audit materials and provides training.

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Trustees' Report for the year ended 31 December 2023

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Statement of Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. The Trustees are also aware of the Charity Commission's guidance on public benefit in "The Advancement of Religion for the Public Benefit" and have had regard to it in their administration of the Charity.

The trustees believe that the Charity is providing a benefit to the public in the following ways:

- The education and training of ministers and lay people concerned with the advancement of the Christian religion in urban and industrial areas
- enhancing the capacity of vulnerable people in deprived communities to grow in self-understanding and self esteem
- providing regional training courses, research projects, study groups and small conferences for Christians to equip them to be more effective in their Christian witness in their own areas of life and work
- making the results of research projects available to the public.

The Trustees confirm that they have complied with their duties under section 17 of the Charities Act 2011 with regard to public benefit.

ACHIEVEMENTS AND PERFORMANCE

Unlock work is still recovering from the disruptions caused by the Covid 19 Pandemic. New local Partnerships take some time to establish.

The main achievements during the year under review are:

- Paid work in Rotherham was successfully completed in 2023.
- There are currently no active paid local partnership projects but voluntary work persists in a number of formerly funded project locations.
- Strategies to resource, develop and launch new local project work are being refined and deployed.
- National level strategic partnerships are sustained.
- Unlock website and social media presence maintained.
- New free Bible study resources developed for publication on website.
- Annual Report produced and mailed.
- The 40th Annual Unlock Walk in London took place and raised almost £20k.
- An Unlock Gathering took place at Cliff College in October.
- Office staff maintained financial management, administration and resourcing of local workers as well as responding to enquiries.

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Trustees' Report for the year ended 31 December 2023

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FINANCIAL REVIEW

Reserves policy

The Reserves policy of the Charity takes into account the guidance of the Charity Commission and the income generation circumstances of Unlock (ie its heavy reliance on a single, annual fundraising event). The Unlock National Council and Trustees believe that the free reserves of the Charity should be maintained at a sufficient level to cover adequately a minimum of three months' operating costs (this was changed from four months at the November 2019 Council Meeting). These costs are based on projected future levels of income and expenditure and will be revised during the budget setting process.

A designated fund of £19,798 has been created which comprises two elements:

- a. A redundancy reserve of £10,177 (2022: £10,441) which is to cover redundancy costs for all Unlock staff calculated using the statutory redundancy method.
- b. A closure costs reserve of £9,621 (2022: £9,744) which is to cover costs arising from the organisation being wound up and will include three months' essential operating costs (salaries, premises, running and any additional closure costs).

The designated reserve is held in the Charities Aid Foundation ESG Income and Growth Fund account which has a market value of £22,020 (2022: £20,444) as at 31 December 2023. The designated reserve will be reviewed annually.

Investment policy

The Trust Deed authorises the trustees to make and hold investments using the general funds of the Charity. The Charity holds units in the CAF ESG Income and Growth Fund Accumulation (Note 15).

PLANS FOR THE FUTURE

There is a plan to restart the local partnership in Hull and other new locations for projects are being considered.

INDEPENDENT EXAMINER

Peter Winter MA FCCA FCIE, was reappointed independent examiner during the year under review.

APPROVAL

This report was approved by the trustees and signed on their behalf by:

N. A. Carter

Nicholas Carter - Chair of Trustees

Date: 3/9/24

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Independent Examiner's report to the trustees of Unlock

I report to the trustees on my examination of the financial statements of the above charity ("the Trust") for the year ended 31 December 2023, which are set out on pages 6 to 16.

Respective responsibilities of trustees and examiner

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- (1) the accounting records were not kept in accordance with section 130 of the Charities Act; or
- (2) the accounts did not not accord with the accounting records; or
- (3) the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Peter Winter MA FCCA FCIE
Chartered Certified Accountant
20 Hallam Grange Road
Sheffield
S10 4BJ

Date:

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Statement of Financial Activities for the year ended 31 December 2023

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 Total £	2022 Total £
Incoming Resources						
Incoming Resources from Generated Funds						
Voluntary Income	4	19,951	-	180	20,131	32,358
Activities for Generating Funds	5	20,092	-	-	20,092	21,101
Investment Income	6	1,043	-	-	1,043	1,563
Incoming Resources from Charitable Activities		-	-	-	-	-
HMRC Covid 19 support		-	-	-	-	-
Total Incoming Resources		41,086	-	180	41,266	55,022
Resources Expended						
Costs of Generating Funds	7	4,857	-	-	4,857	4,576
Charitable Activities	8	37,990	-	9,328	47,318	45,158
Governance Costs	9	3,662	-	-	3,662	3,440
Total Resources Expended		46,509	-	9,328	55,837	53,174
Net Incoming/(Outgoing) Resources for the year		(5,423)	-	(9,148)	(14,571)	1,848
Gross Transfers Between Funds	10	257	(1,963)	1,706	-	-
Gains/(losses) on investments	11	-	1,576	-	1,576	(4,328)
Net Movement in Funds		(5,166)	(387)	(7,442)	(12,995)	(2,480)
Funds at 1 January 2023		27,158	20,185	15,195	62,538	65,018
Funds at 31 December 2023		21,992	19,798	7,753	49,543	62,538

There were no recognised gains or losses for the current or previous year other than those included in the Statement of Financial Activities. All incoming resources and resources expended derive from continuing activities.

The notes on pages 8 to 16 form an integral part of these financial statements.

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Balance Sheet
as at 31 December 2023

	Notes	2023		2022	
		£	£	£	£
Current assets					
Debtors	14	1,374		2,286	
Investments	15	22,020		20,444	
Cash at bank and in hand		28,214		42,307	
		<u>51,608</u>		<u>65,037</u>	
Creditors: amounts falling due within one year					
	16	(2,065)		(2,499)	
Net current assets			<u>49,543</u>		<u>62,538</u>
Total assets less current liabilities			<u><u>49,543</u></u>		<u><u>62,538</u></u>
Funds					
Unrestricted Funds	17		21,992		26,977
Designated Funds			19,798		16,551
Restricted Funds	18		7,753		19,010
			<u>49,543</u>		<u>62,538</u>

Approved by the Trustees and signed on their behalf by:

N.A. Carter

Nicholas Carter
Chair of Trustees

Date: 3/9/24

The notes on pages 8 to 16 form an integral part of these financial statements.

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Notes to the financial statements for the year ended 31 December 2023

1. Basis of Preparation

1.1. Accounting convention

The financial statements have been prepared on the basis of historical cost in accordance with: -

- a) The Charities Act 2011
- b) FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.
- c) Applicable accounting standards

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

2 Accounting Policies

2.1. The principal accounting policies are unchanged from the previous year and have been applied consistently throughout the year under review. The accounts include the results of all of the Charity's operations, which are continuing and are described in detail in the Trustees' Report.

2.2. Form of Financial Statements

Balances are split between unrestricted and restricted funds held by the Trust.

- a) Unrestricted 'general' funds
These are the funds of Unlock that are not subject to any restrictions regarding their use and are available for application of general purposes of the Charity. Donations received by the Charity are treated as unrestricted unless specifically earmarked for a particular restricted fund.
- b) Designated funds
These are unrestricted funds which are designated for a particular purpose or project by the trustees.
- c) Restricted funds
These are funds subject to specific conditions imposed by the donor or by the specific terms of a trust deed or other legal measure.

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Notes to the financial statements for the year ended 31 December 2023

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2.3. Incoming Resources

- a) Incoming resources are recognised and included in the Statement of Financial Activities (SOFA) when the Charity becomes entitled to the resource; the trustees are virtually certain they will receive the resources; and the monetary value can be measured with reasonable accuracy.
- b) Where incoming resources have related expenditure (as with fundraising), the incoming resources and related expenditure are reported gross in the SOFA.
- c) Bank interest is recognised when it is credited to the account.
- d) Donated services and facilities are included at the value to the Charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

2.4. Expenditure and Liabilities

- a) Expenditure is accounted for on an accruals basis.
- b) Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.
- c) Governance costs include the costs of preparation and examination of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance and constitutional matters.

2.5. Pensions

The Charity contributes to eligible staff members' qualifying personal pension schemes at a rate of 3% of their gross salaries (increasing to a rate of 5% of gross salaries after 5 years of service). The assets of these schemes are held separately from those of the Charity in independently administered funds. The employer's pension costs represent contributions payable by the Charity to these funds.

2.6. Taxation

The Charity is not liable to income or capital gains tax on its charitable activities. Value added tax is not recoverable by the Charity, and as such is included in the asset cost or expense to which it relates.

2.7. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

2.8. Investments

Current asset investments are stated at market value at the balance sheet date in accordance with the Charities SORP (FRS 102).

2.9. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

2.10. Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

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Notes to the financial statements for the year ended 31 December 2023

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2.11. Financial instruments

Financial instruments are classified and accounted for, according to the substance of contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Basic financial assets

Basic financial assets, which include debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially measured at transaction price including transaction costs unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate.

3. Trustees' remuneration and related party transactions

- a) No remuneration was paid to any trustee for acting as a trustee or for any other purpose.
- b) No travel or other expenses were reimbursed to trustees. Travel and other expenses of £143 (2022: £101) were reimbursed to Council members who are not trustees.
- c) No trustee or other person connected to the Charity had any personal interest in any contract or transaction entered into by the Charity during the year.

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
4. Voluntary Income				
Donations and Grants	14,972	180	15,152	25,505
Gift Aid claims	4,979	-	4,979	6,853
	<u>19,951</u>	<u>180</u>	<u>20,131</u>	<u>32,358</u>

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Notes to the financial statements for the year ended 31 December 2023

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	£	£	£	£
5. Activities for Generating Funds				
Annual Unlock Walk	20,092	-	20,092	21,101
	<u>20,092</u>	<u>-</u>	<u>20,092</u>	<u>21,101</u>
	<u><u>20,092</u></u>	<u><u>-</u></u>	<u><u>20,092</u></u>	<u><u>21,101</u></u>
	£	£	£	£
6. Investment Income				
Bank interest	-	-	-	-
Listed investments interest	1,043	-	1,043	1,563
	<u>1,043</u>	<u>-</u>	<u>1,043</u>	<u>1,563</u>
	<u><u>1,043</u></u>	<u><u>-</u></u>	<u><u>1,043</u></u>	<u><u>1,563</u></u>
	£	£	£	£
	Unrestricted	Restricted	Total	Total
	Funds	Funds	2023	2022
	£	£	£	£
7. Costs of Generating Funds				
Fundraising expenses - Walk	4,857	-	4,857	4,576
	<u>4,857</u>	<u>-</u>	<u>4,857</u>	<u>4,576</u>
	<u><u>4,857</u></u>	<u><u>-</u></u>	<u><u>4,857</u></u>	<u><u>4,576</u></u>
	£	£	£	£
8. Charitable activities - support costs				
Staff costs (note 12)	27,625	3,052	30,677	30,588
Website costs	1,475	-	1,475	356
Workers' expenses	486	6,276	6,762	772
Rent	3,300	-	3,300	3,300
Insurance	925	-	925	897
Printing, postage and stationery	776	-	776	1,297
Computer costs	390	-	390	1,770
Computer software	590	-	590	505
Telephone	420	-	420	393
Staff Training & Travel	149	-	149	263
Promotion leaflets and events	200	-	200	1,192
Festivals	1,524	-	1,524	1,492
Depreciation on fixtures	-	-	-	-
Other costs	130	-	130	2,333
	<u>37,990</u>	<u>9,328</u>	<u>47,318</u>	<u>45,158</u>
	<u><u>37,990</u></u>	<u><u>9,328</u></u>	<u><u>47,318</u></u>	<u><u>45,158</u></u>

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Notes to the financial statements for the year ended 31 December 2023

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9.	Governance Costs	£	£	£	£
	Annual Report	2,824	-	2,824	2,511
	Independent Examiner	695	-	695	675
	Council expenses	143	-	143	254
		<u>3,662</u>	<u>-</u>	<u>3,662</u>	<u>3,440</u>
10.	Transfers	£	£	£	£
	Unrestricted Funds	1,963	-	-	-
	Designated Funds	(1,963)	-	-	-
	Restricted funds	(1,706)	1,706	-	-
		<u>(1,706)</u>	<u>1,706</u>	<u>-</u>	<u>-</u>
11.	Investment	£	£	2023	2022
	Gains / (losses) on investments	1,576	-	£ 1,576	£ (4,328)
		<u>1,576</u>	<u>-</u>	<u>1,576</u>	<u>(4,328)</u>
12.	Staff costs			2023	2022
				£	£
	Salaries			29,829	29,789
	Employer's National Insurance			-	-
	Employer's Pension Contributions			848	799
				<u>30,677</u>	<u>30,588</u>

No employee received remuneration of more than £60,000 during the year under review (2022: None).

The charity was eligible to claim the Employment Allowance enabling it to reduce its national insurance liability for the year to £Nil (2022: £Nil).

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Notes to the financial statements for the year ended 31 December 2023

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13. Tangible fixed assets	Fixtures, fittings and equipment £	Total £
Cost		
At 1 January 2023	3,567	3,567
Additions	-	-
Disposals	-	-
At 31 December 2023	3,567	3,567
Depreciation		
At 1 January 2023	3,567	3,567
On disposals	-	-
Charge for the year	-	-
At 31 December 2023	3,567	3,567
Net book values		
At 31 December 2023	-	-
At 31 December 2022	-	-
14. Debtors	2023 £	2022 £
Gift aid receivable	585	305
Employment Allowance receivable	-	1,214
Insurance prepaid	789	767
	1,374	2,286
15. Investments	2023 £	2022 £
Current asset investments	22,020	20,444
	22,020	20,444

Current asset investments comprise 20,522 units in IFSL CAF ESG Income and Growth Fund Accumulation. The market value of the holding at 31 December 2023 at 107.3p per unit is £22,020. The unrealised gains/(losses) during the year are shown in the Statement of Financial Activities.

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Notes to the financial statements for the year ended 31 December 2023

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16. Creditors: amounts falling due within one year	2023 £	2022 £
Trade creditors	24	24
Other taxes and social security costs	841	1,632
Accrued expenses	1,200	843
	2,065	2,499
	2,065	2,499

17. Movements Between Funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
1 January 2023	27,158	20,185	15,195	62,538
Incoming Resources for the Year	41,086	-	180	41,266
	68,244	20,185	15,375	103,804
Resources Expended in the year	(46,509)	-	(9,328)	(55,837)
	21,735	20,185	6,047	47,967
Transfers between funds	257	(1,963)	1,706	-
Gains/(losses) on investments	-	1,576	-	1,576
	21,992	19,798	7,753	49,543
	21,992	19,798	7,753	49,543

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Notes to the financial statements for the year ended 31 December 2023

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18. Restricted Funds	At 1 January			Transfers	At 31 December	
	2023	Income	Expenditure	General Funds	2023	
	£	£	£	£	£	
Birmingham Queens	2,278	-	(509)		1,769	
Birmingham Social Media	5,937	-	(5,937)	-	-	
Hull Community Church	671	-	-	-	671	
Hull New Project	1,231	-	-	-	1,231	
Rotherham	996	180	(2,882)	1,706	-	
Sunderland	4,082	-	-	-	4,082	
	15,195	180	(9,328)	1,706	7,753	

At set up of a project: A local partner will normally give an amount of restricted funds (typically £2,500) and Unlock will provide an unrestricted amount available to the project (usually £2,500). The unrestricted portion from Unlock is not held separately. The restricted money is normally used first in order to leave Unlock with more flexibility if the project doesn't continue. If the restricted fund is used up then the project is funded using the money introduced from Unlock's unrestricted funds.

Birmingham (Queen's) Local Partnership

Unlock Birmingham works in Partnership with The Queen's Foundation and St Peter's Saltley Trust. Unlock is providing training for those working in churches and communities in the more deprived areas of Birmingham. At the same time it is ensuring that Methodist Deacons and other students in training at Queen's have opportunities to learn about Unlock's accessible and open approach to Bible engagement with oral learners in poor urban communities.

Birmingham (Social Media) Local Partnership

Developing work in partnership with St Peter's, Saltley Trust which will explore the use of Social media in Urban Mission and Bible Engagement. Funding was received from St Peter's Saltley Trust in September 2017. The unspent grant of £5,937 was refunded to St Peter's, Saltley Trust on 25 September 2023.

Hull (Community Church) Local Partnership

This fund is used for work in West Hull. Work in this area is undertaken in partnership with Hull Community Church where Unlock is providing training for church leaders. This project was not progressed in 2023 with no income or expenditure in 2023.

Hull (New) Local Partnership

This fund is used for work in West Hull. This project was not progressed in 2023 with no income or expenditure in 2023.

Rotherham Local Partnership

This fund is used for work in the Treeton area. Work in this area is undertaken alongside Treeton Baptist Church with grant funding from the Yorkshire Baptist Association. The restricted funds available for this project were fully utilised during 2023 and the project was completed on 31 August 2023.

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Notes to the financial statements for the year ended 31 December 2023

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Sunderland Local Partnership

This fund is used for work in the Sunderland area. Work in this area is undertaken with funding and partnership from Wearside Deanery, St Hild and St Bede Trust and Seedbed Christian Community Trust. This project was not progressed in 2023 with no income or expenditure in 2023.

19. Prior Year: Statement of financial activities

	Unrestricted funds	Designated funds	Restricted funds	2022 Total
	£	£	£	£
Incoming resources	54,877	-	145	55,022
Resources expended	(49,168)	-	4,006	(53,174)
Total incoming/(outgoing) resources for the year	5,709	-	(3,861)	1,848
Transfers	(5,528)	3,634	1,894	-
Gains/(losses) on investments		(4,328)		(4,328)
Funds at 1 January 2022	26,977	20,879	17,162	65,018
Funds at 31 December 2022	27,158	20,185	15,195	62,538