

TURN TRUST

(A company limited by guarantee)

Report and Financial Statements

Year ended 31 May 2021

Charity No: 1088758

Company No: 4226471

Calculus Accountants and Tax Advisers Limited
5 Priory Road
Loughton
Essex
IG10 1AF

Turn Trust

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Turn Trust

Legal and Administrative Information

Trustees:	J Marriott R Venable M Frost G Dodd	
Executive team:	B A Skrentny A E Chamberlain M Sartori G Mota R H Ashworth	Donor representative / Chief executive director Chief executive officer (June 2020-Apr 2021) Chief executive officer (May 2021) Chief operating officer Chief finance officer
Registered office:	43-45 Camden Road London NW1 9LR	
Charity registration number:	1088758	
Company registration number:	4226471	
Independent Examiner:	James Lambden FCA CTA Calculus Accountants and Tax Advisers Limited 5 Priory Road Loughton Essex IG10 1AF	
Bankers:	Barclays Bank plc Leicester LE87 2BB	

Turn Trust

Report of the Trustees (including the Directors' Report) for year ended 31 May 2021

The Trustees present their report and the unaudited financial statements of the charity for the year ended 31 May 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity including the Directors Report as required by company law.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Reference and administrative details of the charity, its trustees and advisers

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end and other administrative details are set out on page 1.

Structure, governance and management

Governing Document

The organisation is a Charitable Company Limited by Guarantee, incorporated on 31 May 2001 and registered as a charity on 04 October 2001. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Governance and management structure

The policy and operating decisions of the charity rest with the Directors who liaise regularly and meet formally, as required, to monitor the activities of the charitable company. The Chief executive and Chief operating officer have responsibility for the day to day implementation of the charity's objectives. A charity manager assists the Chief operating officer with the operations of the trust.

The trustees approve the pay and remuneration of key management personnel annually and periodically seek external advice on how pay rates compare to external benchmarks.

Recruitment and Appointment of the Board of Directors/Trustees

The trustees shall not be subject to retirement by rotation. Unless otherwise determined by the Charity in general meeting, the term of office of a trustee shall continue until he retires or is removed in accordance with the relevant provisions of the articles. The appointment of trustees is in accordance with the provisions of the company's Articles of Association. As the trustee body is small and most have served for several years, there are no formal policies for recruitment, induction and training of trustees.

Statement of trustees/directors' responsibilities

Company and charity 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 charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The trustees have overall responsibility for ensuring that the charity has appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Compliance with laws and regulations

The trustees confirm that the charity has complied with all legal and regulatory requirements for charitable companies registered under the Companies Act 2006 and the Charities Act 2011.

Objectives and activities

Objects of the charity

Turn Trust has two charitable objectives: the relief of poverty and the advancement of the Christian faith. It operates in Greater London.

Turn Trust

Report of the Trustees (including the Directors' Report) for year ended 31 May 2021 (*continued*)

Achievements and Performance

Review of Activities

Turn Trust achieves its objective by undertaking research and development in ecclesiology and church planting. Its activities are then shaped by conclusions emerging from this research, which is carried out in connection with the Oxford Centre for Mission Studies.

The activities of the trust were severely reduced by the Covid-19 restrictions, across all parts: Turn Training, Turn Business, Turn Refit, and Turn Networks, in the UK and overseas. The charity's income was greatly reduced, but emergency funding was found, enough to support most of those staff who could not be put on furlough. Outreach and community work all but stopped, although to a very limited extent some projects were able to continue over video link. The Café re-opened in May 2020, take-away only, in compliance with Government restrictions, staffed by charity worker volunteers. Unfortunately the paid café staff were made redundant in September 2021.

Financial Review

The Trust has successfully applied for and received corporate sponsorship. The charity is registered with HM Revenue and Customs for the purpose of reclaiming Gift Aid. During the year activities were reduced due to the Covid restrictions due total revenue decreased to £437,331 (2020: £489,303) and total revenue expenditure decreased to £420,959 (2020: £489,674) resulting in a surplus for the year to £16,372 (2020: deficit £371). The trustees are satisfied with the overall result and have agreed to use some of the reserves to fund charitable activities.

Reserves Policy

The Board of Directors have established a policy whereby free reserves held by the charity should be maintained as sufficient to cover its short-term commitments plus retaining funds towards capital development. At the end of the year the free reserves held after designations were £144,091 (2020: £74,773), which represents 125.6 days revenue expenditure at current year levels (2020: 55.7 days). Restricted reserves were £1,752 (2020: £1,999).

Risk Management

The Directors have reviewed the risks to which a small charity operating with few employees is exposed. Appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

Public Benefit

The charity has due regard to guidance published by the CC on public benefit. The Charity's Commitment to promote the Christian faith creates an opportunity for all to hear the gospel. We train Christian social entrepreneurs, so they can create and run projects well. We also promote the creation and development of communities out of which the social projects can emerge. We manage houses so that accommodation is provided for charity workers to enable them to serve their local communities more effectively. All our charitable activities, defined by our aims and objectives, are for public benefit.

Plans for future periods

It is hoped that Turn Trust's lines of activity will be able to return to pre-pandemic levels over the next year. As and when permitted, the planned lines of activity for the next year are as they were last year:

TURN TRAINING: The training hubs will continue to be the focus of our energy, while also working with partners in East and North London in their training placements.

TURN BUSINESS: Cafe operations will continue to develop as we work with team and clientele to develop the menu, facilities and the variety of complimentary community projects who use the space.

TURN REFIT: As opportunities and the charitable work requires, premises will be improved and modified.

TURN NETWORKS: Partnerships will continue to be developed, through our monthly gatherings, annual conference and community groups developed previously.

Turn Trust

Report of the Trustees (including the Directors' Report) for year ended 31 May 2021 (*continued*)

Related parties and partner organisations

Turn Trust's principal funder is Solomon Estates Limited, the ultimate owner of which is a family member of Mr B A Skrentny, the chief executive.

Turn Trust works closely with a number of churches including City Gates Church, where Mr B A Skrentny is senior pastor and Mr R H Ashworth is a trustee.

Other partner organisations are: All Hallows London Wall, Cross Street Baptist Church, Gibraltar Methodist Church, Life Destiny Church (Starbeck) and Quaystone Church (Isle of Dogs).

Reporting accountants and independent examiners

Following a review during the year, Calculus Accountants and Tax Advisers Limited were appointed as the charitable company's reporting accountants and independent examiners and have expressed their willingness to continue in that capacity.

Small Companies Exemption

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

This report was approved by the Board on 24 February 2022.

R Venable

[R Venable \(Feb 24, 2022 17:25 GMT\)](#)

R D Venable
Director and Trustee

Turn Trust

Independent Examiner's report to the Trustees on the unaudited accounts of Turn Trust

I report to the charity trustees on my examination of the accounts of the company for year ended 31 May 2021 set out on pages 6 to 22.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). As the charity's trustees you consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the 2011 Act.

In carrying out my examination it is my responsibility to:

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

Independent Examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales.

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

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

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



J P Lambden FCA, CTA
Calculus Accountants and Tax Advisers Limited

5 Priory Road
Loughton
Essex IG10 1AF

Date: Feb 24, 2022

Turn Trust

Statement of Financial Activities (including summary Income and Expenditure account) For the year ended 31 May 2021

	Notes	Restricted funds £	Unrestricted funds £	Total 2021 £	Total 2020 £
Income from					
Incoming resources from generated funds:					
Voluntary income	2	2,023	350,080	352,103	380,706
Government grants	3		46,343	46,343	2,430
Activities for generating funds:					
Investment income	4		21	21	59
Incoming resources from charitable activities:					
Rental income	5		36,620	36,620	43,965
Sundry income	6		2,244	2,244	62,143
Other incoming resources					
Total Income		<u>2,023</u>	<u>435,308</u>	<u>437,331</u>	<u>489,303</u>
Expenditure on					
Charitable activities		2,260	417,983	420,243	488,493
Other activities for raising funds		-	-	-	-
Governance costs		-	716	716	1,181
Total expenditure	7	<u>2,260</u>	<u>418,699</u>	<u>420,959</u>	<u>489,674</u>
Net gains / (losses) on investments		-	-	-	-
Net income/(expenditure)		<u>(237)</u>	<u>16,609</u>	<u>16,372</u>	<u>(371)</u>
Transfer between funds		-	-	-	-
Other recognised gains / (losses)		-	-	-	-
Reconciliation of funds		<u>(237)</u>	<u>16,609</u>	<u>16,372</u>	<u>(371)</u>
Total funds brought forward		1,999	183,391	185,390	185,761
Total funds carried forward	18	<u>1,762</u>	<u>200,000</u>	<u>201,762</u>	<u>185,390</u>

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

Turn Trust
Summary Income and Expenditure account
For the year ended 31 May 2021

	Notes	2021 £	2020 £
Income			
Donations and gifts	2	352,103	380,706
Grants	3	46,343	2,430
Other income from charitable activities	5	36,620	43,965
Sundry income	6	2,244	62,143
		437,310	489,244
Charitable expenditure			
Costs of generating funds	7	-	-
Costs of activities in furtherance of charity's objects	7	360,338	432,298
Depreciation and impairment of fixed assets	7 / 8	59,905	56,195
Governance costs	7	716	1,181
		420,959	489,674
Operating surplus for the year		16,351	(430)
Interest receivable	4	21	59
Realised (loss)/gain on sale of investments		-	-
Surplus/(deficit) for the year		16,372	(371)

All activities relate to continuing operations.

Turn Trust
Balance Sheet
As at 31 May 2021

Company No: 4226471

	Notes	2021 £	2020 £
Fixed assets			
Investments	12	1	1
Tangible assets	13	<u>72,406</u>	<u>128,100</u>
		<u>72,407</u>	<u>128,101</u>
Current assets			
Debtors	14	3,000	22,535
Investments		-	-
Short term deposits		-	-
Cash at bank and in hand		140,704	45,020
		<u>143,704</u>	<u>67,555</u>
Creditors: amounts falling due within one year	15	(14,349)	(10,266)
Net current assets		<u>129,355</u>	<u>57,289</u>
Net assets		<u>201,762</u>	<u>185,390</u>
Funds			
Unrestricted funds		200,000	183,391
Restricted funds		1,762	1,999
Total funds	18	<u>201,762</u>	<u>185,390</u>


The directors are satisfied that the company was entitled to exemption under section 477 of the Companies Act 2006 and that members have not required an audit in accordance with section 476.


The directors acknowledge their responsibilities for:

- i. ensuring that the company keeps accounting records which comply with section 386; and
- ii. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 296 and which otherwise comply with the requirements of this Act relating to the accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies' subject to the small companies' regime and in accordance with Financial Reporting Standard 102 Section 1A.

The financial statements on pages 6 to 22 were approved by the Trustees on 24 February 2022 and signed on their behalf by:


.....
J Marriott – Director


R Venable (Feb 24, 2022 17:25 GMT)
.....
R D Venable – Director

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

1. Accounting policies

(a) Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) published in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities, and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Company status

The charity is a private company limited by guarantee, incorporated in England and Wales and registered with the Charity Commission in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the legal and administrative information on page 1. The nature of the charity's operations and principal activities are set out in the Report of the Trustees under "Objectives and activities".

(c) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. These funds are held to finance both working capital and capital investment.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

(d) Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, after any performance conditions have been met, and the amount can be quantified with reasonable accuracy and it is probable that the income will be received. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of the Coronavirus Job Retention Scheme. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

1. Accounting policies (*continued*)

(d) Income recognition (*continued*)

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Where practicable, gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified, and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers in line with the SORP (FRS 102).

(e) Deferred income

In accordance with the SORP (FRS 102), grants and donations received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

(f) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes staff costs and goods and services specifically attributable to the activity;
- Expenditure on charitable activities includes both direct and support costs; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

(g) Support costs allocation

Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources. Premises overheads have been allocated on a floor area basis and other overheads have been allocated on the basis of the head count.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Support costs are those that assist the work of the charity but do not directly represent charitable activities. They are costs incurred directly in support of expenditure on the objects of the charity and include project management carried out centrally. Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

(h) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £300 are capitalised and included at cost including any incidental expenses of acquisition or making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Office equipment, furniture and fittings	Over 4 years
Motor vehicles	Over 5 years
Leasehold improvements	Over lease term

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

1. Accounting policies (*continued*)

(i) Investments

Investments are stated at market value at the balance sheet date, where this can be determined with reasonable accuracy, otherwise investments are stated at cost less impairment where there is evidence that the value has been impaired. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

(j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(k) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(l) Cash and cash equivalents

Cash represents cash in hand plus bank balances immediately available to the charity. Cash equivalents are bank balances held on short term deposit available to the charity at up to 3 months' notice.

(m) Pension costs

The company operates a defined contribution scheme for the benefit of its employees. The costs of contributions are written off against profits in the year they are payable.

(n) Finance and operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance lease are capitalised as fixed assets and depreciated over the shorter of the lease term and the expected useful economic life of the asset. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written-off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

(o) Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(p) Going concern

The charity is dependent on continuing donations from Solomon Estates Limited, HMCA/s plc and the Care Insurance Company Limited and as a consequence the going concern basis is also dependent on these donations continuing. These donations are agreed annually in advance and there is no indication that they will be discontinued in the foreseeable future, however, the impact of COVID-19 has resulted in the level of donations being reduced for 2020-21 and 2021-22 and the charity has reduced its planned expenditure in line with the reduced income.

(q) Financial Instruments

Financial instruments such as loans, accounts payables, accounts receivables and cash are classified as either basic or complex. All financial instruments are initially measured at their fair values at the transaction date. Subsequently all basic instruments are measured at amortised cost and complex instruments are measured at a fair value through the statement of financial activities (comprehensive income statement).

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

(r) Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements.

The key assumptions concerning the future and at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Tangible fixed assets: tangible fixed assets are depreciated over their useful lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In re-assessing asset lives factors such as technological innovation, product life cycles and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Other key sources of estimation uncertainty and assumptions:

Allocation of administration costs: a proportion of expenditure is either not directly attributable to specific projects or related to the central administration of the charity. In determining how to allocate these costs the trustees have considered the level of activities in each project, use of facilities and administrative support.

Turn Trust

Notes forming part of the financial statements for the year ended 31 May 2021

2. Donations and gifts	Restricted funds	Unrestricted funds	Total funds 2021	Restricted funds	Unrestricted funds	Total funds 2020
	£	£	£	£	£	£
Donations	-	15,825	15,825	-	5,700	5,700
The Care Insurance Company Limited	-	267,880	267,880	-	371,699	371,699
Turn Trading Limited	-	65,978	65,978	-	-	-
Restricted income – Turkana	2,023	-	2,023	2,394	-	2,394
Gift Aid tax refund	-	397	397	-	913	913
	<u>2,023</u>	<u>350,080</u>	<u>352,103</u>	<u>2,394</u>	<u>378,312</u>	<u>380,706</u>
3. Government grants						
	£	£	£	£	£	£
Corona virus Job Support Scheme	-	46,343	46,343	-	2,430	2,430
	<u>-</u>	<u>46,343</u>	<u>46,343</u>	<u>-</u>	<u>2,430</u>	<u>2,430</u>
4. Investment income						
	£	£	£	£	£	£
Interest receivable	-	21	21	-	59	59
	<u>-</u>	<u>21</u>	<u>21</u>	<u>-</u>	<u>59</u>	<u>59</u>
5. Other income from charitable activities						
	£	£	£	£	£	£
Rental income – Houses of Peace	-	36,620	36,620	-	43,965	43,965
	<u>-</u>	<u>36,620</u>	<u>36,620</u>	<u>-</u>	<u>43,965</u>	<u>43,965</u>
Rental income includes notional rent of £30,500 to represent the cost of providing accommodation to beneficiaries this is also included in Houses of Peace expenditure in Note 7.						
6. Sundry income						
	£	£	£	£	£	£
Other income (Media projects)	-	-	-	-	-	-
Living Room Camden	-	-	-	-	58,644	58,644
Living Room Soho	-	604	604	-	1,288	1,288
Events	-	-	-	-	2,125	2,125
Language School	-	-	-	-	-	-
Re-imbursement of office cleaning costs	-	1,632	1,632	-	-	-
Sundry income	-	8	8	-	86	86
	<u>-</u>	<u>2,244</u>	<u>2,244</u>	<u>-</u>	<u>62,143</u>	<u>62,143</u>

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

7. Total resources Expended	Staff costs	Other direct costs	Other allocated support costs	Total 2021	Staff costs	Other direct costs	Other allocated support costs	Total 2020
	£	£	£	£	£	£	£	£
Fundraising costs	-	-	-	-	-	-	-	-
General fund	65,820	-	49,931	115,751	51,564	-	42,309	93,873
Grants	-	52,395	-	52,395	-	39,217	-	39,217
Media projects	26,560	-	6,919	33,479	41,148	7,740	-	48,888
Beyond charitable Flowprojects	-	1,095	-	1,095	-	2,364	-	2,364
Trilogy / Beyond charitable	35,729	12,300	271	48,300	39,016	26,431	-	65,447
Overseas mission	-	13,922	-	13,922	-	16,838	-	16,838
Beyond charitable – Events	-	2,087	-	2,087	-	12,893	-	12,893
Turkana (Restricted)	-	2,260	-	2,260	-	2,310	-	2,310
Houses of Peace	-	73,154	-	73,154	-	86,995	-	86,995
Camden Road refurbishment	-	7,258	52,709	59,967	-	7,549	45,777	53,326
Living Room – cafes	-	-	-	-	-	6,409	-	6,409
Language school	-	-	-	-	-	233	-	233
Partnership investment	-	-	-	-	-	2,315	-	2,315
Turn Trading (Camden café)	17,833	-	-	17,833	36,999	18,266	2,120	57,385
Other (support costs)	-	-	-	-	-	-	-	-
Governance	-	-	716	716	-	-	1,181	1,181
	<u>145,942</u>	<u>164,471</u>	<u>110,546</u>	<u>420,959</u>	<u>168,727</u>	<u>229,560</u>	<u>91,387</u>	<u>489,674</u>

Houses of Peace includes £30,500 of notional rent to represent the cost of providing accommodation to beneficiaries this is also included in Rental income in Note 5.

	£	£
Restricted (Charitable activities)	<u>2,260</u>	<u>2,310</u>
Unrestricted:		
Charitable activities	417,983	486,183
Governance	716	1,181
	<u>418,699</u>	<u>487,364</u>
Total expenditure	<u>420,959</u>	<u>489,674</u>

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

8. Total resources expended (continued)

a) Other direct costs			2021	2020
include:			£	£
Reporting accountants' remuneration (excl. VAT)				
Independent examination			690	650
Accountancy, taxation and other services			2,985	3,000
Operating lease rentals – equipment			-	-
Depreciation – on owned assets			59,905	61,007
Profit on disposal			-	(4,812)
b) Support costs:				
Premises			25,453	16,191
Depreciation			59,905	56,195
Office running costs			17,354	10,491
Accountancy and bank charges			4,868	4,439
Sundry			2,966	4,070
			110,546	91,386
c) Grants:				
	Institutions	Individuals	2021	2020
	£	£	£	£
Included in total resources expended, the following were paid as grants:				
Grants paid to projects for the benefit of individuals	10,195	42,000	52,195	39,217
	<u>10,195</u>	<u>42,000</u>	<u>52,195</u>	<u>39,217</u>
Prior year	Institutions	Individuals	2020	2019
	£	£	£	£
Included in total resources expended, the following were paid as grants:				
Grants paid to projects for the benefit of individuals	2,082	37,135	39,217	34,313
	<u>2,082</u>	<u>37,135</u>	<u>39,217</u>	<u>34,313</u>

Grants made to individuals are for relief of poverty or to provide training.

9a. Trustees and key management personnel remuneration

The trustees neither received nor waived any emoluments for services as trustees during the year (2020: £nil)

Key management personnel are defined as the chief executive and the chief operating officer. The CEO received remuneration of £16,277 (2020: £1,426) and the COO was paid via an intermediary Grace Eagle Limited and received remuneration of £17,490 for services during the year (2020: £38,333).

Key management personnel remuneration	2021	2020
	£	£
Wages and salaries	16,277	1,426
Employer's National Insurance	1,147	83
Pension costs (defined contribution plan)	260	24
Consultant	17,490	38,333
	35,174	39,866

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

9b. Trustee expenses

	2021 Number	2020 Number	2021 £	2020 £
Out of pocket expenses were reimbursed to trustees as follows:				
Travel	-	2	-	398
Meeting costs	-	-	-	120
	<hr/>	<hr/>	<hr/>	<hr/>
	-	2	-	518
	<hr/>	<hr/>	<hr/>	<hr/>

There were no other transactions with the trustees during the period.

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

10. Staff costs

	Media	Turn Trading	Beyond charitable	General	2021	Media	Turn Trading	Beyond charitable	General	2020
	£	£	£	£	£	£	£	£	£	£
Wages and salaries	23,534	17,833	33,429	39,229	114,025	37,512	22,906	26,965	1,426	88,809
Employer's National Insurance	2,117	-	1,764	2,091	5,972	2,585	1,039	1,483	83	5,190
Pension costs (defined contribution plan)	909	-	536	591	2,036	1,042	103	287	24	1,456
Self-employed workers and consultants	-	-	-	23,688	23,688	-	9,389	10,281	49,880	69,550
Volunteers' expenses	-	-	-	221	221	-	3,562	-	-	3,562
Recruitment, training and staff welfare	-	-	-	-	-	-	-	-	151	151
Travel Expenses	-	-	-	-	-	9	-	-	-	9
Employment allowance	-	-	-	-	-	-	-	-	-	-
	<u>26,560</u>	<u>17,833</u>	<u>35,729</u>	<u>65,820</u>	<u>145,942</u>	<u>41,148</u>	<u>36,999</u>	<u>39,016</u>	<u>51,564</u>	<u>168,727</u>

There were no employees whose emoluments as defined for taxation purposes amounted to over £60,000 in either year.

The average number of employees, calculated on a full-time equivalent basis analysed by function was:

	2021 Number	2020 Number
Charitable activities	5.2	4.0
Living Room café (Turn Trading)	2.0	4.0
Management and administrative of the charity	0.2	0.1
	<u>7.4</u>	<u>8.1</u>

11. Pension costs

The charity operates a contributory pension scheme. It is a defined contribution scheme and contributions are charged in the statement of financial activities as they accrue. The charge for the year was £2,036 (2020: £1,456).

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

12. Investments

Investment in UK trading subsidiary: Turn Trading Limited (Company number: 12293500) registered in England and Wales (100% owned):

	Group entities £	Total £
Cost: at 1 June 2020 and 31 May 2021	1	1
	<hr/>	<hr/>
Summary Income and Expenditure	£	£
Turnover	76,552	
Other income	53,157	
Cost of sales	<u>(23,357)</u>	
Gross profit	106,352	
Overheads	<u>(89,236)</u>	
Profit before taxation	17,116	
Tax charge	<u>-</u>	
Loss for the year	<u>17,116</u>	
Summary Balance Sheet		£
Fixed assets		<u>2,216</u>
Current assets		2,606
Creditors falling due in less than one year		<u>(2,605)</u>
Net current liabilities		1
Net Assets		<u>2,217</u>
Share capital		1
Profit and loss reserve		<u>2,216</u>
Shareholders funds		<u>2,217</u>

13.	Tangible assets	fixed	Land & buildings, leasehold improvements	Kitchen equipment, & integral features	Motor vehicles	Plant & machinery, equipment & fittings	Total
			£	£	£	£	£
Cost							
At 1 June 2020			248,507	24,175	15,300	60,444	348,426
Additions			-	-	-	4,212	4,212
Disposals			-	-	-	-	-
At 31 May 2021			<u>248,507</u>	<u>24,175</u>	<u>15,300</u>	<u>64,656</u>	<u>352,638</u>
Depreciation							
At 1 June 2020			139,890	11,237	15,300	53,900	220,327
Charge for year			49,234	3,475	-	7,196	59,905
Disposals			-	-	-	-	-
At 31 May 2021			<u>189,124</u>	<u>14,712</u>	<u>15,300</u>	<u>61,096</u>	<u>280,232</u>
Net book value							
At 31 May 2021			59,383	9,463	-	3,560	72,406
At 31 May 2020			<u>108,618</u>	<u>12,938</u>	<u>-</u>	<u>6,544</u>	<u>128,100</u>

14. Debtors

	2021 £	2020 £
Accrued income	1,507	6,317
Gift and tax recoverable	-	-
Other debtors: amounts owed by group undertakings	-	14,014
Prepayments and other accrued income	1,493	2,204
	<u>3,000</u>	<u>22,535</u>

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

15. Creditors: amounts falling due within one year	2021 £	2020 £
Trade creditors	75	493
Taxation and social security costs	1,700	2,452
Pension contributions	912	635
Other creditors	2,227	1,168
Amounts owed to group undertakings	5,008	
Accrued expenses	4,427	5,518
Deferred income (Note 16)	-	-
	<u>14,349</u>	<u>10,266</u>

16. Deferred income	2021 £	2020 £
Balance brought forward	-	38,199
Released to statement of financial activities in year	-	(38,199)
Deferred during year	-	-
Balance carried forward	<u>-</u>	<u>-</u>

Income has been deferred as it was received in advance of the period to which it relates.

17. Financial commitments	2021	Other	2020	Other
	Land & Buildings £	£	Land & Buildings £	£
Operating leases				
Falling due:				
Less than one year	1	-	1	-
One to two years	1	-	1	-
Two to five years	-	-	-	-
	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>

18a. Statement of funds	At 1 June 2020 £	Income £	Expenditure £	Investment gains £	Transfers £	At 31 May 2021 £
Current year:						
General reserves:						
General fund	74,773	435,308	418,699	-	52,709	144,091
Designated funds						
Leasehold improvements	108,618	-	-	-	(52,709)	55,909
Total unrestricted funds	<u>183,391</u>	<u>435,308</u>	<u>418,699</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Restricted funds:						
Youth	203	-	-	-	-	203
Turkana	1,796	2,023	2,260	-	-	1,559
Total restricted funds	<u>1,999</u>	<u>2,023</u>	<u>2,260</u>	<u>-</u>	<u>-</u>	<u>1,762</u>
Total funds	<u>185,390</u>	<u>437,331</u>	<u>420,959</u>	<u>-</u>	<u>-</u>	<u>201,762</u>

The general reserves represent the free funds of the charity which are not designated for particular purposes.

The Youth restricted fund represents monies which were given for a particular purpose and these will be fully utilised in delivering youth projects.

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

18b. Statement of funds	At 1 June 2019	Income	Expenditure	Investment gains	Transfers	At 31 May 2020
	£	£	£	£	£	£
Prior year						
General reserves:						
General fund	23,626	486,909	487,364	-	51,602	74,773
Designated funds						
Leasehold improvements	160,220	-	-	-	(51,602)	108,618
Total unrestricted funds	<u>183,846</u>	<u>486,909</u>	<u>487,364</u>	<u>-</u>	<u>-</u>	<u>183,391</u>
Restricted funds:						
Youth	203	-	-	-	-	203
Turkana	1,712	2,394	2,310	-	-	1,796
Total restricted funds	<u>1,915</u>	<u>2,394</u>	<u>2,310</u>	<u>-</u>	<u>-</u>	<u>1,999</u>
Total funds	<u>185,761</u>	<u>489,303</u>	<u>489,674</u>	<u>-</u>	<u>-</u>	<u>185,390</u>

19. Analysis of net assets between funds	Restricted Funds	Designated funds	General funds	Total 2021
	£	£	£	£
Current year:				
Fund balances at 31 May are represented by:				
Tangible fixed assets	-	55,909	16,498	72,407
Current assets	1,762	-	141,942	143,704
Current liabilities	-	-	(14,349)	(14,349)
Long term liabilities	-	-	-	-
Total net assets	<u>1,762</u>	<u>55,909</u>	<u>144,091</u>	<u>201,762</u>
Prior year:	£	£	£	2020
Fund balances at 31 May are represented by:				£
Tangible fixed assets	-	108,618	19,483	128,101
Current assets	1,999	-	65,556	67,555
Current liabilities	-	-	(10,266)	(10,266)
Long term liabilities	-	-	-	-
Total net assets	<u>1,999</u>	<u>108,618</u>	<u>74,773</u>	<u>185,390</u>

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

20. Related Party Transactions

The charitable company principal source of income are corporate gift aid payments HMCAs Plc, The Care Insurance Company Limited and Solomon Estates Limited the amount receivable in the year was £267,880. The ultimate controlling party of both of these companies is a close relative of Mr B A Skrentny, the donor representative. Mr B A Skrentny received no remuneration from Turn Trust in the year. Mr B A Skrentny is also a director of HMCAs Plc and The Care Insurance Company Limited. Personal donations received from Mr B A Skrentny amounted to £600.

Turn Trust works closely with City Gates Church in delivering its charitable objectives. Mr B A Skrentny is the senior minister and Mr R H Ashworth a trustee and are both members of the City Gates Church leadership team. Transactions with City Gates Church during the year were as follows:

Details	Income £	Expenditure £	Balance £
Miscellaneous grants	-	9,575	-
Living Room café Soho	604	-	-
Reimbursed office running costs	-	-	-
	<u>604</u>	<u>9,575</u>	<u>-</u>

Turn trust has engaged the chief operating officer Mr R H Ashworth via an intermediary company, Grace Eagle Limited, of which Mr R H Ashworth is a director. Grace Eagle Limited also provides financial administration to Turn Trust and the total paid for services during the year was £23,688 this includes work done in relation to the trading subsidiary Turn Trading Limited.

21. Ultimate controlling party

The charitable company has no share capital and is therefore controlled by the directors who are appointed by the members in general meeting. Each member of the company commits to contribute if the charity is wound up an amount of £10.

22. Donated goods, facilities and services

The charity does not recognise volunteer time in the accounts as, apart from the trustees, most volunteers are also beneficiaries of the charity.

The charity has a lease on 43 – 45 Camden Road at a peppercorn rent from the Care Insurance Company, which occupies part of the building. At the time the lease was granted the building was in need of renovation before it could be occupied and Turn Trust has undertaken the refurbishment as part of its charitable activities to provide opportunities for construction industry training as part of its Skill Up project. Turn Trust has expended approximately £11,000 on refurbishment during the year ended 31 May 2021 and has therefore not recognised a commercial rent as a donation for the year. Once the refurbishment works are completed the trustees will recognise the difference between the rent payable and the market rent as a donation.

Turn Trust

Notes forming part of the financial statements For the year ended 31 May 2021

23. Financial instruments

	2021 £	2020 £
The charity's financial instruments may be analysed as follows:		
Financial Assets		
Financial Assets Measured at Amortised Cost		
Trade Debtors	-	-
Other Debtors	3,000	22,535
Cash and Cash Equivalents	140,704	45,020
Total Financial Assets	<u>143,704</u>	<u>67,555</u>
Financial Liabilities		
Financial Liabilities Measured at Amortised Cost		
Trade Creditors	75	493
Other Creditors	14,274	9,773
Bank loans and overdrafts payable within one year	-	-
Bank loans and overdrafts payable after one year	-	-
Total Financial Liabilities	<u>14,349</u>	<u>10,266</u>