

Charity registration number 1135561

Company registration number 06706767 (England and Wales)

COMMUNITY CHAPLAINCY ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

COMMUNITY CHAPLAINCY ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

M Ahmed
J Barkes
J Daguerre
M Devlin
P Harriott
C Jerrard
Rev. A Oehring
J Oglethorpe
Z Sayed
Rev. A Waterhouse

Secretary

J Barkes

Charity number

1135561

Company number

06706767

Registered office

C/o Second City Housing
6 Well Street
Birmingham
B19 3BG

COMMUNITY CHAPLAINCY ASSOCIATION

CONTENTS

	Page
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 13

COMMUNITY CHAPLAINCY ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 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 (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity's objects are:

For the benefit of the public to promote the rehabilitation and resettlement of, and to relieve financial hardship, distress, suffering and sickness amongst, offenders, persons subject to community orders, and their families and dependents, either alone or in co-operation with any other body, authority or persons, in particular but not exclusively by the provision of support, information, advocacy and pastoral care.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Review of the year

The role of the Community Chaplaincy Association (CCA) is to support and represent its Community Chaplaincy members as they in turn support people trying to move away from crime.

Our Members

Our members are independent, faith-based charities, providing practical and emotional help with resettlement. They work in prisons, through the gate and in the community. Some have specialisms; Housing, Employment, Family Support, Social Enterprises, Women. Almost all provide 1:1 mentoring. Last year together they supported over 2,400 people in need.

At the end of the year there were 36 active community chaplaincies and 7 associate member organisations and some individual members. In addition there was 1 project being supported to start up.

Our New members in 2021 were:

- The Straight Path Resettlement Project - Leicester
- The Ebb Leicester
- Inside Out Belmarsh
- Al Mustafa Welfare Trust
- Daniel Liberty Lincolnshire
- IMO
- The Nehemiah Project
- Daylight Christian Prison Trust (Associate)
- Eagle Eye Ministry (Associate)

Funding of Community Chaplaincy

Funding for members has continued to be challenging with a second year of COVID impacting the wider charitable sector as community needs increase and community resources reduce. Chaplaincy members have found funding from specialist grant funders, social enterprise profits, HMPPS contracts, local Police and Crime Commissioners and targeted fundraising events in their local communities. Some projects have registered on the National Probation Service Dynamic Framework. Our members increasingly rely on funding in kind such as volunteer hours to drive their projects and greater collaboration with local VCS partners.

Funding of the CCA

We received further funding from Tudor Trust, Lloyds Bank Foundation and Barrow Cadbury Trust for both core and project activities. A project funded by Porticus was completed in the year and ongoing projects funded by Triangle Trust and the Blagrove Trust continue.

The CCA is very grateful for the support from our funders who make our work possible.

COMMUNITY CHAPLAINCY ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Key activities

The National Secretary continued to provide information advice and direct support for start-ups, project diversification, safeguarding, staffing, accreditation, supervision arrangements and fundraising to the CCA members, including 1:1 consultancy for projects to focus on a particular goal.

Muslim Project

Our Muslim Development worker continued to support startup projects and developed training in Equality and Diversity and First Aid Mental Health.

External Partnerships

We continue to work with HMPPS Chaplain General and Chaplaincy HQ including Muslim and Free Church Advisors, Prison Fellowship, Catholic Social Action Network, St Vincent de Paul and the Welcome Directory.

We continued to represent small charities on the national Reducing Reoffending Third Sector Advisory Group to Ministry of Justice. We provided representation on Probation reform including the new Dynamic Framework for commissioning VCS.

Our collaborative pilot with National Probation Service linking community chaplaincies and Approved Premises continued to grow. This work has led to a Faith in Accommodation Strategy from HMPPS in response to their recognition of faith as a protective factor.

Achievements and performance

Financial review

Last year we received £62,200 in grants. We spent £108,285, some of this expenditure was covered by our income from Members. As a result our restricted funds balances ended the year at £73,237 and unrestricted funds balances ended at £28,232.

Continuing Impact of the COVID Pandemic

The CCA has continued to support its members with its staff working from home connected primarily through teleconferencing. This continues to be very effective, increasing our productivity, reach and reducing travel costs and time. We have been able to connect more easily with our smaller and more geographically remote members. We have invested in IT to deliver more in web-based solutions. Our members have continued to support their existing clients as well as they can but restrictions due to Covid have disrupted access to prisoners pre-release. For the longer term we are conscious that charitable funding will reduce significantly because of the economic downturn, and we are consolidating our offer around more cost-effective remote support.

It is the policy of the charity that unrestricted funds which have not been designated for a specific project should be maintained at £20,000. The trustees consider that reserves at this level would allow an orderly diminishment of activity, meeting all obligations should new funding not be forthcoming. This level of reserves has been maintained throughout the year.

Looking to the future we are confident that our current level of unrestricted funds of £28,232 can be maintained throughout 2022 and 2023. We do not expect to draw significantly on our unrestricted funds as we anticipate the majority of our expenditure can be covered within the terms established by our grant funders.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate them.

Structure, governance and management

The charity is a company limited by guarantee and regulated by a constitution dated 12th March 2009.

COMMUNITY CHAPLAINCY ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

M Ahmed
J Barks
J Daguerre
M Devlin
P Harriott
C Jerrard
Rev. A Oehring
J Oglethorpe
Z Sayed
Rev. A Waterhouse

Trustees are elected by Members at the Annual General Meeting (AGM) to stand for 3 years but may stand again and be re-elected for a further period. Between AGMs individuals may be co-opted by the Board to serve on the Board for the time up to the AGM and if they are to continue to serve their election will be ratified by the AGM.

The trustees' report was approved by the Board of Trustees.



J Oglethorpe
Chair of trustees

14 September 2022

COMMUNITY CHAPLAINCY ASSOCIATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of Community Chaplaincy Association for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- 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 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.

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

COMMUNITY CHAPLAINCY ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF COMMUNITY CHAPLAINCY ASSOCIATION

I report to the trustees on my examination of the financial statements of Community Chaplaincy Association (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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 charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



Julian Pocock FCA CTA

David Owen & Co

Chartered Accountants

17 The Market Place

Devizes

Wiltshire

SN10 1BA

Dated: 16 September 2022

COMMUNITY CHAPLAINCY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	-	62,200	62,200	-	117,500	117,500
Members Subscriptions & Contributions	4	4,140	-	4,140	5,130	-	5,130
Investments	5	13	-	13	80	-	80
Total income		4,153	62,200	66,353	5,210	117,500	122,710
Expenditure on:							
Charitable activities	6	2,400	105,885	108,285	1,780	83,898	85,678
Net income/(expenditure) for the year/							
Net movement in funds		1,753	(43,685)	(41,932)	3,430	33,602	37,032
Fund balances at 1 January 2021		26,479	116,922	143,401	23,049	83,320	106,369
Fund balances at 31 December 2021		28,232	73,237	101,469	26,479	116,922	143,401

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

COMMUNITY CHAPLAINCY ASSOCIATION

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Cash at bank and in hand		104,064		144,241	
Creditors: amounts falling due within one year	11	<u>(2,595)</u>		<u>(840)</u>	
Net current assets			<u>101,469</u>		<u>143,401</u>
Income funds					
Restricted funds	12		73,237		116,922
Unrestricted funds			<u>28,232</u>		<u>26,479</u>
			<u>101,469</u>		<u>143,401</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 14 September 2022



J Oglethorpe
Chair of trustees

Company registration number 06706767

COMMUNITY CHAPLAINCY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Community Chaplaincy Association is a private company limited by guarantee incorporated in England and Wales. The registered office is C/o Second City Housing, 6 Well Street, Birmingham, B19 3BG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Trust's work or for specific artistic projects being undertaken by the Trust.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and when the amount can be quantified with reasonable accuracy.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

COMMUNITY CHAPLAINCY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred, inclusive of any VAT which cannot be recovered. The charity is not registered for VAT.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

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

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.7 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

COMMUNITY CHAPLAINCY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Restricted funds	Restricted funds
	2021	2020
	£	£
Grants received for core activities	62,200	117,500

4 Members Subscriptions & Contributions

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Membership subscriptions and contributions to the Impact Project costs	4,140	5,130

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	13	80

COMMUNITY CHAPLAINCY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Charitable activities

	2021 £	2020 £
Staff costs	87,181	75,184
Office	3,020	1,599
Travel	112	1,217
Publicity including website	1,034	464
Subscriptions and conferences attended	780	730
Events	3,926	270
Impact Project	5,414	4,843
Employee recruitment	275	-
Training courses	2,343	-
Evaluation project	1,800	-
	<u>105,885</u>	<u>84,307</u>
Share of governance costs (see note 7)	2,400	1,371
	<u>108,285</u>	<u>85,678</u>
Analysis by fund		
Unrestricted funds	2,400	1,780
Restricted funds	105,885	83,898
	<u>108,285</u>	<u>85,678</u>

7 Support costs

	Support costs £	Governance costs £	2021 £	2020 £
Independent examination fees	-	885	885	840
Accountancy	-	1,515	1,515	-
Trustee travel to board meetings	-	-	-	504
Board meeting costs	-	-	-	27
	<u>-</u>	<u>2,400</u>	<u>2,400</u>	<u>1,371</u>
Analysed between				
Charitable activities	-	2,400	2,400	1,371

Governance costs includes payments to the accountants of £885 (2020- £840) for independent examination fees.

COMMUNITY CHAPLAINCY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the year (2020: 3 of them were reimbursed a total of £504 for travelling expenses).

9 Employees

There were three employees during the year working part time
The average monthly number of employees during the year was:

	2021 Number	2020 Number
Engaged on charitable activities	3	3
Employment costs	2021 £	2020 £
Wages and salaries	78,992	68,484
Social security costs	3,450	2,292
Other pension costs	4,739	4,408
	87,181	75,184

There were no employees whose annual remuneration was more than £60,000.

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to extent that these are applied to its charitable objects.

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	2,595	840

COMMUNITY CHAPLAINCY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£
Porticus	20,833	25,000	(11,406)	34,427	-	(34,427)	-
The Tudor Trust	23,333	30,000	(19,481)	33,852	32,000	(17,464)	48,388
Sir Halley Stewart Trust	1,500	-	(1,500)	-	-	-	-
The Triangle Trust							
1949 Fund	15,119	25,000	(16,925)	23,194	-	(15,491)	7,703
The Barrow Cadbury Trust	8,135	32,000	(27,983)	12,152	16,000	(21,354)	6,798
Lloyds Bank Foundation	14,400	-	(6,603)	7,797	14,200	(14,806)	7,191
The Blagrove Trust	-	5,500	-	5,500	-	(2,343)	3,157
	<u>83,320</u>	<u>117,500</u>	<u>(83,898)</u>	<u>116,922</u>	<u>62,200</u>	<u>(105,885)</u>	<u>73,237</u>

Porticus: costs associated with the project: Strengthen the community chaplaincy network.

The Tudor Trust: general costs associated with supporting the development of community chaplaincies with priority to National Secretary salary.

The Barrow Cadbury Trust & The Triangle Trust: costs associated with the set-up of Muslim Chaplaincies to support offenders and ex-offenders and contribute to reducing re-offending.

Sir Halley Stewart Trust: costs of work Enabling Desistance from crime - evaluating current approaches and embedding best practice.

Lloyds Bank Foundation: costs of work to influence change, guided through active dialogue with the funder.

The Blagrove Trust: Provide mental health training to prison and community chaplains working with prisoners, or, a related purpose with permission

13 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Current assets/(liabilities)	28,232	73,237	101,469	26,479	116,922	143,401
	<u>28,232</u>	<u>73,237</u>	<u>101,469</u>	<u>26,479</u>	<u>116,922</u>	<u>143,401</u>