

Company number: 03734793

Charity number: 1075947

# Spitalfields Crypt Trust

Report and financial statements

For the year ended 31 March 2022

# Spitalfields Crypt Trust

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### For the year ended 31 March 2022

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Reference and administrative information

For the year ended 31 March 2022

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Company number 03734793  
Country of incorporation United Kingdom

Charity number 1075947  
Country of registration England & Wales

**Registered office and operational address** 116–118 Shoreditch High, Street, London, E1 6JN

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Philip J. Young	Chair
Sarah Brufal	Resigned 9 August 2021
David C. Ely	
Andrew D. Enga	
Jean-Baptiste Petard	
Corin Pilling	
Matthew Ubogagu	
Rajul Gill	
Clare Williamson	Resigned 23 <sup>rd</sup> March 2022

<b>Company Secretary</b>	Daniel Hilton	Resigned 23 <sup>rd</sup> March 2022
	Andi Morgan-Brown	Appointed 23 <sup>rd</sup> March 2022

<b>Key management personnel</b>	Steve Coles	Chief Executive (resigned 16 <sup>th</sup> July 2021)
	Tony Chasteauneuf	Chief Executive (appointed 16 <sup>th</sup> August 2021)
	Daniel Hilton	Director of Operations (resigned 23 <sup>rd</sup> March 2022)
	Leah Johnson	Director of Retail
	Louisa Snow	Director of Services
	Kate Billingham Wilson	Director of Fundraising, Communications & Marketing (appointed 18 <sup>th</sup> July 2022)

**Bankers** HSBC Bank plc  
75 Whitechapel Road  
London  
E1 1DU

**Solicitors** Gowling WLG (Pro Bono support)  
4 More London Riverside  
London  
SE1 2AU

# Spitalfields Crypt Trust

## Reference and administrative information

For the year ended 31 March 2022

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<b>Auditor</b>	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane LONDON EC1Y 0TL
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<b>Accountants</b>	JS2 Limited One Crown Square Church Street East Woking Surrey GU21 6HR
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The Trustees, who act in the role of directors, present their report together with the financial statements of the Trust for the year ended 31 March 2022.

The reference and administrative information set out on pages 1 to 2 form part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP applicable to charities preparing their accounts in accordance with FRS 102).

## **Welcome/Introduction**

Welcome to our 2021–22 Annual Report. We are an East London charity helping our local community to recover from drug or alcohol addictions and other complex needs. We help people to achieve lasting recovery and a more fulfilling life.

## **From our Chair of Trustees, Philip Young**

In last year's annual report, we said that "recovery is a process" and so it proved to be for SCT during the 2021–2022 financial year as we supported one another through the continued personal, organisational and societal impacts of the COVID pandemic. The emotional, mental, physical and financial costs of the pandemic on our teams, our partner agencies and the communities we serve have presented us with many challenges; managing incidents of COVID amongst our employees and residents and responding to the continually evolving government guidance, adapting to the disruption experienced by referral partners, working with the heightened anxieties and stress levels of those we support and those with whom we engage through our shops and social enterprises, successfully navigating the associated impacts on our finances.

However, alongside the challenges has been the joy of returning to face-to-face contact with our residents, wider recovery community and amazing charity shop customers, and celebrating the number of our residents who maintained their abstinence despite the protracted lockdowns and aftermath. We express our heartfelt appreciation of the investment made by residents, students, supporters, volunteers and staff across the whole of SCT in helping bring us through this complex period.

Our SCT recovery community has demonstrated extraordinary resilience in the face of hugely testing circumstances, drawing on SCT's core principles of togetherness, creativity and love. These are great attributes on which we can build, as I know Tony Chasteauneuf who joined us as our new CEO in August 2021 is keen to do, looking to identify the learnings and opportunities arising from what we have faced in recent times and the way that we have responded.

As with many organisations, some staff have taken the decision over the last year to move on to pastures new. We have taken the opportunity to review how best to improve the reach and effectiveness of our services. Following the closure of our drop-in service during the pandemic we have taken the decision to keep it closed permanently and to instead focus our expertise on developing a more flexible and person-centred approach to those in our communities who are vulnerable to homelessness and addiction. Additionally, we have restructured the management

team including fundraising, finance and HR. We were also particularly pleased to be able to adopt new externally evaluated salary ranges for all our staff positions and to bring our lowest paid employees up to the London Living Wage level as a minimum.

It's our longstanding commitment to social justice, compassion and excellence that sustains us and drives us forward into another exciting year but it's our recovery community, Trustees, staff, volunteers, funders and other supporters that make us who we are – thank you for enabling us to continue our lifesaving work!

**Philip Young, Chair of Trustees, July 2022**

## **From our CEO, Tony Chasteauneuf**

It was such a delight to join SCT in August 2021. It has felt less like starting a new job and more like coming home. At the launch of our Big Give campaign last November, I spoke of how being invited to participate helps us to feel connected and valued and to feel 'at home'. The participation of our residents and students in that campaign has to be one of the highlights of the year for me. The amazing work they produced in our art and literacy classes for us to display across our sites in East London as part of our Winter campaign was truly amazing. Centring on the theme of 'community' the work was a tangible testament to the beauty that can be unleashed when we find the courage to discover our gifts through the hope we find in the love of others!

Creating connections through people's gifts is an important part of our approach to building 'recovery capital' and something we are keen to develop further as we look to develop our many sites across East London, such as our newly opened shop in Walthamstow, as places of connection and hope for all those vulnerable to homelessness and addiction. This is a broader and deeper commitment to community that sets SCT apart. Relationships are at the heart of who we are and how we work. The ensuing sense of 'togetherness' this creates feeds our innovation and achievements; from continuing to establish our new Housing First service during the year as a key and highly successful part of our integrated service offer, through to our truly joyous in-person staff conference in March where we gathered together to celebrate what we do well and to reflect on how we might improve on what we do. Added to this is the amazing support from the wider community, such as our loyal supporter who generously opened her home to us to host the launch of our Big Give campaign and the Lady Mayoress of the City of London who generously organised and hosted a sleepout in the centre of London in March on one of the coldest nights of the year in support of SCT and a range of other charities!

These are the gifts that inspire and inform our priorities for the coming period as we look to deliver a step change in the scope of our engagement in the community and our support of women as well as men experiencing homelessness and addiction, and as we recommit to the continuous improvement in the quality of all our services, enterprises and operational functions.

Together, our wonderful staff team, dedicated volunteers, committed supporters and inspirational residents and students, we face the opportunities of the coming period with excitement and together we face the personal and social challenges of the current cost of living crisis with courage and hope.

**Tony Chasteauneuf, CEO, July 2022**

## About SCT

SCT was founded in 1965 to address the growing problems caused by homelessness, poverty, mental illness, and the criminal justice system.

We aim to address people's needs holistically – working on long-term improvements to housing, employability, health, and social connections.

We believe many aspects of people's lives need careful attention in order to help people achieve lasting recovery. To support our whole-person, place-based approach to recovery, we run a residential recovery hostel, supported housing, a Training and Development centre, a Housing First project, two social enterprises offering a supportive training ground for those who want to take the next step, and several charity shops, all in East London.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees 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 its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

## Our Vision, Mission, and Principles

### **Vision**

Our vision is a society where anyone with drug or alcohol addictions and complex needs can transform their life.

### **Mission**

Our mission is to enable people with drug or alcohol addictions and complex needs to achieve lasting recovery and a more fulfilling life. Through our services, and by working with others, we aim to provide the UK's most effective and compassionate recovery program.

### **Principles**

- Our belief is what drives us
- Our compassion guides our approach
- Our love helps people to heal
- Our ambition helps us succeed
- Our excellence leads the way

## Why we are needed

As homelessness increases and people continue to face addiction, SCT takes on the two issues together.

We help people to find purpose in their lives and participate in their communities. SCT was born over 55 years ago, when the then vicar of Christ Church, Spitalfields opened up the doors of his church's crypt to local men in the area who were homeless and struggling with alcohol addiction. This legacy of practical compassion lives on in Shoreditch where we continue to support hundreds of people each year. Unfortunately, the harm caused by homelessness and addiction in England continues to rise.

We provide holistic services with creativity and compassion to help people recover from addiction, homelessness, mental health problems, and other complex needs.

## Covid-19 and its impact on SCT

While we are grateful that this year's context has been less turbulent than the previous year, this reporting period continues to document the impact Covid-19 has had upon our work at SCT. In general, the effects of the pandemic upon health, housing, unemployment, and other complex needs have been far-reaching.

For people already in recovery, lockdown brought new, complex challenges, such as prolonged isolation, disruption of regular routines, and worsening mental health.

At the start of this reporting period, non-essential shops had just reopened again, and the summer months provided some relief from the difficult lockdown period earlier in the year. As we approached Christmas, the government's "winter plan" reintroduced some regulations due to the Omicron variant.

During this year, our services and our service-users have all been recovering from the early stages of the pandemic.

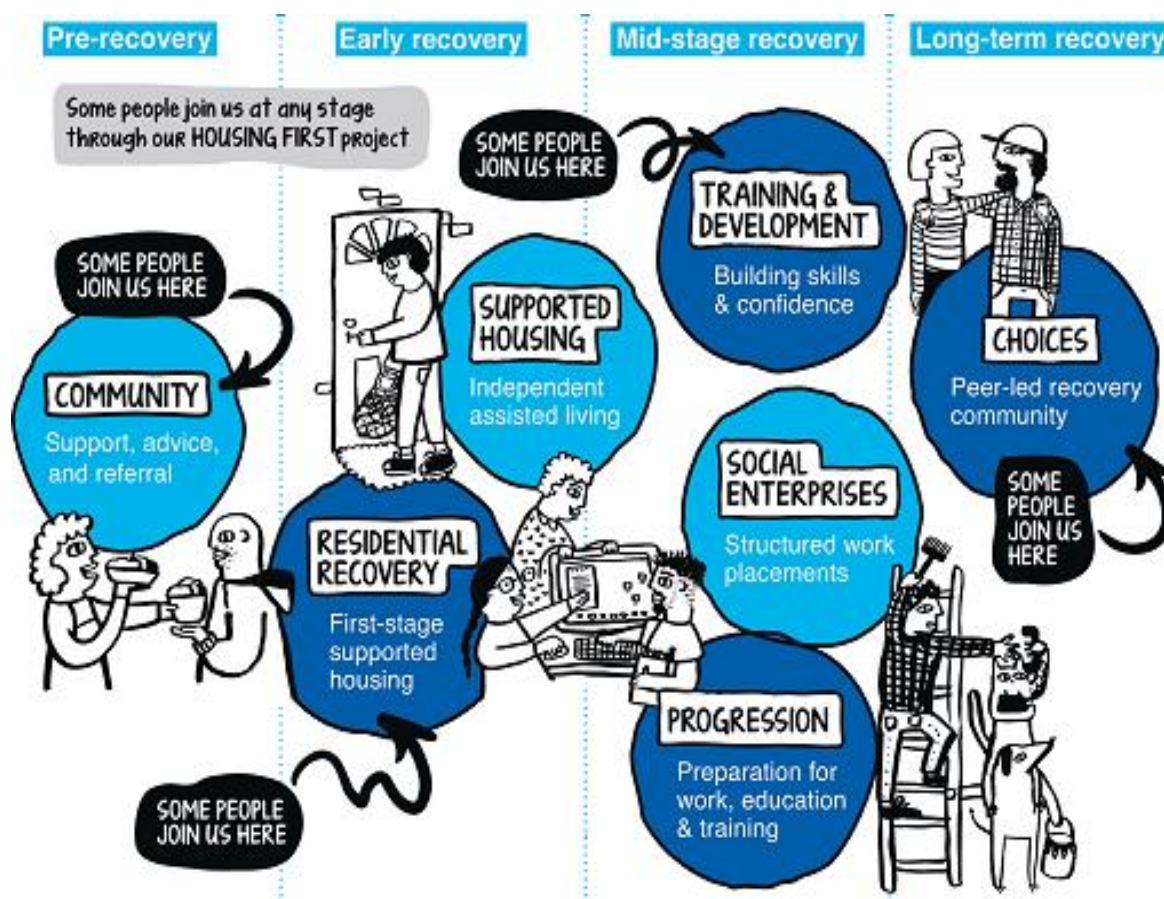
## SCT's highlights of 2021-22

- Having launched our Housing First project in September 2020, we have since been able to house 14 people in 20 months.
- We've had 27 new residents worked with in Acorn House, with a total of 40 Acorn residents worked with.
- Additionally the Housing Team have worked with 59 people.
- At Acorn House the relapse rate was at 15%, which compares well with the sector.
- Recovery rate which is the residents who have achieved 6 months or more abstinence was 45%



- Between March and September, due to Covid-19 restrictions, Training and Development only supported Acorn House residents, during this time we were able to work with 17 residents
- Between September and April, 53 people were supported through Training and Development, including Acorn House residents, supported housing residents, and our long-term recovery community
- Training and Development provided 1,250 hours of support over the 8 months it was open to non-residents
- Students and residents in our Progression programme completed just over 627 hours of work experience at our shops and social enterprises
- We opened a new charity shop in Walthamstow and launched an online charity shop

## Our recovery foundations



We take a unique approach to recovery, focusing on long-term, compassionate, and holistic goals. Taking the whole person into account, we believe we can effectively address the complex needs of the people who use our services. Over our 57 years of experience, we have a range of practical foundations to help people move forward from addiction and homelessness.

For those ready for recovery, we offer a residential (abstinence-based) program, along with supported move-on housing, and addictions counselling.

As part of mid-stage recovery, our Training and Development centre provides education and training opportunities, helping people to establish a routine, build new skills, boost their self-esteem, make friends, and engage with their local community.

The next step is work experience, which people can access through our social enterprises and charity shops, as well as finding further opportunities with partner organisations.

For those in long-term recovery, we also co-ordinate our peer-led recovery community, Choices, who meet regularly for support, understanding, and friendly guidance.

Our Housing First project offers unconditional housing to people at any stage of their recovery journey.

## Drop In

Our drop in service was severely affected by the Covid-19 pandemic. As we have prepared for COVID-related restrictions coming to an end, we have been reflecting on what has been achieved in the past and the opportunities that are presenting themselves for the future. As a result, we have decided that we will not be re-starting our drop-in service. Instead, we want to use that team's expertise to engage more flexibly and in even more person-centred ways with those in our communities who are vulnerable to homelessness and addiction. We will be working with the team to ensure the time and resources are available to help develop this approach, making full use of SCT's range of specialisms, sites, and community partners. In the meantime, the team of course continues to drive forward our fantastic Housing First work.

## Housing First

Housing First is based on the idea that housing is a human right. It is an approach which places homeless people directly into long-term, self-contained housing with no requirement that they progress through transitional housing programmes, such as hostels, shared housing, or time-limited tenancies based on special conditions.

Our Housing First project is supported by Crisis and DD McPhail, and is run in partnership with Poplar HARCA. This partnership allows us to offer up to ten tenancies a year over the course of the three-year project.

## News

We launched our Housing First project in September 2020, since then we have been able to house 14 people in 20 months.

Several of our Housing First residents have been known to SCT for a long time and it has been incredibly uplifting to help them into a safe home.

Aaron\* has been known to the support teams at SCT for over a decade. Before moving in, he'd spent six months in prison, and during the other six months he was seeing emergency services 3–4 times a week. In March 2021, he moved into his first flat with our Housing First project. Since then, he's had some ups and downs but incidents with emergency services have been lower and he has now been sober for 12 weeks.

We have been able to build up good partnerships with ELFT, St. Mungo's, and other organisations in the local area. We have been able to take referrals from these organisations and the partnerships have been beneficial to us all.

Tyler\* was previously a heroin user for 38 years. He moved into his flat with our Housing First project in December 2020. There was a reduction in his drug use when he first moved in, but over the past 16 months he has had one lapse and has been clean for seven months for the first time in 38 years. The team say he is feeling house proud, clear-headed, and doing really well.

The Housing First team have welcomed new team members who have settled in well and are handling the increased need for support really well. The workload is often unpredictable but the team remain motivated by the effectiveness of the Housing First method.

*"Through working with our partners we have been successful in our project goals, and we are feeling positive about the project's future. Housing First is an effective approach which best meets the needs of some of our service users."* – Housing First Manager

## Looking ahead

The pandemic brought a series of crises for rough sleepers in London. While it has been extremely challenging, we have welcomed the solidarity and hard work shown by the homelessness sector in supporting people and helping them off the streets. We are grateful for having this new opportunity to partner with other organisations who share our vision and mission, and we are hopeful for the future.

Our aim for the next year is to provide a safe home for a further ten people, and to continue providing support as and when people need it.

*\* Names have been changed*

## Therapeutic Programme

The therapeutic programme at Acorn House offers abstinence-based residential treatment to homeless men with substance addiction issues. We provide group and one-to-one counselling to the residents in our 16-bed hostel. We work with hard-to-reach clients with complex needs, often those with a history of street homelessness.

We deliver a group programme three days a week, a further community group once a fortnight and one-to-one counselling to 16 residents. The programme includes groups relating to issues such as cross-addiction, trauma, identity, and insecure attachment. We facilitate residents presenting a

life story to their group and support them in completing the first three steps of the 12-step programme. We also focus on challenging behaviour which may trigger a return to active addiction, such as associating with those still using or drinking.

## News

During this reporting period 26 people came through the therapeutic programme. We had six relapses, which is a low rate at 24%. The recovery rate (the number of people who gained six months recovery) is 45%.

Our service has been affected by the loss of several local detox and substance misuse services. There are fewer opportunities for people to detox safely before coming to Acorn House, and this has an impact on how many people can move in.

*"For our clients there is quite a small window of opportunity, it's not ideal for people to be on waiting lists."* – Therapeutic Programme Manager

*"To overcome the detox gap, we have tried to be flexible when we can, while being very aware that the detox period can bring a great deal of risk to people, particularly those with alcohol dependency. Some people we were able to bring them in every day for three or four days prior to moving in, to do random drug and alcohol tests at different times of the day. We also started using DTG (urine sample) tests for alcohol which give us a better idea of whether someone has been drinking over the past 48 hours. This has helped in some situations, but most people still need that proper medical detox support."* – Therapeutic Programme Manager

A similar challenge for residents has been the loss of access to mental health support services, in-person GP appointments, and relationships with external support agencies in general. The team are hopeful that towards the end of 2022 these services may be returning to how they were before the pandemic.

Covid-19 brought further challenges during this reporting period. Many of our residents have felt some anxiety around things like healthcare, mask-wearing, testing, isolating, needles, and the changing rules and restrictions. The staff have managed this through consistent communication and keeping on top of the changing rules and regulations. We have had some Covid-19 cases in the house and we have been good at using "circuit breakers" in the event of an outbreak – pausing groups, doing regular tests, isolating positive cases, and keeping upstairs and downstairs separated.

Meanwhile, some positive changes have been made as a result of Covid-19. For example, we had been running a reduced number of group sessions due to the pandemic, and we found that with three or four groups per week, the residents were doing better and the relapse rate was lower. We have kept this in place, increasing the one-to-one sessions at the same time, and the team think this is a positive step.

Similarly, during the pandemic we made Training and Development sessions compulsory for our residents, to help fill the gaps in their routines caused by the lack of external services. Where previously we encouraged residents to focus on group sessions, therapy, and counselling, we have seen the benefits of getting them into Training and Development within their first week and this is something we will continue after the pandemic.

We have also been able to reintroduce in-person aftercare sessions after being online-only due to Covid-19 restrictions, and the in-person group has developed into a very supportive space. When AA and NA meetings were moved online, a lot of people found them difficult to attend, so we started having in-house meetings. Now, we are continuing with an in-house twelve-step group once a week which is organised entirely by Acorn House residents, with external speakers and chairs coming in. We also have peer-facilitated reflections together in the morning, involving readings from meditation books, morning thoughts, playing music, and checking which meetings they're going to.

## Looking ahead

We are excited to be welcoming trainee and placement counsellors again, and we are looking for supporters to help with refurbishments and activities for the house and residents.

The team are developing new ideas for the residents, including phased housing within Acorn House, broadening Training and Development opportunities, and bringing back trips and days out for everyone. The staff and residents are feeling much more positive as we enter this next year.

## Supported Housing

SCT has two supported housing projects where we continue to support residents and prepare them for transitions to independent living accommodation.

Supported housing provides intensive housing management with well-coordinated support for people struggling with chronic addictions and other complex needs. We also help residents to access local community organisations, signpost them to other agencies, get them involved in decision-making at SCT, and support them in seeking appropriate independent living for the future.

## News

The team have helped 23 people through Acorn House, and 10 into supported housing. In total the supported housing team have helped 37 people.

We have continued to support people in various ways; providing guidance on life and social skills, behaviour management, and support with physical, emotional, and mental health. We also provide practical support, signposting residents to legal and debt support, setting up and maintaining tenancies, financial management, supervising medication, and monitoring health and safety.

Our greatest challenge during this reporting period has been the closure of drug and alcohol services. For example, the loss of Health E1 and Brooke Drive's detox services have left a huge gap in facilities for getting people safely through detox. There are not many services left which can support people through the detox stage which is (in most cases) necessary before someone can safely move into Acorn House, which is an abstinent space. This has caused a significant barrier to the amount of people who can come to Acorn House, and the subsequent impact means fewer people who can move on to supported housing.

Our partnerships have been uplifting for the team. We have been helped a lot by Groundswell's floating support workers who have accompanied our residents to appointments. We also have a great relationship with L&Q who have helped a lot of our residents to get nominations for housing associations.

Further challenges were brought by Covid-19, the most difficult time came at Christmas when new restrictions were brought in again. During the rest of the year, residents have continued to face the impact of external support groups (for example, AA, NA, church groups, and social groups) being cancelled or moved online.

*"That feeling of belonging and social interaction required for long-term recovery just wasn't available for those who don't have computer skills or don't feel as comfortable with video calls."* – Senior Support Worker

Since spring 2022, people have been able to attend in-person meetings and get more involved in community activities again. This has been positive on the whole, while some people have been more apprehensive and anxious due to the pandemic, the team have been on-hand to support and encourage them. We hope the positive impacts of this will continue and we are already seeing benefits for our residents.

Another positive outcome is that the ability for us to shift online when needed has improved a lot since the start of the pandemic, for staff and residents. As a team, we have managed a lot of difficult situations together.

People who have moved on over the past year have done really well. We have had some relapses, but the ones who have made it through have done better than usual. They are in a really strong place in their recovery.

### Looking ahead

We are focusing on building new partnerships with drug and alcohol services and looking for ways to overcome the gap in detox services.

Similarly, we are looking forward to hosting open days again for existing and potential referral partners, and improving communications with other organisations in the sector. We hope that this will boost referrals to Acorn House and provide more clarity on who we can and cannot house.

## Training & Development

The Training and Development centre offers a regular programme of activities and training to men and women in recovery from drug and alcohol addictions.

We run a range of classes and activities to improve self-esteem, develop creativity, and provide people with the tools and skills to help them move forward in their recovery journey. We also support residents and students to gain work experience through our social enterprises and charity shops, providing a safe and accessible working environment to help build the confidence and skills needed to move on.

Training and Development is home to our Progression service, offering one-to-one support and advice to help people explore opportunities external to SCT such as volunteering, education, and employment. We also run Choices, a peer-led recovery community, where people can do a mixture of activities including wellbeing, cooking and eating together, film and quiz club.

## News

Between March and September, due to Covid-19 restrictions, we only supported current residents of Acorn House. During this time we were able to work with 17 residents.

Between September and April we have worked with 53 people, including Acorn House residents, supported housing residents, and our long-term recovery community. The team have provided a total of 1,250 hours of support during this time.

Students and residents in our Progression programme completed just over 627 hours of work experience at our shops and social enterprises.

	Acorn House Residents	Supported Housing Residents	External Students	Total	Total sessions	Total hours
Restoration Station	3	2	1	6	87	519
Paper & Cup x SCT	7	1	2	10	20	59
Charity Shops	8	0	0	8	15	49
	18	3	3	24	122	627

This year, we also saw:

- Two supported housing residents volunteering at Lighthouse Homerton
- Three residents completed their PAT Tester qualifications
- Two Acorn House residents completed their Level 2 Health and Hygiene qualifications
- One supported housing resident completed a Level 2 Personal Trainer qualification

- Four supported housing residents completed the Psychology for Change course, one of whom now works part-time with them
- Two people are now in part-time employment
- Seven students took part in the one-to-one coaching programme with the Progression Worker
- Five students enrolled on the Open Book project at Goldsmiths University

This year, we have had classes in art, woodwork, literacy (group and one-to-one), creative writing, gardening, digital skills, exercise groups, and our long-term recovery meetings with Choices.

Unfortunately, some of our greatest challenges have again been related to Covid-19. Between March and September, we only worked with Acorn House residents on a one-to-one basis, and in small groups. Closing the service to external students was difficult for all of us, but one positive is that we were able to spend more quality time offering support to the residents.

We were able to re-open in September, but there were still restrictions on numbers and space. We again reduced attendance towards the end of December due to cases rising again. Then we re-opened "properly" in mid-January.

One of the first projects we did upon re-opening was getting ready for SCT's winter campaign which was an exhibition of art and written work by students and residents. The art, literacy, creative writing, and digital skills classes got involved in creating window displays for our centres all over East London. This gave us all a collective focus and a goal to work towards together as a community, and it was uplifting after having been closed and restricted to virtual meetings for so long.

Later in the year, two key members of staff left SCT, our Art Tutor and our Choices Leader. We've since recruited a new art tutor who started in April 2021, he has lots of great plans for the future and has very quickly boosted the numbers of attendees.

Our Choices group have continued as a peer-led recovery community, meeting twice a week and taking part in various activities together, including cooking, art, book clubs, theatre classes, karaoke, and biscuit decorating. We are using this time to better understand the post-lockdown situation for people in long-term recovery, in future we are looking to expand the Choices Leader role and have a co-production lead to work across SCT.

We have also benefited greatly from the appointment of a Progression Worker, after the position was vacant for 18 months. As a result, we've been able to support people into training, volunteering, and employment opportunities externally and within our charity shops and social enterprises. The rest of the team have benefitted from being able to discuss future opportunities with students and having a dedicated staff member to support that journey with them. We've also been able to focus on building better partnerships with other organisations including 100 Shoreditch and Goldsmiths University.



In our gardening project we have a wonderful group of gardening volunteers who work tirelessly to keep the gardens looking beautiful. We welcomed a new Gardening Tutor to run gardening classes. The gardens also won a Green Flag Award for the third year in a row.

*"This was quite an achievement given most of the work towards the award was done under restrictions and without the support of gardening classes, as they weren't able to run at the time, so a big shout out to the gardening team."* – Training and Development Manager

We also have volunteers at Restoration Station who support the Woodwork Manager with commission work and restoring donated furniture. And we had a brilliant volunteer from one of our corporate partners, Natixis, who ran a four-part cooking course for our students.

### Looking ahead

One of our supporters, Shearman & Sterling, are hosting an art exhibition showcasing our students' creative work. We have been getting paintings, prints, and sculptures ready in the art classes, and the woodwork class are restoring and decorating second-hand furniture.

The tutors and students are also getting involved in SCT's Winter Campaign again towards the end of this year. They will be making creative pieces to display in

We are also making plans to pilot an SCT progression academy in partnership with 100 Shoreditch, and we are looking for ways to continue welcoming new people into our programme.

### Retail

SCT retail comprises eight charity shops, two social enterprises, and our online shop. These provide regular, unrestricted funding for the organisation, a presence at the heart of our local community, and opportunities for volunteering, work experience, and career development for service users.

We are also proud to collect, accept, and process tonnes of donated goods every year, saving thousands of garments from landfill.

### News

This year we have opened a new shop in Walthamstow on busy Hoe Street. The shop team have been warmly welcomed by the community there, and we are all feeling positive about this opportunity to serve more people.

Paper & Cup x SCT has become a success since we readapted the space to sell second-hand goods as well as coffee and snacks, and we restructured the staffing there.

*"This has seen it become a profitable enterprise with huge social impact. The residents are now regularly using the space to progress in the later stages of their recovery journey."* – Retail Director

We have also introduced pop-in income generation streams, such as the Classic Car Boot Sale, boosting our profile and our income.

This year we have benefited from volunteer support in all of our shops, through regular or 'micro' participation. Each shop needs a dozen or more volunteers to stay open as advertised every week and volunteers can get involved in all aspects of the running of the shops.

*"Compassionate and dedicated staff share their wealth of experiences and talents with valued volunteers and customers to offer work experience placements, space to develop skills, and build relationships while selling an unpredictable trove of treasures gifted by our generous donors."* – Retail Director

The team faced challenges in the aftermath of the pandemic, with footfall being unpredictable. Reports of abuse of staff have also occurred at more than double the rate of the previous reporting period.

Meanwhile, since the last report which was unfortunately hindered by several shop closures, this year our income has risen again, and our shops are much busier, with more donations coming in.

We are not yet free from Covid-19-related issues, primarily related to staff shortages and sick leave, but the staff have remained resilient throughout these different challenges.

## Looking ahead

In the communities around the shops we are seeing more people in need of support from SCT's services. The shops are becoming more integrated community spaces to signpost people towards the right support. Opportunities to build on the shops as places of connection and engagement are being explored.

We are also continuing to look for more shop spaces where we can replicate the success of the hybrid Paper & Cup x SCT model.

## Additional organisational updates

### Fundraising

The financial year 2021–2022 saw fundraising income holding up well with unrestricted donations particularly strong compared with budget. Whilst the success of fundraising applications of the pandemic period saw restricted income also continue strongly, a period of transition was being anticipated with the move out of lockdown and related restrictions as well as the likely economic aftershocks. Against this backdrop there were also more changes to the fundraising team. In response to the departure of the Head of Fundraising and the Individual Giving Manager in the second half of the year, the decision was taken to commence a restructure including the creation of the new role of Director of Fundraising, Communications and Marketing. The challenging

recruitment environment that has impacted across all areas of activity, adding additional pressure in sustaining and further developing income streams into the new financial year.

Income raised this year came from the following sources:

- Trusts, Corporates & Foundations – £424,250
- Individuals – £369,977
- Gift Aid – £42,430
- Total – £836,657

The restricted income was allocated in the following ways:

- Therapeutic Programme – £21,666
- Training and Development Centre – £20,639
- Supported Housing & Drop-In – £34,425
- Housing First – £114,220

We were delighted that so many of our partners continued to fundraise for us during these challenging times. The Lord Mayor's Appeal hosted a Sleep Out on one of the coldest nights of the year. Some of our corporate supporters abseiled off the ArcelorMittal Orbit and hiked across the South Downs Way. Meanwhile, members of the public ran races and walked miles to raise money for us, and our partners in the community held harvest festivals and bake sales. We would like to thank all of our supporters who have kept us in good spirits with their fundraising over the past year.

We do not engage with third parties to actively fundraise on our behalf and we have not received any complaints in the year. We adhere to the Code of Fundraising Practice which ensures we work responsibly in our fundraising practices.

Our fundraising also includes running a chain of charity shops. We added an 8th shop in March with the opening of a new shop in Walthamstow. In such an unpredictable year, the results achieved by our shops was very encouraging, with plans generated to address identified areas for improvement.

## **Volunteers**

Our volunteers are the bedrock of everything we do, from clearing leaves in our community garden, to sorting clothes at the charity shops, and helping us with important administrative tasks, we knew we would struggle without them. This reporting period again saw fewer opportunities for volunteers to support us operationally but we have already begun to rebuild our volunteer numbers and we are looking to continue increasing this vital way for us to build our recovery community.

## Financial Statement

### Performance

Total income for this year was £2,597,506 (2021: £2,415,163) and total expenditure was £2,607,240 (2021: £2,594,328) which has meant an overall deficit of £9,734 (2021: £9,650 surplus). Of this there was a surplus to restricted funds of £47,211 (2021: £38,598) and a deficit in unrestricted funds of £56,945 (2021: £28,949).

### Reserves policy

The Trustees calculate the free reserves, net of designated funds, at the balance sheet date at £434,496. Our long-term objective is to maintain free reserves of at least 25% of unrestricted expenditure excluding charity shop running costs, in order to ensure that the Trust is able to fund working capital, fund unexpected expenditure when unplanned events occur and fund shortfalls in anticipated income. Trustees also consider the risk of closure and, if required, would anticipate an organised closure over a period of time, so the free reserves do not need to include full closure costs. The Trustees consider that in order to meet these needs, and to operate as effectively as possible under the strategy, SCT should hold free reserves of approximately £286,800 in 2021/22. Free reserves at 31 March 2022 represent 37.9% (2021 – 52.9%) of unrestricted expenditure, excluding charity shops. Designated funds represent the value of unrestricted funds invested in fixed assets, which are not readily available for other purposes, and are therefore excluded from the calculation of free reserves. The Board keeps the reserves position under regular review.

### Investment policy

Surplus cash is held in either a 1-year fixed term deposit account or instant access accounts, spread across banks to minimise risk.

### Principal risks and uncertainties

The Board of Trustees is responsible for the management of risks faced by the Charity. Detailed consideration of risk is delegated to the managers of departments who are responsible, with the Chief Executive Officer, for documenting identifiable risks and taking active steps to manage them. The main risks facing the charity are:

#### Financial risks

The financial challenges facing the voluntary and community sector are well known and continue. SCT operates within that context, where the resources of grant makers are increasingly stretched and in demand, where local authority budgets have been cut, and where individual giving may be under pressure in the current economic climate. SCT is fortunate to have its charity shops that make an important contribution to the operating costs of the organisation and we are looking to expand this enterprise, whilst also continuing to face rising overheads, particularly the possibility of increased rents as east London continues its regeneration and property values continue to rise. As we enter 2022–23, SCT is continuing to invest to grow that income for the future with the new Director of Fundraising, Communications and Marketing role (July 2022) and a restructured

fundraising team, exciting plans being finalised for new community focused initiatives and expanded residential provision, and a revitalising of internal processes to maximise the impact of existing resources, including volunteers. To mitigate risk, SCT has in place a comprehensive system of strategic planning, budgeting, quarterly forecasting and management accounting, and the Board ensures that the Fundraising team and charity shops are well-managed and operating to their full potential. The Board regularly reviews financial performance, and is supported by a Finance and Operations Committee that includes four Trustees.

#### **Reputational Risks**

Safeguarding the charity's reputation is a primary duty of the Trustees and SCT has taken steps to ensure that specific reputational risks are managed proactively. SCT has formal written policies and procedures, including Crisis Communications, a clear chain of communication, and a programme of staff training, to mitigate the risk to the charity's reputation. SCT is also increasingly inviting external evaluation of its services and programmes, to gather objective, external opinion and benchmarks.

#### **Health, safety, and safeguarding**

Risks arising from Health & Safety and Safeguarding – SCT takes seriously its responsibility to provide an environment for staff, service users and volunteers that is safe and free from discrimination, harassment and victimisation. To mitigate this risk, SCT has formal policies in place covering Health & Safety, Equalities and Safeguarding, which are reviewed regularly, as well as specific risk assessments relating to different areas of service delivery.

#### **Data risks**

SCT recognises the risk posed by the possibility of data management issues to its reputation and operations and the need to comply with the General Data Protection Regulation (GDPR), which came into effect in May 2018. To mitigate against the risks arising from data management issues, SCT's data is hosted remotely by Fluid IT. SCT is registered with the Information Commissioner, and is also registered with the Fundraising Regulator, which has implemented the Fundraising Preference Service to enable individuals to opt out of communications from charities.

## **Structure, governance and management**

### **Governance**

Spitalfields Crypt Trust ('the Charity'), also known as SCT, is a registered charity (Number 1075947) and was incorporated as a company limited by guarantee and not having a share capital (Number 03734793) on 17 March 1999. The guarantee of each member is limited to £10. The Trust has a wholly-owned non-charitable subsidiary, Spitalfields Crypt Trading Limited, which is currently dormant.

The governing document is the Memorandum and Articles of Association of the charitable company (updated and adopted by Special Resolution on 10 December 2012).

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

### **Recruitment and training of trustees**

Trustees are appointed by the existing Board, with due consideration to the inclusive Christian ethos of the Charity, the skills and experience that each prospective Trustee can contribute to the Charity, and a skills audit of the existing Board members. A new Trustee is introduced to the work of the Charity and is given a copy of the governing document, latest annual report, minutes of recent meetings and other documents in line with the Charity Commission's 'Finding New Trustees' guide. The Trustee is then briefed on the vision, mission, strategy and objectives, and fully advised on the financial position of the Charity. He or she will be encouraged to visit operational departments to become acquainted with the range of work carried out by the Charity. Trustees are advised about training courses and resources that may help them to discharge their responsibilities more effectively.

### **Organisational structure**

The Board meets four times a year, or as required, and all heads of department submit Briefing Reports in advance of each meeting to the Board. The main business of such meetings is:

- To receive a set of financial statements and updates on the finances.
- To agree annual budgets and review performance in relation to those budgets.
- If necessary, to review the main areas of risk.
- To consider any issues of strategy, governance and policy which might be brought by the Trustees or arise from the various reports considered by the Trustees.

The Chair of the Board of Trustees meets regularly with the Chief Executive Officer to review operations in relation to the agreed Strategic Plan.

The day to day running of the Charity is devolved to the Chief Executive Officer.

### **Inclusive Christian ethos**

At SCT, we see a clear connection between best practice in addictions recovery and in our inclusive Christian ethos, and we're committed to continually learning and growing by engaging with both. Since its inception, SCT's work has been inspired and motivated by Christian faith and values. The life and teaching of Jesus is characterised by love – a love which is honest and challenging, accepting and healing. Our staff demonstrate similar characteristics, showing warmth and kindness while being clear and direct.

We are committed to working with people of any faith or none, and to helping them at their point of immediate need. We aim to provide a variety of pathways to recovery, wholeness and new life, tailored to individual needs and aspirations. In some of these pathways we offer opportunities to explore the relevance of the Christian faith, which are always optional.

We recognise that the long term effects of homelessness, addiction, poverty, and other forms of social isolation are deeply damaging to the human body, mind and spirit, but we are passionate in our belief that people can experience real and lasting change in their lives.

Staff are expected to comply with the highest standards, and will be given opportunities to develop their professional skills. We aim to offer a safe environment and a sense of community for all our service users and staff, and to maintain a culture of openness, respect, trust and accountability.

### **Remuneration policy**

Trustees set the salary of the Chief Executive, using market-benchmarking and other data to inform their decision. The Chief Executive sets the salaries of all other staff, using market-benchmarking and other data to review pay levels.

## **Statement of Trustees' responsibilities**

The trustees (who are also directors of Spitalfields Crypt Trust for the purposes of company law) are responsible for preparing the trustees' annual report 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 these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

## Spitalfields Crypt Trust

### Trustees' annual report

#### For the year ended 31 March 2022

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In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees at year end 31 March 2022 was 9 (2021: 9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

## Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 14<sup>th</sup> December 2022 and signed on their behalf by

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Philip J. Young  
Chairman



## Independent auditor's report

To the members of

Spitalfields Crypt Trust

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### Opinion

We have audited the financial statements of Spitalfields Crypt Trust (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Spitalfields Crypt Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **Other Information**

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

## Independent auditor's report

### To the members of

### Spitalfields Crypt Trust

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company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

## Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

## Independent auditor's report

### To the members of

#### Spitalfields Crypt Trust

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- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

15 December 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

# Spitalfields Crypt Trust

## Statement of Financial Activities (incorporating an Income and Expenditure Account)

For the year ended 31 March 2022

	Note	Restricted £	Unrestricted £	2022 Total £	2021 Total £
<b>Income</b>					
<i>Donations and legacies</i>	2				
Drop In Services		24,750	-	24,750	71,746
Residential Recovery Support		129,880	120	130,000	142,670
Personal Development & Training Centre		82,070	-	82,070	32,811
Long-Term Recovery/Employment		198,800	-	198,800	158,600
Other donations and legacies		-	401,037	401,037	1,040,094
<i>Income from charitable activities</i>	3				
Residential Recovery Support		-	382,570	382,570	420,141
Long-Term Recovery/Employment		-	79,620	79,620	25,306
<i>Other trading activities</i>					
Charity Shops		-	1,297,654	1,297,654	521,734
Income from investments		-	1,005	1,005	1,045
Other income		-	-	-	1,466
<b>Total income</b>		<b>435,500</b>	<b>2,162,006</b>	<b>2,597,506</b>	<b>2,415,613</b>
<b>Expenditure</b>					
<i>Expenditure on raising funds:</i>					
Costs of generating voluntary income		4,059	240,569	244,628	291,642
Charity Shops		-	1,071,447	1,071,447	900,469
<i>Expenditure on charitable activities</i>					
Drop In Services		-	113,535	113,535	104,138
Residential Recovery Support		106,023	589,288	695,311	622,221
Personal Development & Training Centre		79,800	74,589	154,389	110,608
Long-Term Recovery/Employment		198,407	129,523	327,930	376,885
<b>Total expenditure</b>	4	<b>388,289</b>	<b>2,218,951</b>	<b>2,607,240</b>	<b>2,405,963</b>
<b>Net (expenditure)/income for the year before transfers</b>	6	<b>47,211</b>	<b>(56,945)</b>	<b>(9,734)</b>	<b>9,650</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		143,739	1,194,058	1,337,797	1,328,147
<b>Total funds carried forward</b>	12	<b>190,950</b>	<b>1,137,113</b>	<b>1,328,063</b>	<b>1,337,797</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are shown in note 13.

## Balance sheet

As at 31 March 2022

	Note	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Tangible fixed assets	9		702,617		743,715
Investment in subsidiary	1(b)		1		1
			<u>702,618</u>		<u>743,716</u>
<b>Current assets</b>					
Stock		-		15,124	
Debtors	10	162,761		121,027	
Short term deposits		111,253		110,873	
Cash at bank and in hand		908,607		709,488	
		<u>1,182,621</u>		<u>956,512</u>	
<b>Liabilities</b>					
Creditors: amounts due within one year	11	(472,855)		(143,681)	
<b>Net current assets</b>			709,766		812,831
<b>Liabilities</b>					
Creditors: amounts due after one year	12		(84,321)		(218,750)
<b>Net assets</b>	13		<u>1,328,063</u>		<u>1,337,797</u>
<b>The funds of the charity</b>					
Restricted funds			190,950		143,739
Unrestricted funds					
Designated funds - fixed asset fund			702,617		743,715
General funds			434,496		450,342
<b>Total charity funds</b>	14		<u>1,328,063</u>		<u>1,337,797</u>

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

Approved by the trustees on 14 December 2022 and signed on their behalf by

Philip J. Young  
Chairman

**Spitalfields Crypt Trust**  
**Statement of Cashflows**

**For the year ended 31 March 2022**

	Note	2022 £	£	2021 £	£
<b>Cash flows from operating activities:</b>					
Net income / (expenditure) for the year	6	(9,734)		9,650	
Adjustments for:					
Depreciation charges	9	62,277		60,824	
Interest		(1,005)		(1,045)	
(Increase)/decrease in stocks		15,124		(1,311)	
(Increase)/decrease in debtors		(41,734)		223,022	
Increase in creditors		194,744		211,054	
<b>Net cash provided by operating activities</b>			<b>219,673</b>		<b>502,194</b>
<b>Cash flows from investing activities:</b>					
Interest		1,005		1,045	
Purchase of tangible fixed assets	9	(21,179)		(12,778)	
<b>Net cash used in investing activities</b>			<b>(20,174)</b>		<b>(11,733)</b>
Change in cash and cash equivalents in the year			<b>199,499</b>		<b>490,461</b>
Cash and cash equivalents at the beginning of the year			<b>820,361</b>		<b>329,900</b>
Cash and cash equivalents at the end of the year			<b>1,019,860</b>		<b>820,361</b>
<b>Cash and cash equivalents consist of:</b>					
Short term deposits			<b>111,253</b>		<b>110,873</b>
Cash at bank			<b>908,607</b>		<b>709,488</b>
			<b>1,019,860</b>		<b>820,361</b>

**1. Accounting policies**

**Statutory information**

Spitalfields Crypt Trust is a charitable company limited by guarantee and is incorporated in England and Wales. Registered office: Acorn House, 116-118 Shoreditch High Street, London, E1 6JN.

**a) Basis of preparation**

These financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and Companies Act 2006. The Charity is a public benefit entity for the purposes of FRS 102 and therefore has also prepared the financial statements in accordance with the 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 (The FRS 102 Charities SORP) and the Charities Act 2011.

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the Charity's forecasts and projections paying close attention to the reduction in its unrestricted reserves this year as a result of the unrestricted deficit and the potential for a significant repayment being due to Hackney council as referred to in note 11. After making enquiries the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

**b) Subsidiary company**

Spitalfields Crypt Trust owns 100% of the issued share capital of Spitalfields Crypt Trust Trading Company Limited, a company incorporated in England. The issued share capital of 1 ordinary £1 share is included at £1. The principal activity of the Spitalfields Crypt Trust Trading Company Limited is to carry out trading activities associated with the activities of the Spitalfields Crypt Trust. During the prior and the current year the Trading Company remained dormant.

**c) Income**

All income is included in the statement of financial activities when the charity is entitled to, it is probable that the income will be received and the amount can be measured reliably and is not deferred. The following policies are applied to particular categories of income:

Donations are recognised as income when the charity has control over, or received, the donation, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

Clothing and other items donated for resale through the charity's shops are included as incoming resources within activities for generating funds when they are sold.

Incoming resources from charitable trading activity are accounted for when earned.

Revenue grants are credited to the statement of financial activities when receivable.

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions the incoming resource is deferred.

**d) Expenditure**

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. Support and governance costs which cannot be directly attributed to particular activities have been allocated between expense headings on the basis of time spent.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Costs of generating funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.



**1. Accounting policies**

**e) Funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

**f) Fixed assets and depreciation**

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The expected useful life of each class of asset is as follows:

Long term leasehold property	50 years
Short term leasehold property	Life of the lease
Motor vehicles	4 years
Furniture, fixtures and equipment	3 years

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

**g) Stock**

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

**h) Pensions**

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

**i) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**j) Cash and cash equivalents**

Cash and cash equivalents includes cash at bank and in hand, and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

**k) Short term deposits**

Short term deposits includes cash with a maturity of three to twelve months

**l) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**m) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**n) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Spitalfields Crypt Trust

Notes to the financial statements

For the year ended 31 March 2022

2. Donations and legacies

	Restricted £	Unrestricted £	2022 Total £
<b>Drop In Services</b>			
Trusts, Foundations & Corporates	24,750	-	24,750
Individual donations	-	-	-
	<u>24,750</u>	<u>-</u>	<u>24,750</u>
<b>Residential Recovery Support</b>			
Trusts, Foundations & Corporates	129,880	-	129,880
Individual donations	-	120	120
	<u>129,880</u>	<u>120</u>	<u>130,000</u>
<b>Personal Development &amp; Training Centre</b>			
Trusts, Foundations & Corporates	82,070	-	82,070
Individual donations	-	-	-
	<u>82,070</u>	<u>-</u>	<u>82,070</u>
<b>Long-Term Recovery/Employment</b>			
Trusts, Foundations & Corporates	187,550	-	187,550
Individual donations	11,250	-	11,250
	<u>198,800</u>	<u>-</u>	<u>198,800</u>
<b>Other Donations &amp; Legacies</b>			
Trusts, Foundations & Corporates	-	-	-
Individual donations	-	401,037	401,037
	<u>-</u>	<u>401,037</u>	<u>401,037</u>
	<u>435,500</u>	<u>401,157</u>	<u>836,657</u>
	Restricted £	Unrestricted £	2021 Total £
<b>Drop In Services</b>			
Trusts, Foundations & Corporates	71,676	-	71,676
Individual donations	-	70	70
	<u>71,676</u>	<u>70</u>	<u>71,746</u>
<b>Residential Recovery Support</b>			
Trusts, Foundations & Corporates	142,500	-	142,500
Individual donations	-	170	170
	<u>142,500</u>	<u>170</u>	<u>142,670</u>
<b>Personal Development &amp; Training Centre</b>			
Trusts, Foundations & Corporates	32,811	-	32,811
Individual donations	-	-	-
	<u>32,811</u>	<u>-</u>	<u>32,811</u>
<b>Long-Term Recovery/Employment</b>			
Trusts, Foundations & Corporates	150,800	-	150,800
Individual donations	7,800	-	7,800
	<u>158,600</u>	<u>-</u>	<u>158,600</u>
<b>Other Donations &amp; Legacies</b>			
Trusts, Foundations & Corporates	286,162	-	286,162
Individual donations	2,050	751,882	753,932
	<u>288,212</u>	<u>751,882</u>	<u>1,040,094</u>
	<u>693,799</u>	<u>752,122</u>	<u>1,445,921</u>

Included in Other Donations is £8,396 (2021: £326,249) for Government grants relating to the Job Retention scheme & £50,620 (2021: £nil) relating to the Retail, Hospitality and Leisure Grant scheme.

3. Income from charitable activities

	Restricted £	Unrestricted £	2022 Total £
<b>Residential Recovery Support</b>			
Housing Benefit	-	368,173	368,173
Individual Charge	-	14,397	14,397
<b>Long-Term Recovery/Employment</b>			
Fees/Charges	-	79,620	79,620
	<u>-</u>	<u>462,190</u>	<u>462,190</u>
	Restricted £	Unrestricted £	2021 Total £
<b>Residential Recovery Support</b>			
Housing Benefit	-	399,898	399,898
Individual Charge	-	20,243	20,243
<b>Long-Term Recovery/Employment</b>			
Fees/Charges	-	25,306	25,306
	<u>-</u>	<u>445,447</u>	<u>445,447</u>

4. Expenditure

	Direct Staff costs £	Other Direct Costs £	Support & Governance costs £	2022 Total £
Costs of generating voluntary income	156,561	31,262	56,805	244,628
Charity Shops	573,547	289,801	208,099	1,071,447
Drop In Services	75,641	10,449	27,445	113,535
Residential Recovery Support	312,120	269,945	113,246	695,311
Personal Development & Training Centre	99,237	19,146	36,006	154,389
Long-Term Recovery/ Employment	196,391	60,283	71,256	327,930
Total expenditure 2022	<u>1,413,496</u>	<u>680,887</u>	<u>512,857</u>	<u>2,607,240</u>
	Direct Staff costs £	Other Direct Costs £	Support & Governance costs £	2021 Total £
Costs of generating voluntary income	198,568	23,375	69,700	291,642
Charity Shops	490,056	238,397	172,016	900,469
Drop In Services	64,449	17,065	22,623	104,138
Residential Recovery Support	260,333	270,508	91,380	622,221
Personal Development & Training Centre	70,326	15,596	24,685	110,608
Long-Term Recovery/ Employment	226,818	70,451	79,616	376,885
Total expenditure 2021	<u>1,310,551</u>	<u>635,392</u>	<u>460,020</u>	<u>2,405,963</u>

# Spitalfields Crypt Trust

## Notes to the financial statements

For the year ended 31 March 2022

### 5. Support costs

	2022 £	2021 £
Governance:		
Allocated staff costs	20,403	18,330
Audit Fees	12,000	11,750
	<u>32,403</u>	<u>30,080</u>
Other support costs:		
Allocated staff costs	192,914	173,312
General Office Supplies & Purchases	16,840	27,072
Premises Costs	52,117	51,203
Travel, Subsistence & Motor Expenses	4,878	4,194
Food	265	1,566
Consultancy & Training	44,484	33,015
Welfare & Therapy Costs	17,144	7,787
Depreciation	53,526	52,073
Insurance	10,353	6,547
Telephone	956	3,489
Bank Charges	7,486	4,458
Legal	-	1,375
Bad debts provision	-	8,000
Sundry	3,502	469
Outsourced Finance	45,024	39,218
Irrecoverable VAT	30,965	16,161
	<u>512,857</u>	<u>460,021</u>

### 6. Net income/expenditure for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	62,277	60,824
Operating lease rentals: property	381,704	378,693
Auditors' remuneration:		
- current year audit fee excl VAT	12,600	12,000
	<u>456,581</u>	<u>451,517</u>

Trustees received no remuneration or expenses.

There were no unrestricted donations from Trustees in the year (2021 :none).

There were no other related party transactions during the year (2021: none)

# Spitalfields Crypt Trust

## Notes to the financial statements

For the year ended 31 March 2022

### 7. Staff costs and numbers

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	1,446,352	1,346,849
Social security costs	123,656	103,983
Pension contributions	54,919	50,680
Volunteer workers' expenses	1,885	681
	<u>1,626,812</u>	<u>1,502,193</u>

No employee earned more than £60,000 in the year or the previous year.

The key management personnel of the Charity comprise of the Chief Executive and three members of the Senior Management team. The total amounts paid for salaries, fees and expenses in respect of the key management personnel of the Charity were £216,481 (2021 - £173,302).

The average number of employees during the year was 65 (2021 - 71).

The average number of employees (full-time equivalent) during the year was as follows:

	2022	2021
Generating Voluntary Income	4	5
Shops staff	23	23
Drop In Services	2	2
Residential Recovery Support	8	7
Personal Development & Training Centre	3	4
Long-Term Recovery/Employment	6	9
Support and governance	5	6
	<u>51</u>	<u>56</u>

### 8. Related party transactions

Aggregate donations from trustees were £12,500 (2021: £nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

### 9. Taxation

The charitable company is exempt from corporation tax for income arising from its charitable activities. The charitable company is subject to corporation tax for trading income exceeding the charity limit of £80,000 per annum. All its income is applied for charitable purposes.

### 10. Tangible fixed assets

	Long Leasehold property £	Short Leasehold property £	Motor Vehicles £	Furniture, fixtures and equipment £	Total £
<b>Cost</b>					
At the start of the year	509,466	844,230	16,153	77,984	1,447,833
Additions in year	-	21,179	-	-	21,179
At the end of the year	<u>509,466</u>	<u>865,409</u>	<u>16,153</u>	<u>77,984</u>	<u>1,469,012</u>
<b>Depreciation</b>					
At the start of the year	124,232	491,771	14,557	73,558	704,118
Charge for the year	10,690	47,084	532	3,971	62,277
At the end of the year	<u>134,923</u>	<u>538,855</u>	<u>15,089</u>	<u>77,529</u>	<u>766,395</u>
<b>Net book value</b>					
At the end of the year	<u>374,543</u>	<u>326,554</u>	<u>1,064</u>	<u>455</u>	<u>702,617</u>
At the start of the year	<u>385,234</u>	<u>352,459</u>	<u>1,596</u>	<u>4,426</u>	<u>743,715</u>

**Spitalfields Crypt Trust**

**Notes to the financial statements**

**For the year ended 31 March 2022**

**11. Debtors**

	2022 £	2021 £
Trade debtors	9,723	591
Other debtors	45,284	33,741
Prepayments & Accrued Income	95,719	73,449
Taxation and social security	12,035	13,245
	<u>162,761</u>	<u>121,026</u>

**12. Creditors: amounts due within one year**

	2022 £	2021 £
Trade creditors	59,612	38,858
Other creditors	924	7,026
Accruals & Deferred Income	370,159	66,547
Loan	42,160	31,250
	<u>472,855</u>	<u>143,681</u>

Included in accruals and deferred income is £303,663 (2021: £11,065) in relation to Housing Benefit and service charges due from the local authorities and tenants. Hackney Council had various IT issues that has caused an overpayment of Housing Benefit to build up which is being addressed by them and SCT.

**13. Creditors: amounts due after one year**

	2022 £	2021 £
Loan	84,321	218,750
	<u>84,321</u>	<u>218,750</u>

**14. Analysis of net assets between funds**

	Restricted funds £	Designated fund £	General funds £	Total funds £
Fixed assets	-	702,617	-	702,617
Net current assets	190,950	-	518,816	709,766
Long term liabilities	-	-	(84,321)	(84,321)
<b>Net assets at the end of the year</b>	<u>190,950</u>	<u>702,617</u>	<u>434,496</u>	<u>1,328,062</u>

**Prior year analysis of net assets between funds**

	Restricted funds £	Designated fund £	General funds £	Total funds £
Fixed assets	-	743,715	-	743,715
Net current assets	143,739	-	669,091	812,831
Long term liabilities	-	-	(218,750)	(218,750)
<b>Net assets at the end of the year</b>	<u>143,739</u>	<u>743,715</u>	<u>450,341</u>	<u>1,337,796</u>

15. Movements in funds

	At the start of the year £	Income £	Expenditure £	Transfers between funds £	At the end of the year £
<b>Restricted funds:</b>					
Personal Development & Training Centre	18,369	82,070	(79,800)	-	20,639
Residential Recovery Support	90,363	129,880	(106,023)	-	114,220
Drop In Services	9,675	24,750	-	-	34,425
Back to Work Scheme/Long term recovery support	21,273	198,800	(198,407)	-	21,666
Other	4,059	-	(4,059)	-	-
<b>Total restricted funds</b>	<b>143,739</b>	<b>435,500</b>	<b>(388,289)</b>	<b>-</b>	<b>190,950</b>
<b>Unrestricted funds:</b>					
Designated fund:					
Fixed Assets	743,715	-	-	(41,098)	702,617
General fund	450,342	2,162,006	(2,218,951)	41,098	434,496
<b>Total unrestricted funds</b>	<b>1,194,058</b>	<b>2,162,006</b>	<b>(2,218,951)</b>	<b>-</b>	<b>1,137,113</b>
<b>Total funds</b>	<b>1,337,797</b>	<b>2,597,506</b>	<b>(2,607,240)</b>	<b>-</b>	<b>1,328,063</b>

**Purposes of restricted funds:**

**Personal Development & Training Centre - New Hanbury Project**

Funding towards the salary of the training and development manager.

**Residential Recovery Support**

Specific donations for dealing with alcohol/drug addiction of residents at Acorn House.

**Drop In Services**

Specific donations for the ongoing work at the Drop-In Centre, the Shoreditch Community Project.

**Back to Work Scheme / Long-Term Recovery Support**

Specific donations towards the development of a recovery community.

**Other**

Specific donations for organisational capacity building, particularly staff training and development.

**Purposes of designated Fixed Asset Fund**

This fund represents the value of unrestricted funds invested in fixed assets which are not, by the nature of fixed assets, readily available for other purposes.

Prior Year Movements in funds

	At the start of the year £	Income £	Expenditure £	Transfers between funds £	At the end of the year £
<b>Restricted funds:</b>					
Personal Development & Training Centre	22,401	32,811	(36,843)	-	18,369
Residential Recovery Support	820	142,500	(52,957)	-	90,363
Drop In Services	16,560	71,676	(78,561)	-	9,675
Back to Work Scheme/Long term recovery support	65,360	158,600	(202,687)	-	21,273
Other	-	288,212	(284,153)	-	4,059
<b>Total restricted funds</b>	<b>105,141</b>	<b>693,799</b>	<b>(655,201)</b>	<b>-</b>	<b>143,739</b>
<b>Unrestricted funds:</b>					
Designated fund:					
Fixed Assets	791,761	-	-	(48,046)	743,715
General fund	431,245	1,721,813	(1,750,762)	48,046	450,342
<b>Total unrestricted funds</b>	<b>1,223,006</b>	<b>1,721,813</b>	<b>(1,750,762)</b>	<b>-</b>	<b>1,194,058</b>
<b>Total funds</b>	<b>1,328,147</b>	<b>2,415,613</b>	<b>(2,405,963)</b>	<b>-</b>	<b>1,337,797</b>

# Spitalfields Crypt Trust

## Notes to the financial statements

For the year ended 31 March 2022

### 16. Operating lease commitments

At the year end date the Charity had the following future minimum lease payments under non-cancellable operating leases (all for property) which fall due as follows:

	2022 £	2021 £
Less than 1 year	260,842	303,587
2 - 5 years	506,636	489,410
Over 5 years	407,620	261,910
	<u>1,175,098</u>	<u>1,054,907</u>

### 17. Prior Year Statement of Financial Activities

	Restricted £	Unrestricted £	2021 Total £
<b>Income</b>			
<i>Donations and legacies</i>		-	-
Drop In Services	71,676	70	71,746
Residential Recovery Support	142,500	170	142,670
Personal Development & Training Centre	32,811	-	32,811
Long-Term Recovery/Employment	158,600	-	158,600
Other donations and legacies	288,212	751,882	1,040,094
<i>Income from charitable activities</i>			
Residential Recovery Support	-	420,141	420,141
Long-Term Recovery/Employment	-	25,306	25,306
<i>Other trading activities</i>			
Charity Shops	-	521,734	521,734
Income from Investments	-	1,045	1,045
<i>Other income</i>	-	1,466	1,466
<b>Total income</b>	<u>693,799</u>	<u>1,721,813</u>	<u>2,415,613</u>
<b>Expenditure</b>			
<i>Expenditure on raising funds:</i>			
Costs of generating voluntary income	284,153	7,489	291,642
Charity Shops	-	900,469	900,469
<i>Expenditure on charitable activities</i>			
Drop In Services	78,561	25,577	104,138
Residential Recovery Support	52,957	569,264	622,221
Personal Development & Training Centre	36,843	73,765	110,608
Long-Term Recovery/Employment	202,687	174,198	376,885
<b>Total expenditure</b>	<u>655,201</u>	<u>1,750,762</u>	<u>2,405,963</u>
<b>Net income/ (expenditure) resources before transfers</b>	38,598	(28,948)	9,650
<b>Transfer between funds</b>	-	-	-
<b>Reconciliation of funds</b>			
Total funds brought forward	105,141	1,223,006	1,328,147
<b>Total funds carried forward</b>	<u>143,739</u>	<u>1,194,058</u>	<u>1,337,797</u>