

Company number: 03734793

Charity number: 1075947

Spitalfields Crypt Trust

Report and financial statements

For the year ended 31 March 2023

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Spitalfields Crypt Trust

Reference and administrative information

For the year ended 31 March 2023

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
David C. Ely	
Andrew D. Enga	
Jean-Baptiste Petard	
Corin Pilling	
Matthew Ubogagu	
Rajul Gill	

Company Secretary	Andi Morgan-Brown Nicole Brown	Resigned 1 February 2023 Appointed 1 February 2023
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Key management personnel	Tony Chasteauneuf Leah Johnson Louisa Snow Liz Marshall	Chief Executive Director of Retail Director of Services Director of Fundraising, Communications & Marketing (appointed 19 June 2023)
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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 2023

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

Accountants JS2 Limited
One Crown Square
Church Street East
Woking
Surrey
GU21 6HR

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 2023.

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 2022–23 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

This year has been testimony to the value of the ‘togetherness’ highlighted in our 21/22 report. Just as we had begun to transition out of the upheavals of the COVID pandemic, the international and domestic economic shockwaves of the last year created additional turmoil and uncertainties with which we have had to contend.

The cost-of-living pressures and the associated impact on salaries, alongside an increasingly challenging fundraising environment have provided a testing backdrop to our continuing commitment to provide and develop evermore effective responses to those in our community who are homeless and living with addictions. The impacts are of course felt by our partner agencies too, with knock on effects to referral processes and other joint working arrangements.

As a recovery community we all have a vital investment to make in sustaining and developing the work of Spitalfields Crypt Trust (SCT) together. To this end, we have continued to build a new Fundraising, Communications and Marketing team alongside a restructured Operations Department to better support the development of our employee and volunteer workforce.

The competitive and shifting labour market continues to present challenges whilst also highlighting the positive impacts of responding as best we can. As well as the introduction of our new salary scales, we provided staff with an additional one-off winter payment to help ease the particularly acute cost pressures faced by so many.

We have continued to look for opportunities to innovate, such as our ‘Move On Up’ pilot, to enable some of those graduating from their treatment programme to continue to reside at Acorn House for a limited time to build a surer foundation of life skills before transitioning to their move-on option. We have also continued to partner with those in the wider community who want to be part of our recovery community through the passion, skills and resources they choose to share; from our growing number of volunteers in our charity shops through to our corporate partners.

In June, we held a joyous “Jubilee Jamboree – BBQ and Sports Day” as part of national volunteer week. In September, Shearman and Sterling law firm hosted our SCT Art Exhibition celebrating the amazing artwork produced by our residents and students.

In October, we marked the completion by six SCT students of the first ‘Futures Academy’ course – a new 6-week programme to develop workplace skills delivered in partnership with ‘100 Shoreditch’ – including a special graduation event generously hosted by ‘100 Shoreditch’. In February, we were part of the first pop-up Charity Supermarket at Brent Cross, raising awareness and support for our work and our wonderful charity shops.

Together we have had a lot to celebrate. Our inspiration is always the people we support and the lifechanging work they put into turning their lives around. Thank you for all you do to make this possible.

Philip Young, Chair of Trustees, November 2023

From our CEO, Tony Chasteauneuf

‘Hope’ was our theme for the year as we stepped up discussions and planning for our forthcoming strategic priorities. Community, Hope and Transformation are key drivers in shaping our thinking for the future but it is our shared sense of hope that sustains us.

During this year’s winter campaign of ‘Hope’ SCT residents, students and visitors to our Recovery Hub and shops and social enterprises around East London collaborated in the creation of an amazing pop-art picture of hope: a celebration of the diversity, individuality and creativity of the SCT recovery community.

Everyone was also invited to write on a postcard what ‘Hope is.....’ for them. The wisdom shared included ‘Hope is.... the abundance of strength we have inside ourselves – even if doesn’t feel like it sometimes!’



Our focus on strengths is a key part of our approach to the support we provide to those who are homeless and living with addiction. And it's been our starting point over the last year in considering SCT's future directions; recognising where our expertise lies and how we develop and deploy that more effectively. This includes a recommitment to engaging with the lived experience of our recovery communities, those we are supporting through our services and those with whom we are connecting through our shop and social enterprise neighbourhoods: the gifts of people and place.

As well as the winter 'Hope' activities, we consulted with our peer-led 'Choices' group regarding opportunities to further develop their sessions and as a result we re-ordered and refurbished space within our Recovery Hub, altered session times and introduced new activities.

Following our consultation with our women students, we launched a new 'Choices' group for women. We have since started consulting with the women's 'Choices' group regarding the development of women-specific services within SCT.

In January, we published our first in-house magazine entitled 'Trust'. It was co-produced with students and residents in partnership with our Digital Skills tutor, featuring creative pieces and updates from across SCT.

Our strategy discussions have similarly identified the need and opportunities to deliver a positive and more fundamental shift in our key areas of focus; SCT in the Community, SCT Women's Services and Co-production. As part of the detailed analyses and draft directions at an advanced stage of development by the year end, there has also been a recognition of the need to develop senior management and Board capacity to support the delivery of the emerging strategy, with associated planning also underway to deliver on this.

It seems likely to continue to be a period of transition that will present challenges along the way. However, we are already seeing how the gifts and expertise of our residents, students, staff, volunteers and supporters see transition become transformation.

Tony Chasteauneuf, CEO, November 2023

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 remain 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?

Our work has never been more vital. Against a rise in the number of people facing homeless and an economic crisis, at SCT we continue to play a critical role in supporting extremely vulnerable people wishing to access abstinence recovery.

Too many people facing homelessness continue to die at a significantly younger age than the rest of the population. The average age of death in the UK for a homeless woman is 43.2 years and 45.4 years for a man [source: ONS November 2022]. Almost two out of three (35%) of homeless deaths are as a result of drug poisoning, 13.4% the result of suicide, and 9.6% the result of alcohol poisoning.

Recent data suggests rough sleeping in England has increased by more than a 25% year-on-year since 2021.

To help break the cycle of homelessness and addiction and give people the skills, resilience and confidence to re-build their lives, we provide holistic services with creativity and compassion. Our approach helps people recover from addiction, homelessness, mental health problems, and other complex needs.

Our impact at a glance

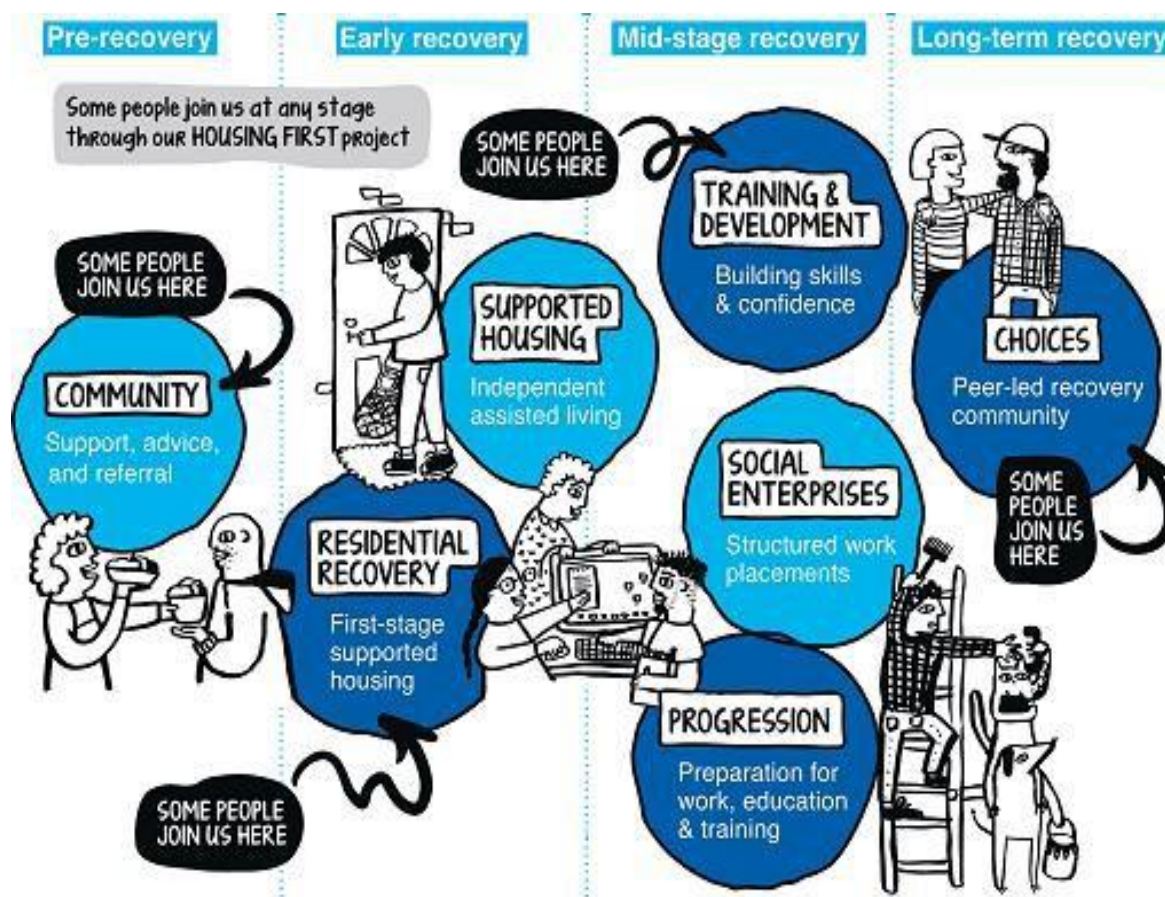
Acorn House: 39 new residents and nearly 40% of residents successfully completing their 6 month treatment programme. Considering the complexity of the challenges with which our residents come to us and the profound challenge of maintaining abstinence – this is an amazing achievement!

Move on: 9 new residents and 5 residents securing and moving into their own independent accommodation where they continued to embed their recovery and build their independence.

Training and Development: over 500 sessions of art, literacy, creative writing, digital skills, gardening and woodwork were delivered to residents and members of our wider recovery community. Over 17 people every quarter participated in our Progressions programmes to develop their employment, training and education opportunities – including six students completing our new 6 week 'Futures Academy' delivered in partnership with '100 Shoreditch'.

Housing First: 18 residents often still living in active addiction supported through our excellent 'Housing First for Recovery' service, which was identified by the external evaluation to be excelling in supporting this acutely vulnerable group.

What we do: 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. With nearly 60 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.

Housing First

The Housing First model is based on the principle that housing is a fundamental human right. It prioritises the provision of long-term, stable, and affordable housing for homeless people, without a pre-requisite of the person being 'housing ready'.

The model is designed for homeless people with multiple and complex needs and is designed to offer choice and control, by giving rights and responsibilities to people who are likely to have been multiply excluded.

It differs from other models that require people to address support needs (such as substance misuse) prior to them being offered housing. Instead, it addresses a person's support needs over time through coordinated and intensive support for as long as it is required.

SCT's Housing First team has many years of experience supporting people to address the issues that led to their homelessness and addiction/s. In our experience, people can be more open to addressing their addictions once settled into their new accommodation and having had the opportunity to develop trusting, supportive relationships with their Support Workers.

In 2022/23, we supported 18 residents within our Housing First service, all of whom have been offered long-term, person-centered support, and have managed to maintain their tenancies (with no tenancy relinquishments or evictions across the year). The strength of our relationship with our housing partner (Poplar HARCA) is fundamental in enabling this extremely multiply disadvantaged and excluded group to maintain their tenancies.

All those supported through Housing First have complex histories of exclusion, isolation, poverty, trauma, and homelessness. Few would be able to maintain tenancies and begin to address the issues that led to their homelessness without the support of our experienced and dedicated team. Being able to house four women in the service across the year is a particular highlight. SCT's other residential services are open only to men

and extending our offer to women is an important strategic priority.

Homeless women are reported to be even more vulnerable than homeless men, often experiencing increased mental health issues as well as drug and/or alcohol dependencies with less support available. In recognition of the particular needs of women we have forged relationships with specialist organisations (such as 'Beyond the Streets' who work with women involved in the sex industry), and have strengthened our partnerships with others (such as 'RESET' the local community drug and alcohol service).

An independent evaluation of our Housing First service commissioned this year, concluded that it demonstrated good fidelity to Housing First England principles, that represented good value for money, and that SCT excels in supporting this acutely vulnerable group.

We are grateful that our Housing First service has been supported by funding partners including CRISIS and other charitable trusts. As this funding comes to an end, we are working hard to secure continuation funding to ensure the longer-term sustainability of this vital service.

Marek's story

Marek* was 30 years old when he came to the UK from Poland to work and in search of a better life. Only a year after arriving, he lost his job and fell into homelessness when he was unable to pay his rent. He was not eligible for benefits, leaving him without anything to fall back on. With no safety net, he was thrust into the harsh realities of life on the streets and turned to alcohol.

He spent the next 10+ years sleeping on the streets across London. Every new location brought new challenges, leaving him feeling lost and disconnected from society. His situation grew progressively more and more desperate. Alcohol tightened its grip on him and took a devastating toll on both his physical and mental health.

He battled with depression and anxiety as his physical health worsened too, developing liver disease as a result of his drinking. Day after day he found himself in A&E departments and homelessness services scattered across Tower Hamlets and beyond, including SCT. These encounters provided a glimmer of hope, giving him a glimpse of a better future and reminding him that he was not alone in his struggles.

Finally, there was a breakthrough when a local service provided Marek with temporary accommodation, 14 years after he first came to the UK and after 13 years of rough sleeping. It was a lifeline, from the harsh realities of living on the streets.

It was during this time that Marek was introduced to SCT's Housing First service, and in August 2022, Marek took up his tenancy. He finally had a place he could call home, providing him with newfound stability and laying the foundation he needed to begin rebuilding his life.

Housing First staff didn't stop at providing a roof over Marek's head. They provided him with multifaceted support and were able to help him obtain his settled status, granting him the right to reside in the UK, and encouraged him to address his health needs and addiction.

A recent discharge from hospital marked a turning point for Marek in his battle against alcoholism, and he made the courageous decision to engage with community drug and alcohol services. It was a significant step forward on his path to recovery. Attending appointments and meetings became a testament to his commitment to change, and slowly but surely, he is beginning to rebuild his life.

His transformation has been remarkable. Marek continues to work on his addiction and has started taking responsibility for his life and is committed to change.

* Names of students and residents have been changed for confidentiality

Therapeutic Programme

SCT's therapeutic programme is delivered by our team of Addictions Counsellors based in our residential treatment centre, Acorn House. We support up to 16 men in the early stages of recovery from addiction.

The six-month programme is based on a combination of counsellor-facilitated group-work and one-to-one counselling. Group activities take place three times a week, with additional peer-led 'community' groups and daily reflection sessions.

The programme focuses on issues relating to addiction recovery including attachment, trauma, identity, cross-addiction, and toxic masculinity. It is informed by 12-step recovery, and all residents are supported in completing the first three steps over the course of the programme.

This year, we welcomed 39 new residents to Acorn House, having supported 44 people in total. Of these, nearly 40% successfully completed their six-month therapeutic programme, with at least six months' abstinence from all substances. The relapse rate during the period was 20%. Considering the complexity of the challenges with which our residents come to us and the profound challenge of maintaining abstinence – we are very proud of these results.

Our drive to broaden our reach to ensure our service is more widely accessible (particularly to those within the criminal justice system) has had positive results, with an increasing number of referrals across the year (from 26 in the first quarter of the year to 51 in the final quarter). We are conscious of the very limited range of treatment and housing options for single men within the criminal justice system, hence our focus in this area. We have worked hard to improve our occupancy following the dip during the pandemic, as evidenced by an average occupancy of almost 80% across the year.

Supported Housing

SCT's Supported Housing Team is integral part of the Therapeutic Programme. All residents are assigned a named Key Worker who supports them in every aspect of their life, including budgeting skills, support with debt management, facilitating appointments to care for their physical and mental health and supporting them as they deal with the criminal justice system. This support enables them to focus on their recovery while in treatment.

To help people move into longer-term housing, our team provides intensive housing management with coordinated support for people in early recovery and with complex needs.

Once they have completed treatment, residents are eligible for support in our 'move-on' service. SCT took the decision to relinquish the tenancy we held on one of our two properties following a drop in occupancy during the pandemic. Consequently, we now lease just one (12-bed) property. Here residents continue to be offered holistic support and are encouraged to continue taking more responsibility for their lives. Move-on residents are also encouraged to participate in SCT's Aftercare Programme delivered by our Addictions Counsellors, as well as engaging in other recovery fellowships.

During the year, we welcomed nine new residents to our move-on house, and operated at an average capacity of 83%. Our long-standing relationship with our move-on property's registered social housing provider means our residents can, after two years, apply for a social housing nomination. Three residents from our 'move' on' project benefited from this opportunity during the year, and have now successfully transitioned into their own (social) tenancies.

Training and Development

Our Training and Development service offers activities that are open to residents as well as members of the wider community. The aim of the classes are to improve people's self-esteem, creative expression, and social and communication skills.

The classes include art, digital skills, woodworking, creative writing, literacy, and gardening. We also offer residents and students the opportunity to gain work experience through our social enterprises and charity shops, providing easy access to the skills and experience required for future employment.

Our 'Progressions' service provides one-to-one support and mentoring to those who wish to explore education and employment opportunities. We also run 'Choices' a peer-led community that supports those in longer-term recovery.

Our Training and Development team delivered over 500 sessions including art, literacy, creative writing, digital skills, gardening and woodwork. These sessions were participated in by residents and members of our wider recovery community. During the year, the wonderful work of our gardening team was acknowledged by another 'Green Flag' award, whilst the amazing artwork produced by our residents and students was celebrated at our annual SCT Art Exhibition hosted by Shearman and Sterling law firm.

Over 70 people participated in our Progressions activities to develop their employability skills, and to access training and education opportunities – including six students completing our new 6 week 'Futures Academy' delivered in partnership with '100 Shoreditch'.

Retail

SCT retail comprises eight charity shops, our Restoration Station and Paper & Cup 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.

SCT sells 3,500 items each week on average through our shops, meaning almost 90,000 textile garments alone are recycled each year, however, the volume of donations means that approximately 10 tonnes of textiles are ragged each year. We are committed to working with ethical rag merchants and environmentally conscious destruction solutions.

The environmental benefits of charity retail are clear and we are a clear and ethical alternative to fast fashion. The sector provides quality products to local people at a price they can afford with the average overall transaction value in a charity shop sitting at just £4.03.

SCT works in some of the most deprived areas of London and as such we are committed to a socially responsible pricing hierarchy respecting donors and customers alike whilst working within our values to raise vital income to fund our work.

Our sales have continued to increase although trends have been impacted by the cost-of-living crisis. The generosity of our donors, the communities in which we work as well as local businesses and corporate supporters, help ensure we have plentiful supplies of excellent quality stock to sell in our shops.

We also receive wonderful support from our volunteers whose numbers increased significantly during the year across all shops. This included an increase in the number of young Duke of Edinburgh Award volunteers – over half of whom chose to continue volunteering with us after their Duke of Edinburgh volunteering section! Our “Jubilee Jamboree – BBQ and Sports Day” as part of national volunteer week in the summer was just one way for us to show our appreciation of everything that our volunteers give us and enable us to do.

We have continued to invest in our staff and volunteers teams in a variety of ways; from ongoing training – such as Equity, Diversity and Inclusion Training for all staff to help ensure our spaces are safe and inclusive places to shop, volunteer and work, to restructuring our salary structures – including adopting the London Living Wage as our minimum rate of pay – and our working hour and progression offers.

During 2022/23, we were excited to be part of the inaugural Charity Shop Supermarket, a pioneering project bringing together multiple charities in vacant spaces, breathing life back into tired high streets and changing perceptions of charity retail. And we are looking forward to another year full of exciting possibilities, as we look to further develop –

- SCT shops as places of community connection and celebration
- new SCT shops
- an expanded Restoration Station offer
- our online sales platform
- marketing of physical and online shops.

Additional organisational updates

Fundraising

With the continued impact of the COVID-19 pandemic and the cost-of-living crisis, the financial year 2022-23 was a challenging year for fundraising across the charity sector. Despite this, we achieved 82% of our forecast fundraising income.

Restricted Trust fundraising performed particularly well during 2022-23, and we are pleased to report we achieved 118% of our forecast. To ensure our income from fundraising is sustainable into the future, we will review our fundraising strategy during 2023-24.

Income raised this year came from the following sources:

- Trusts, Corporates & Foundations – £447,170
- Individuals – £236,872
- Gift Aid – £19,271
- Total – £703,313

The restricted income was allocated in the following ways:

- Drop In Services – £1,634
- Residential Recovery Support – £360,621
- Training & Development – £80,506
- Charity Shops & Social Enterprise – £7,549
- Other Donations & Legacies – £6,810

We are extremely grateful to every single donor, trust and organisation that supported us during 2022/23. We could not provide our life-changing services without the on-going commitment of all our supporters who generously give both their time and money.

In 2023/23 we received gifts of more than £5,000 including from the following charitable trusts.

- Mackie Foundation
- Mary Kinross Charitable Trust
- Mercers
- Leigh Trust
- West Hill Endowment
- Martin Geddes Charitable Trust
- Beatrice Laing Trust
- City Bridge Trust
- Inner London Magistrates Poor Box
- Henry Smith Charity
- West Hill Endowment
- Henry Smith Charity
- Anchor Foundation
- City Bridge: CoL Uplift
- Benefact Trust
- Garfield Weston Foundation
- Streets of London
- Vintners
- Tobacco Benevolent Fund
- Worshipful Co Drapers
- Cutlers Company

Fundraising responsibly

We rely on the support of our donors to ensure more people can recover from homelessness and addiction. We always aim to fundraise in a considerate and responsible way, and are registered with the fundraising regulator.

SCT currently has no corporate participator agreements and does not use external consultants or agencies for fundraising.

We have to adhere to data-protection laws and clearly explain how we store and process people's data. We also explain how to opt out of charity communications and provide a way to unsubscribe in all our email marketing correspondents.

We received no complaints about our fundraising practices during 2022/23 and have a complaints process in place.

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 know we would struggle without them. During this reporting period, we began planning around the rebuilding of our community of volunteers. In the summer, we hosted a wonderful jubilee celebration for our volunteers as part of national volunteer week, to express our gratitude for all they do.

Financial Statement

Performance

Total income for this year was £2,813,922 (2022: £2,597,506) and total expenditure was £2,779,155 (2022: £2,607,240) which has meant an overall surplus of £34,676 (2022: £9,734 deficit). Of this there was a surplus to restricted funds of £20,179 (2022: £47,211 surplus) and a surplus in unrestricted funds of £14,588 (2022: £56,945 deficit).

Reserves policy

The Trustees set the target for unrestricted free reserves taking into consideration the need to

- ensure continuity by providing for normal day-to-day costs
- respond to the threat of possible disruptions to income such as covering shortfalls in budgeted income, periods between funding finishing and new funding starting, costs of closing a service
- embrace the opportunity to pilot new innovative projects and/or help fund the initial phases of larger scale strategic programmes.

The target is calculated with reference to

- continuity: month to month unrestricted expenditure
- threat: budgeted income and SCT teams' costs plus considerations of scale of possible shortfalls in income and likelihood of threats materialising
- opportunity: likely annual cost of small-scale pilots and future contribution to new larger scale strategic initiatives.

Based on the above considerations, the Trustees have therefore set the aspiration for unrestricted free reserves to be circa £470K. This equates to 33% of unrestricted expenditure (excluding retail) as based on the YR23 to YR24 budget.

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.

The Trustees calculate the free reserves, net of designated funds, at the balance sheet date at £500K.

Whilst this is slightly above the estimated required level, this additional amount will help mitigate the impact of what is anticipated to be another challenging fundraising year ahead.

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 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 is under pressure due to 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 continue to look to expand this enterprise, whilst also continuing to face rising overheads, particularly the increase in salary pressures in response to the cost-of-living crisis as well as a very competitive recruitment market for many areas of relevant expertise.

As we enter 2023/24, SCT is continuing to invest to grow that income for the future as continue to develop capacity within our Retail team and develop the range and depth of expertise within our restructured Fundraising, Communications and Marketing team, as we move forward with our plans for new community and residential initiatives. 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 had a wholly-owned non-charitable subsidiary, Spitalfields Crypt Trading Limited, which had been dormant and was dissolved in February 2023.

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.

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 2023 was 7 (2022: 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 22 November 2023 and signed on their behalf by

Philip J. Young Chairman

Opinion

We have audited the financial statements of Spitalfields Crypt Trust (the 'charitable company') for the year ended 31 March 2023 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 2023 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 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

Independent auditor's report

To the members of

Spitalfields Crypt Trust

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.
- 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.

Independent auditor's report

To the members of

Spitalfields Crypt Trust

- 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. 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)

11 December 2023

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 2023

	Note	Restricted £	Unrestricted £	2023 Total £	2022 Total £
Income					
<i>Donations and legacies</i>	2				
Drop In Services		1,634	–	1,634	24,750
Residential Recovery Support		360,621	13,250	373,871	304,300
Training & Development		80,506	–	80,506	82,070
Charity Shops & Social Enterprise		7,549	–	7,549	24,500
Other donations and legacies		6,810	232,943	239,753	369,327
<i>Income from charitable activities</i>	3				
Residential Recovery Support		–	503,432	503,432	382,570
<i>Other trading activities</i>					
Charity Shops & Social Enterprise		–	1,605,885	1,605,885	1,408,984
Income from investments		–	1,293	1,293	1,005
<i>Other income</i>		–	–	–	–
Total income		457,120	2,356,803	2,813,923	2,597,506
Expenditure					
<i>Expenditure on raising funds:</i>					
Costs of generating voluntary income		6,810	252,294	259,104	244,628
Charity Shops & Social Enterprise		7,549	1,289,642	1,297,191	1,216,757
<i>Expenditure on charitable activities</i>					
Drop In Services		21,175	2,127	23,302	113,535
Residential Recovery Support		315,262	713,196	1,028,458	877,931
Training & Development		86,145	84,956	171,101	154,389
Total expenditure	4	436,941	2,342,215	2,779,156	2,607,240
Net (expenditure)/income for the year before transfers	6	20,179	14,588	34,767	(9,734)
Reconciliation of funds					
Total funds brought forward		190,950	1,137,113	1,328,063	1,337,797
Total funds carried forward	14	211,129	1,151,700	1,362,830	1,328,063

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 2023

	Note	£	2023 £	£	2022 £
Fixed assets					
Tangible fixed assets	9		651,139		702,617
Investment in subsidiary	1(b)		–		1
			<u>651,139</u>		<u>702,618</u>
Current assets					
Debtors	10	215,164		162,761	
Short term deposits		111,591		111,253	
Cash at bank and in hand		<u>917,476</u>		<u>908,607</u>	
		1,244,231		1,182,621	
Liabilities					
Creditors: amounts due within one year	11	<u>(490,380)</u>		<u>(472,855)</u>	
Net current assets			753,851		709,766
Liabilities					
Creditors: amounts due after one year	12		(42,160)		(84,321)
Net assets	13		<u>1,362,830</u>		<u>1,328,063</u>
The funds of the charity					
Restricted funds			211,129		190,950
Unrestricted funds					
Designated funds – fixed asset fund			651,139		702,617
General funds			500,562		434,496
Total charity funds	14		<u>1,362,830</u>		<u>1,328,063</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 22 November 2023 and signed on their behalf by

Philip J. Young
Chairman

Spitalfields Crypt Trust

Statement of Cashflows

For the year ended 31 March 2023

	Note	2023 £	£	2022 £	£
Cash flows from operating activities:					
Net income / (expenditure) for the year	6	34,767		(9,734)	
Adjustments for:					
Depreciation charges	9	65,602		62,277	
Interest		(1,293)		(1,005)	
(Increase)/decrease in investments		1		15,124	
Decrease in stocks		-		15,124	
(Increase) in debtors		(52,403)		(41,734)	
(Decrease)/increase in creditors		(24,635)		194,744	
Net cash provided by operating activities			22,038		234,797
Cash flows from investing activities:					
Interest		1,293		1,005	
Purchase of tangible fixed assets	9	(14,125)		(21,179)	
Net cash used in investing activities			(12,832)		(20,174)
Change in cash and cash equivalents in the year			9,207		214,623
Cash and cash equivalents at the beginning of the year			1,019,860		820,361
Cash and cash equivalents at the end of the year			1,029,067		1,034,984
Cash and cash equivalents consist of:					
Short term deposits			111,591		111,253
Cash at bank			917,476		908,607
			1,029,067		1,019,860

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 year the Trading Company was dormant and was dissolved in February 2023.

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.

1. Accounting policies (continued)

d) Expenditure

Expenditure is recognised in the period in which it are 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.

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.

1. Accounting policies (continued)

g) 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.

h) Operating leases

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

i) 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.

j) Short term deposits

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

k) 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.

l) 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.

m) 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.

2. Donations and legacies

	Restricted £	Unrestricted £	2023 Total £
Drop In Services			
Trusts, Foundations & Corporates	-	-	-
Individual donations	1,634	-	1,634
	<u>1,634</u>	<u>-</u>	<u>1,634</u>
Residential Recovery Support			
Trusts, Foundations & Corporates	354,860	13,250	368,110
Individual donations	5,761	-	5,761
	<u>360,621</u>	<u>13,250</u>	<u>373,871</u>
Training & Development			
Trusts, Foundations & Corporates	79,060	-	79,060
Individual donations	1,446	-	1,446
	<u>80,506</u>	<u>-</u>	<u>80,506</u>
Charity Shops & Social Enterprise			
Trusts, Foundations & Corporates	-	-	-
Individual donations	7,549	-	7,549
	<u>7,549</u>	<u>-</u>	<u>7,549</u>
Other Donations & Legacies			
Trusts, Foundations & Corporates	-	-	-
Individual donations	6,810	232,943	239,753
	<u>6,810</u>	<u>232,943</u>	<u>239,753</u>
	<u>457,120</u>	<u>246,193</u>	<u>703,313</u>

	Restricted £	Unrestricted £	2022 Total £
Drop In Services			
Trusts, Foundations & Corporates	24,750	–	24,750
Individual donations	–	–	–
	<u>24,750</u>	<u>–</u>	<u>24,750</u>
Residential Recovery Support			
Trusts, Foundations & Corporates	129,880	–	129,880
Individual donations	–	120	120
	<u>129,880</u>	<u>120</u>	<u>130,000</u>
Training & Development			
Trusts, Foundations & Corporates	82,070	–	82,070
Individual donations	–	–	–
	<u>82,070</u>	<u>–</u>	<u>82,070</u>
Charity Shops & Social Enterprise			
Trusts, Foundations & Corporates	187,550	–	187,550
Individual donations	11,250	–	11,250
	<u>198,800</u>	<u>–</u>	<u>198,800</u>
Other Donations & Legacies			
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>

Included in Other Donations is £nil (2022: £8,396) for Government grants relating to the Job Retention scheme and £nil (2022: £50,620) relating to the Retail, Hospitality and Leisure Grant

3. Income from charitable activities

	Restricted £	Unrestricted £	2023 Total £
Residential Recovery Support			
Housing Benefit	–	486,842	486,842
Individual Charge	–	16,590	16,590
Long-Term Recovery/Employment			
Fees/Charges	–	–	–
	<u>–</u>	<u>503,432</u>	<u>503,432</u>
	Restricted £	Unrestricted £	2022 Total £
Residential Recovery Support			
Housing Benefit	–	368,173	368,173
Individual Charge	–	14,397	14,397
Long-Term Recovery/Employment			
Fees/Charges	–	79,620	79,620
	<u>–</u>	<u>462,190</u>	<u>462,190</u>

4. Expenditure

	Direct Staff costs £	Other Direct Costs £	Support & Governance costs £	2023 Total £
Costs of generating voluntary income	164,539	52,296	42,269	259,104
Charity Shops & Social En	739,473	367,753	189,965	1,297,191
Drop In Services	15,904	3,312	4,086	23,302
Residential Recovery Support	600,432	273,780	154,246	1,028,458
Training & Development	116,517	24,652	29,932	171,101
Total expenditure 2023	<u>1,636,865</u>	<u>721,793</u>	<u>420,498</u>	<u>2,779,156</u>

	Direct Staff costs £	Other Direct Costs £	Support & Governance £	2022 Total £
Costs of generating voluntary income	156,561	31,262	56,805	244,628
Charity Shops & Social En	650,532	330,193	236,031	1,216,757
Drop In Services	75,641	10,449	27,445	113,535
Residential Recovery Support	431,525	289,836	156,570	877,931
Training & Development	99,237	19,146	36,006	154,389
Total expenditure 2022	<u>1,413,496</u>	<u>680,887</u>	<u>512,857</u>	<u>2,607,240</u>

Spitalfields Crypt Trust

Notes to the financial statements

For the year ended 31 March 2023

5. Support costs

	2023 £	2022 £
Governance:		
Allocated staff costs	15,549	20,403
Audit Fees	15,100	12,000
	<u>30,649</u>	<u>32,403</u>
Other support costs:		
Allocated staff costs	147,017	192,914
General Office Supplies & Purchases	24,816	16,840
Premises Costs	33,464	52,117
Travel, Subsistence & Motor Expenses	4,458	4,878
Food	731	265
Consultancy & Training	33,110	44,484
Welfare & Therapy Costs	5,533	17,144
Depreciation	56,853	53,526
Insurance	10,995	10,353
Telephone	(27)	956
Bank Charges	11,575	7,486
Legal	-	-
Bad debts provision	-	-
Sundry	4,295	3,502
Outsourced Finance	42,676	45,024
Irrecoverable VAT	14,353	30,965
	<u>420,498</u>	<u>512,857</u>

6. Net income/expenditure for the year

This is stated after charging:

	2023 £	2022 £
Depreciation	65,602	62,277
Operating lease rentals: property	407,451	381,704
Auditors' remuneration:		
- current year audit fee excl VAT	14,500	12,600
	<u>487,553</u>	<u>456,581</u>

Trustees received no remuneration or expenses.

There were no unrestricted donations from Trustees in the year (2022 :none).

There were no other related party transactions during the year (2022: none)

7. Staff costs and numbers

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	1,586,560	1,446,352
Social security costs	146,037	123,656
Pension contributions	59,679	54,919
Agency Costs	5,029	–
Volunteer workers' expenses	2,125	1,885
	<u>1,799,430</u>	<u>1,626,812</u>

One employee earned between £70,000–£80,000 in the year (2022 – none). Two employees earned between £60,000–£70,000 in the year (2022 – none).

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 and fees in respect of the key management personnel of the Charity were £236,456 (2022 – £216,481).

The average number of employees during the year was 68 (2022 – 65).

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

	2023	2022
Generating Voluntary Income	4	4
Charity Shops & Social Enterprise	27	26
Drop In Services	–	2
Residential Recovery Support	17	11
Training & Development	3	3
Support & Governance	3	5
	<u>54</u>	<u>51</u>

8. 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.

9. Tangible fixed assets

	Long Leasehold property £	Short Leasehold property £	Motor Vehicles £	Furniture, fixtures and equipment £	Total £
Cost					
At the start of the year	509,466	865,409	16,153	77,984	1,469,012
Additions in year	–	–	–	14,124	14,124
At the end of the year	<u>509,466</u>	<u>865,409</u>	<u>16,153</u>	<u>92,108</u>	<u>1,483,136</u>
Depreciation					
At the start of the year	134,923	538,855	15,089	77,529	766,395
Charge for the year	10,687	52,479	532	1,903	65,602
At the end of the year	<u>145,610</u>	<u>591,334</u>	<u>15,621</u>	<u>79,432</u>	<u>831,997</u>
Net book value					
At the end of the year	<u>363,856</u>	<u>274,075</u>	<u>532</u>	<u>12,676</u>	<u>651,139</u>
At the start of the year	<u>374,543</u>	<u>326,554</u>	<u>1,064</u>	<u>455</u>	<u>702,617</u>

10. Debtors

	2023 £	2022 £
Trade debtors	15,548	9,723
Other debtors	48,143	45,284
Prepayments & Accrued Income	142,868	95,719
Taxation and social security	8,605	12,035
	<u>215,164</u>	<u>162,761</u>

11. Creditors: amounts due within one year

	2023 £	2022 £
Trade creditors	36,614	59,612
Other creditors	10,232	924
Accruals & Deferred Income	401,374	370,159
Loan	42,160	42,160
	<u>490,380</u>	<u>472,855</u>

Included in accruals and deferred income is £354,119 (2022: £303,663) 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 with an agreement being reached on the amount repayable expected by early 2024.

12. Creditors: amounts due after one year

	2023 £	2022 £
Loan	42,160	84,321
	<u>42,160</u>	<u>84,321</u>

The loan relates to a Coronavirus Business Interruption Loan Scheme (CBILS) provided by HSBC secured by a charge over the assets. The loan was taken out in September 2020 over 4 years with interest charged at 3.99% over the base rate.

13. Analysis of net assets between funds

	Restricted funds £	Designated fund £	General funds £	Total funds £
Fixed assets	-	651,139	-	651,139
Net current assets	211,129	-	542,721	753,851
Long term liabilities	-	-	(42,160)	(42,160)
Net assets at the end of the year	<u>211,129</u>	<u>651,139</u>	<u>500,562</u>	<u>1,362,830</u>

Prior year 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)
Net assets at the end of the year	<u>190,950</u>	<u>702,617</u>	<u>434,496</u>	<u>1,328,062</u>

14. Movements in funds

	At the start of the year £	Income £	Expenditure £	Transfers between funds £	At the end of the year £
Restricted funds:					
Training & Development	20,639	80,506	(86,145)	-	15,000
Residential Recovery Support	135,886	360,621	(315,262)	-	181,245
Drop In Services	34,425	1,634	(21,175)	-	14,884
Charity Shops & Social En	-	7,549	(7,549)	-	-
Other	-	6,810	(6,810)	-	-
Total restricted funds	190,950	457,120	(436,941)	-	211,129
Unrestricted funds:					
Designated fund:					
Fixed Assets	702,617	-	-	(51,478)	651,139
General fund	434,496	2,356,803	(2,342,215)	51,478	500,562
Total unrestricted funds	1,137,113	2,356,803	(2,342,215)	-	1,151,701
Total funds	1,328,063	2,813,923	(2,779,156)	-	1,362,830

Purposes of restricted funds:**Training & Development**

Funding towards tutor led activities, peer support groups and employment, training and education for beneficiaries.

Residential Recovery Support

Specific donations for specialist housing and therapeutic provision for SCT residents and SCT First clients.

Drop In Services

Specific donations for specialist support in community settings for non SCT residents.

Charity Shops & Social Enterprise

Specific donations towards support and community engagement through SCT enterprise settings teams.

Other

Specific donations for organisational capacity and related provision.

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 £
Restricted funds:					
Training & Development	18,369	82,070	(79,800)	–	20,639
Residential Recovery Support	111,636	304,180	(279,930)	–	135,886
Drop In Services	9,675	24,750	(0)	–	34,425
Charity Shops & Social Enterprise	4,059	24,500	(28,559)	–	–
Other	–	–	–	–	–
Total restricted funds	143,739	435,500	(388,289)	–	190,950
Unrestricted funds:					
Designated fund:					
Fixed Assets	743,715	–	–	(41,098)	702,617
General fund	450,342	2,162,006	(2,218,951)	41,098	434,496
Total unrestricted funds	1,194,058	2,162,006	(2,218,951)	–	1,137,113
Total funds	1,337,797	2,597,506	(2,607,240)	–	1,328,063

15. 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:

	2023 £	2022 £
Less than 1 year	305,249	260,842
2 – 5 years	969,795	506,636
Over 5 years	1,714,072	407,620
	2,989,116	1,175,098

16. Prior Year Statement of Financial Activities

	Restricted £	Unrestricted £	2022 Total £
Income			
<i>Donations and legacies</i>			–
Drop In Services	24,750	–	24,750
Residential Recovery Support	304,180	120	304,300
Training & Development	82,070	–	82,070
Charity Shops & Social Enterprise	24,500	–	24,500
Other donations and legacies	–	369,327	369,327
<i>Income from charitable activities</i>			
Residential Recovery Support	–	382,570	382,570
Long-Term Recovery/Employment	–	–	–
<i>Other trading activities</i>			
Charity Shops	–	1,408,984	1,408,984
Income from Investments	–	1,005	1,005
<i>Other income</i>	–	–	–
Total income	435,500	2,162,006	2,597,506
Expenditure			
<i>Expenditure on raising funds:</i>			
Costs of generating voluntary income	–	244,628	244,628
Charity Shops & Social Enterprise	28,559	1,188,198	1,216,757
<i>Expenditure on charitable activities</i>			
Drop In Services	–	113,535	113,535
Residential Recovery Support	279,930	598,001	877,931
Training & Development	79,800	74,589	154,389
Total expenditure	388,289	2,218,951	2,607,240
Net income/ (expenditure) resources before transfers	47,211	(56,945)	(9,734)
Transfer between funds	–	–	–
Reconciliation of funds			
Total funds brought forward	143,739	1,194,058	1,337,797
Total funds carried forward	190,950	1,137,113	1,328,063