

THE FRIENDS OF THE CONNECTION
AT ST MARTIN-IN-THE FIELDS

Charity Number 1040560

TRUSTEES' REPORT
AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

THE FRIENDS OF THE CONNECTION AT ST.MARTIN-IN-THE-FIELDS
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YEAR ENDED 31 MARCH 2021
CHARITY INFORMATION

CHARITY NO: 1040560

TRUSTEES (EXECUTIVE COMMITTEE) DURING THE YEAR ENDED 31 MARCH 2021

Charles Woodd (Chair)
Margaret Beels (Deputy Chair)
Nigel Thorpe (Membership Secretary - resigned 26 September 2020)
Graham Lawrence (Secretary - resigned 31 October 2020)
Mary Keane (Secretary - co-opted 13 January 2021)
Chris Riley (Treasurer)
Sheila Batchelor
Emily Cecil-Dennett
Alex Gandini (co-opted 13 January 2021)
Paul Taylor (co-opted 13 January 2021)
Rev. Richard Carter (ex officio)

INDEPENDENT EXAMINER

Ashley N. Fox FCA, ACII
PRB Accountants LLP *Chartered Accountants*
Kingfisher House
Hurstwood Grange
Hurstwood Lane
Haywards Heath
RH17 7QX

BANKERS

HSBC
455, Strand
London
WC2R 0RH

PRINCIPAL OFFICE

12, Adelaide Street, London, WC2N 4HW

DATE OF FORMATION

Under a constitution dated 3rd December 1989, most recently amended on 29 June 2019

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report and accounts for the year ended 31st March 2021.

The Executive Committee, who are the Board of Trustees and are listed on page 1, have reviewed the performance of the charity during the year and the position at 31 March 2021 and consider that the charity is in a good position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations.

Financial Performance and End of Year Position

The Trustees consider the financial performance of the charity during the year to have been satisfactory.

The Friends were able to make grants totalling **£310,460** to The Connection during the year. Although this overall total was significantly less than the previous year, the level of donations by Friends to the charity at £119,558 (excluding gift aid) held up well. The decrease in grant resulted very largely from the fact that legacy income, which by its nature is variable and unpredictable, was less than the exceptionally high level recorded in 2019/20. The Queen Eleanor Cycle Ride raised £19,960 (over £23,000 including gift aid), but other fund raising activities were curtailed by the Covid pandemic. In addition, we participated in the Keep Our Doors Open emergency appeal across the St Martin's site, to which Friends contributed a total of £10,685.

As indicated in the Statement of Financial Activities, the accounts show a small overall accounting deficit of £1,198 during the year as cash held at the beginning of the year in excess of the minimum reserves requirement (see below) was brought down, enabling us safely to spend fractionally more than our income. This resulted in a further small reduction in the net assets of the charity to £73,131 at the end of the year, as shown in the Balance Sheet. These assets comprised cash reserves (see below), legacy receipts due totalling £35,000, and Gift Aid of over £20,000 accrued during the year but not yet received, offset by payments due to be made in the months immediately after the end of the financial year.

Policies on reserves

The policy of the charity is to carry a cash reserve sufficient to cover 8 months of support costs, taking into account the fact that in earlier years income from donations has been relatively low over an 8-month period from the beginning of the year. That has been interpreted as maintaining a minimum cash reserve of around £20,000, erring in practice somewhat on the side of caution. The actual cash reserve at 31 March 2021 was £20,572.

Principal funding sources

The charity is dependent for its income on subscriptions from its members, voluntary donations, legacies and the income from fundraising events. During the year, the Committee continued to implement its Fundraising Strategy agreed previously, as far as was possible within the constraints set by the Covid restrictions..

Plans for Future Periods

During the year 2020-21, the Trustees have been working very closely with The Connection's CEO and Fundraising Team to develop a more integrated operation. The aims of this development are: to increase membership of the Friends, to involve the Friends more closely in the work of The Connection, to co-ordinate fully the two charities' communications, to use resources, staff and Trustee time more efficiently, and to avoid unnecessary duplication. One early joint initiative has been working together on the development of new logos for the Friends and the Connection.

As a result of these discussions, the Trustees approved a Memorandum of Understanding between the Friends and The Connection in March 2021, as the basis of a trial period of integrated working beginning formally on 1 April 2021. This will include the secondment of the Friends' Charity Administrator to The Connection's Fundraising Team for an initial 12-month period. Further details of how these developments are being implemented will be presented to the AGM in September 2021.

Recruitment and appointment of new trustees

Trustees are elected at the Annual General Meeting (AGM) and together form the Executive Committee of the Friends. Candidates must be members of the Friends and be proposed and seconded by members of the Friends. During the year, Nigel Thorpe stepped down after 10 years of dedicated service as a Trustee, and Graham Lawrence also resigned as Secretary after a shorter but very valuable period in the role. In January 2021, Mary Keane was co-opted as Secretary, and Alex Gandini and Paul Taylor as Trustees.

Induction and on-going training of Trustees

New trustees are given a copy of The Essential Trustee (published by the Charity Commission – document CC3) as well as the Friends' constitution, and serve a probationary period as required by the constitution. The Chair informs them of their duties and responsibilities. Trustees are asked regularly to review their understanding of their obligations. All Trustees are notified of any new legislation pertinent to the running of a charity when this has been issued from the Charity Commission or other relevant regulator.

The organisational structure of the charity and how decisions are made

The charity is managed by the Executive Committee (Trustees) as laid down in the constitution. As noted above, the Executive Committee is elected by the members at the AGM and it is responsible for strategic decisions. Committee meetings are routinely attended by the Connection CEO and the Director of Fundraising and Communications to ensure that the committee is well briefed about the strategy

and activities of the Connection. Committee members have specific responsibilities so as to share the workload. The Committee is supported by the part-time Charity Administrator, employed by the Friends, who handles everyday office and financial administration, leaving Committee members free to give priority to the crucial tasks of recruiting new members and expanding our fundraising activities.

Risk Management

The Executive Committee continues to review the risk register and the means by which risks can be minimised. The main risks during the year have been: (i) adapting to the restrictions imposed by the Covid pandemic, including the Charity Administrator having to work from home, while ensuring the daily office tasks (such as processing the post and incoming cheques, preparing mailings to the Friends) could be covered; (ii) the continuing need to arrest the decline in membership, and therefore income from donations.

We are very grateful to the Charity Administrator for adapting to the situation, and continuing to support the charity from a home base throughout the periods when The Connection premises were closed. As a very small charity with minimal staff, we identified the risks the situation presented and mitigated these by separating functions, working with The Connection. A member of The Connection opens all the Friends' post and records any donations made before the paperwork is passed to the Friends' office.

The Committee has continued to seek ways of reversing the decline in membership (risk (ii)), which led to new arrangements instituted formally from 1 April 2021, involving a much closer integration between the operation of the Friends and the work of The Connection's Fundraising Team.

Objectives and Activities

Our objectives are laid down in our Constitution: "The object of the Friends shall be to support the charitable work of The Connection at St Martin's in such manner as the Committee, in consultation with the Trustees of The Connection at St Martin's, shall from time to time determine, provided that such support does not relieve expenditure which a body or authority is under a statutory duty to provide."

The Friends' main activities are collecting subscriptions and donations from members, including the receipt of legacies, recruiting new members, promoting greater awareness about homelessness and the work of The Connection amongst our members and the general public, organising fundraising and awareness-raising events in central London, and encouraging members and others to raise funds for the Friends.

This year the Committee continued to implement the Fundraising Strategy first adopted in 2017-18, regularly reviewed and updated as necessary, as far as was possible within Covid restrictions, while at the same time actively pursuing discussions with The Connection Fundraising Team to develop proposals for greater collaboration. The results of these efforts have been positive and can be seen from the following highlights of the year:

- Donations, subscriptions and other non-legacy income totalled £153,424, a decrease of just over £31,000 on the total achieved in 2019-20. This total includes other trading income of £795.
- Friends' contribution to the cross-site "Keep Our Doors Open" appeal in Spring 2020 totalled £10,685. Taken together with donations made directly to the Friends over the period of the appeal, the total raised was £17,280 excluding gift aid, £1,676 lower than raised by the 2019 Spring Appeal.
- Our Speakers Panel activities were also limited by Covid, but we undertook three engagements, including one in a school between lockdowns, and two to other groups on Zoom.
- The 12th Queen Eleanor Cycle Ride had to be organised on a different basis to previous years because of Covid. A small number of cyclists followed the traditional route in a relay, while the remainder cycled 200 miles in their own time in their home areas. Despite this change of pattern, the event was very successful, raising over £23,000 including Gift Aid in sponsorship.
- Although the income from legacies was not at the previous year's level, we still received £174,986 in legacy income.

Our part-time Charity Administrator, Rupert Dean, continued to provide excellent support to the Committee by providing essential office back-up and day-to-day financial administration, with both imagination and initiative, and an impressive attention to detail. Rupert worked closely with members of The Connection's Fundraising Team, again within the restrictions set by Covid.

Ultimately, the responsibility lies with the members of the Committee, and the charity owes an enormous debt to our dedicated Committee members, who give greatly both of their time and expertise. We were sorry to lose Nigel Thorpe and Graham Lawrence during the year, but encouraged by the interest and enthusiasm of the new members, Mary Keane, Alex Gandini and Paul Taylor. The Connection's CEO, Pam Orchard, has been most generous with her time and wise counsel, speaking at events and supporting our strategic thinking. She has been ably supported by the Connection's Director of Fundraising and Communications, Elizabeth Charles and her maternity replacement Katie Daley, as well as by Nicola Cappleman who manages the individual giving remit. They regularly attend Committee meetings in an advisory capacity. We continue to value our connection with St Martin-in-the-Fields, represented on the Committee by Rev Richard Carter.

Public Benefit Statement

The Trustees confirm that they have referred to the guidance as published by the Charity Commission on public benefit. All charitable activities highlighted in this report are undertaken in furtherance of our charitable objects and for the public benefit.

Statement of Trustees' Responsibilities

Charity law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are also responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. Trustees are required to show and explain the charity's transactions and the financial statements must comply with regulations made under the Charities Act. Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' Report, and the responsibility of the independent examiner in relation to the Trustees' Report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

The Trustees are satisfied that they have fully discharged these responsibilities.



Charles Woodd
Chair

9 August 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE FRIENDS OF THE CONNECTION AT ST MARTIN-IN-THE-FIELDS

I report on the accounts of the Trust for the year ended 31st March 2021, which are set out on pages 10 to 15.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

The Charity's gross income exceeded £250,000, and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England & Wales.

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met;

or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Ashley N. Fox FCA, ACII

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9 August 2021

**THE FRIENDS OF THE CONNECTION
AT ST MARTIN-IN-THE-FIELDS**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted £	Restricted £	2020-21 Total £	2019-20 Total £
Income and endowments from:					
Donations and legacies	2	327,614	0	327,614	492,092
Other trading activities		795	0	795	2,370
Total income and endowments		328,410	0	328,410	494,462
Expenditure on:					
Raising funds	3, 4	18,448	0	18,448	21,234
Charitable activities	5, 6	311,160	0	311,160	480,948
Total expenditure		329,608	0	329,608	502,182
Net income/expenditure		-1,198	0	-1,198	-7,720
Transfers between funds		0	0	0	0
Net movement in funds		-1,198	0	-1,198	-7,720
Total funds brought forward		73,778	551	74,329	82,049
Total funds carried forward	7	72,580	551	73,131	74,329

**THE FRIENDS OF THE CONNECTION
AT ST MARTIN-IN-THE-FIELDS**

**BALANCE SHEET
AS AT 31 MARCH 2021**

	Notes	2021 £	2020 £
Tangible fixed assets:			
Office equipment		1	1
Total fixed assets	8	1	1
Current assets:			
Debtors	9	55,731	52,199
Cash at bank and in hand		20,572	23,687
Total current assets		76,303	75,886
Current liabilities:			
Creditors: amounts falling due within one year	10	-3,174	-1,558
Total current liabilities(-)		-3,174	-1,558
Net current assets		73,130	74,328
Total net assets		73,131	74,329
Funds	11		
Unrestricted		72,580	73,778
Restricted	12	551	551
Total		73,131	74,329

The notes on pages 12 to 15 form an integral part of these financial statements.

C J Riley
Treasurer
On behalf of the Trustees



9 August 2021

**THE FRIENDS OF THE CONNECTION
AT ST MARTIN-IN-THE-FIELDS**

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

1. ACCOUNTING POLICIES

Basis of preparation of the accounts

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Accounting convention

The financial statements are prepared on a going concern basis, and the assets and liabilities valued accordingly.

Incoming resources

All incoming resources are accounted for when the charity has entitlement to the funds, certainty of receipt and the amount is measurable. Where income is received in advance of a performance or service, it is deferred until the charity is entitled to that income. Legacy income is recognised when it can be measured or estimated with sufficient reliability, and is not discounted by the time value of money if it is receivable within one year.

Resources expended

All resources expended are recognised once there is a legal or constructive obligation to make a payment to a third party.

Costs of generating funds

Comprise the costs associated with attracting voluntary income.

Charitable activities

Comprise donations made to The Connection at St Martin-in-the-Fields.

Governance costs

Comprise those costs associated with meeting the constitutional and statutory requirements of the charity.

Allocation of support costs

Administrative support costs have been allocated to "Costs of raising funds". Accountancy, audit fee and AGM costs are allocated to "Governance Costs".

Expenses paid to Trustees or connected persons

Expenses totalling £81 were paid to Trustees.

**THE FRIENDS OF THE CONNECTION
AT ST MARTIN-IN-THE-FIELDS**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (cont.)**

	Unrestricted £	Restricted £	2020-21 Total £	2019-20 Total £
2. Donations and legacies				
Subscriptions	9,918	0	9,918	9,471
Donations	119,558	0	119,558	145,325
Legacies	174,986	0	174,986	309,483
Gift aid	23,152	0	23,152	27,813
Total	327,614	0	327,614	492,092
3. Expenditure on raising funds				
Staff costs	16,070	0	16,070	17,144
Events and activities*	350	0	350	1,620
Other current spending*	2,027	0	2,027	2,470
Total	18,448	0	18,448	21,234
4. Expenditure on goods and services* (events, activities and other current)				
Postage	390	0	390	341
Stationary and printing	1,341	0	1,341	2,198
Insurance	599	0	599	591
Legal and professional fees	35	0	35	35
Design	0	0	0	0
Other goods and services	12	0	12	925
Total	2,377	0	2,377	4,090
5. Expenditure on charitable activities				
Grants to the Connection at St Martin's	310,460	0	310,460	480,233
Money owed to ST Martin's	0	0	0	70
Governance costs	700	0	700	645
Total	311,160	0	311,160	480,948
6. Governance costs				
Independent examiner fee	700	0	700	645
AGM	0	0	0	0
Total	700	0	700	645

**THE FRIENDS OF THE CONNECTION
AT ST MARTIN-IN-THE-FIELDS**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (cont.)**

	2020-21		
7. Movement in Unrestricted Funds			
Opening fund 1 April 2020	73,778		
Incoming resources	328,410		
Outgoing resources	329,608		
Closing fund 31 March 2021	72,580		
 8. Fixed assets for use by the charity			
Cost at 1 April 2020	979		
Depreciation at 1 April 2019	978		
Depreciation charged in year	0		
Depreciation at 31 March 2021	978		
Net book value at 31 March 2020	1		
Net book value at 31 March 2021	1		
	31-Mar-21	31-Mar-20	
9. Current assets: debtors			
Legacies	35,000	25,000	
Gift Aid due	20,731	27,199	
Total	55,731	52,199	
 10. Current liabilities: amounts due within one year			
Independent examiner fee	700	668	
Employee payroll admin, tax and pension payments	755	890	
QECR advance payments	1,719	0	
Total	3,174	1,558	
 11. Analysis of net assets between funds	Unrestricted	Restricted	Total
Fund balances at 31 March 2021:			
Tangible fixed assets	1	0	1
Current assets	75,752	551	76,303
Current liabilities	-3,174	0	-3,174
Total	72,580	551	73,131

**THE FRIENDS OF THE CONNECTION
AT ST MARTIN-IN-THE-FIELDS**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (cont.)**

12. Restricted funds

1 Towels, socks and underwear

Opening fund 1 April 2020	521
Incoming Resources	-
Outgoing Resources	-
Closing Fund 31 March 2021	521

This money was raised following an appeal in 2011 to all Friends for socks and towels for Connection clients (or money to purchase them). In 2013, Connection staff asked if this money could be used to purchase underwear as well. Friends were contacted to ask their permission. No-one objected. Sufficient funds are held.

2 Walking Group

Opening fund 1 April 2020	30
Incoming Resources	-
Outgoing Resources	-
Closing Fund 31 March 2021	30

The money came from a Friend who raised money by holding a coffee morning for her walking group in 2010. She raised £600. The original purpose of this fund was to help a Connection clients' walking group. The group no longer exists and the Friend who raised the money gave permission for the money to be spent on kitting out clients who attend The Connection's Pilgrimage to Canterbury with walking gear.

3 Donations in 2020-21

No donations during 2020-21 were received with a requirement that they should be used for specific purposes.

13. Related Party

The Connection at St Martin-in-the-Fields (CSTM) is a related party. As stated in the constitution, all funds are collected on behalf of this entity.

