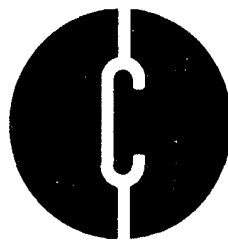


JUNCTION COMMUNITY TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Company Number: 08032776

Registered Charity Number: 1149780



JUNCTION COMMUNITY TRUST

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JUNCTION COMMUNITY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Governing Document:	Memorandum and Articles of Association
Charity number:	1149780
Company number:	08032776
Registered Address:	St Mark's Church Battersea Rise London SW11 1EJ
Trustees:	Ms Rachel Antelme (resigned 4 November 2020) Mr Andi Britt (Acting Chair) Mr Dan Chapman (resigned on 12 May 2021) Mrs Sarah Chapman (resigned 2 July 2020) Ms Esther Chew (appointed 3 November 2021) Ms Millicent Freeman (Vice Chair) (from 22 May 2019) Ms Emily Hough Mr Rajiv Jayaratnam Revd Martyn Layzell (Chair, Vicar of St Mark's) (appointed 1 January 2021) Mr Nicholas Miller Smith (Treasurer - resigned 7 January 2019) Mr Christopher Payne (appointed 3 November 2021) Revd Paul Perkin (Chair, Vicar of St Mark's Church) (resigned 28 April 2020) Ms Laura Pink Ms Lucy Price Mr Christopher Ransford (resigned 22 May 2019) Mr Peter Sanders Revd Charles Thomson (Chair, Acting Vicar of St Mark's) (appointed 1 May 2020) Mr Gary Window (Treasurer)
Independent Examiner:	J Howard FCA Azets Audit Services Regis House 45 King William St London EC4R 9AN
Bankers:	National Westminster Bank 66-68 St John's Road Battersea London SW1 9QR

JUNCTION COMMUNITY TRUST

REPORT OF THE TRUSTEES

The Trustees have pleasure in presenting their Annual Report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, 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 published on 16 July 2014.

1. OBJECTIVES AND ACTIVITIES

JCT is a charity set up by, and linked to, St Mark's Battersea Rise. It is a positive expression of St Mark's Church demonstrating God's love in practical ways. Its aim is to:

- help and support people practically in Clapham Junction and the surrounding areas.
- mobilise St Mark's congregation and local people to make a positive difference in their community.

JCT trustees are motivated by the hope of the message of Jesus Christ and the desire to turn faith into practical action, by living out God's love for people who are in need and marginalised. Based on Jesus' teaching on poverty and injustice, they believe in the Christian values of compassion, justice, honesty, integrity, and care for all people.

JCT serves people and works with organisations of any belief to bring about transformation in the community. We believe that everyone has the right to food on their plate, dignity in society, the chance to develop their skills and find work that pays fairly, and hope for the future; and we advocate for these to become reality.

More formally, the objects of the Trust, as set out in its Articles of Association, are:

... the relief of persons who are in conditions of need, hardship or distress as a result of poverty, social isolation, addiction, sickness or other social or economic circumstances, in particular any such persons in the community local to St Mark's and the Borough of Wandsworth;

... the promotion and support of such other exclusively charitable purposes and institutions as may from time to time be determined by the Trustees,

in each case, as an expression of the Christian life and faith of St Mark's and in sympathy with the ethos and values of St Mark's.

Public benefit

The trustees have had regard to the Charity Commission guidance on public benefit, and regard JCT's activities as manifestly for the public benefit in that there is an identifiable benefit to local young people (Spear programmes), or to local people in crisis and facing significant deprivation (the Foodbank).

2. ACHIEVEMENTS AND PERFORMANCE

JCT has two principal activities: its 'Spear Clapham Junction' programmes for young people and 'Wandsworth Foodbank'. Each is reviewed in turn.

Spear Clapham Junction

From 1 April 2020 to 31 March 2021, JCT successfully continued its 'Spear' programmes in co-operation with Resurgo Trust. In September 2020 in response to Covid-19 and in line with Government guidelines, the Spear Programme was moved online and we delivered six digital programmes, now commencing back in person in September 2021. These programmes aim to provide young people aged 16-24 and not in education, employment or training ('NEET') with the work and life skills they need. Each programme starts with a 6-week foundation phase, which consists of group sessions and one to ones on becoming more Work Ready through discussions and coaching on mindsets, presentations, self-esteem and self-motivation; guidance on the completion of job application forms and cover letters; training in interview skills (including participation in mock interviews), as well as wellbeing. Following the foundation phase, further support in gaining and retaining employment continues for 12 months. The programmes are free for participants. Resurgo has successfully run these programmes for sixteen years; JCT started running them in 2012.

To achieve its objective, JCT sought to maintain a strong relationship with its partner Resurgo; to raise adequate funding; to retain suitably qualified and trained staff; to publicise the work of JCT and the Spear programmes in order to encourage attendance; and maintain a strong volunteer base and continuing financial support.

JUNCTION COMMUNITY TRUST

REPORT OF THE TRUSTEES

Spear Clapham Junction – continued

JCT has typically employed two permanent staff and one junior member of staff or intern for its Spear programmes, each with a background in (or in the case of an intern, desire to be involved in) education, training for young people, or social welfare. They receive regular training from Resurgo. The relationship with Resurgo is further strengthened through regular formal and informal meetings between individual JCT and Resurgo trustees.

Funding was sought from various sources. Individual donations and other receipts of about £20,000 were raised from an online auction in May 2020 in lieu of the usual annual fundraising dinner. Resurgo contributed benefits in kind worth £55,000 per annum in development, training and other support. Together with other individual donations in 2021 and in previous years, these sums were sufficient to fund the 2020 and 2021 Spear programmes, especially as these moved to an online model following the Covid outbreak.

In order to attract young people to the Spear programmes, JCT staff continued to publicise the programmes to local social service professionals, and directly at local unemployment offices to potential participants. JCT issued invitations to local civic, political and charitable figures to attend the events that occur during each Spear programme to celebrate students' progress; many of these kindly attended.

JCT looks to make extensive use of volunteers in its activities. In the context of the 'Spear' programmes, about 150 individuals generously gave their time in 2020, for example as mock interviewers of programme participants, as hosts for company visits, and as volunteers at events. Volunteers include both members of St Mark's Church and of the wider community.

JCT ran five Spear Programmes from April 2020 to March 2021. We were unable to run our June 2020 programme due to lockdown restrictions and furlough. The overall targets for the Spear programme per year are as follows:

- (a) around 90 participants register for and attend a Spear programme;
- (b) 80% of course participants meet at least one of various indicators of disadvantage
- (c) 80% of participants complete the 6-week foundation phase of the programme
- (d) 75% of those participants that complete the foundation phase enter into work or education, and remain in work or education one year later.

Our March 2020 programme was heavily affected by the COVID-19 pandemic and lockdown situation. This meant that we had to finish the programme remotely which impacted the retention of the trainees. Between April and August we continued to work with the trainees still accessing their year of support with job interview prep, applications and 1:1s. Whilst we did this, a central team at Resurgo ran three online pilots of the programme, with adaptations to the curriculum, which has prepared us well to start delivering the Spear Programme online from September 2020 onwards.

Economists predicted the massive spike in unemployment (and particularly youth unemployment) that we're now experiencing due to the economic effects of Covid-19. As such it is incredibly important work that the Spear Programme does to equip young people from disadvantaged backgrounds with the skills they need to access and sustain both employment and education.

The total number of participants on the Spear Programme from April 2020 to March 2021 was 101, of whom 87% had at least one Barrier to Employment. Of the course participants, 81% completed the foundation phase, which is on target. As for longer-term impact, of those who completed the foundation phase and have so far completed their 12 months of support (one out of the five cohorts) 33% are in employment, education or training after 12 months. Devastatingly this was the impact of Covid-19 on the March cohort who graduated in April in a tough jobs market. However, our online programme stats show that 55% of the online cohorts (four out of five) are EET at 3 months after Spear, demonstrating we are on track for these longer-term success rates were in line with or ahead of our objectives.

Wandsworth Foodbank

Since the beginning of the pandemic in March 2020, Wandsworth Foodbank has seen the need for emergency food aid double across Wandsworth Borough - as a growing number of local households were swept into severe hardship by loss of jobs or hours, illness, and benefit payments that failed to cover the cost of essentials like food, rent and bills. During the reporting period 1 April 2020 to 31 March 2021, we provided nutritionally-balanced emergency food aid and essential toiletries to 2,440 individual households referred to us in crisis.

JUNCTION COMMUNITY TRUST

REPORT OF THE TRUSTEES

Wandsworth Foodbank – continued

The impact of the Covid-19 pandemic meant we had to close our five food bank centres to guests, in line with government guidance, and during 20/21 our volunteers instead delivered 11,357 emergency food supplies to people's homes, to try to keep everyone as safe as possible. Four in ten of these food supplies were for children. The 11,357 food parcels provided represents a 76 per cent increase on the number of food parcels in the previous year, and a 308% increase on our first year of operation in 2013/14. In total, during 20/21, Wandsworth Foodbank supported 5,886 individual adults and children – an increase of 96 per cent on the previous year 19/20.

Home delivery meant we could increase our emergency food supplies from 3-day parcels to 7-day parcels from 18 May 2020, as people didn't need to carry heavy bags home themselves. A dedicated team of volunteers called each person referred to the Foodbank by one of nearly 300 teams registered as referral partners, to arrange rapid home delivery, check dietary and cultural requirements for food, and to offer signposting and referral to further support – including to the Foodbank Advice Project. The new foodbank delivery operating model also meant there were new costs of drivers required as part of the delivery service. Due to the increase in need, the Foodbank moved to a larger warehouse near Wandsworth Bridge which meant increased need for warehousing staff and volunteers.

The Foodbank Advice Project saw a similar spike in need, and during 20/21 provided expert advice and casework to 540 food bank guests, to help them resolve issues causing hardship - including problems around housing, benefits, employment, domestic abuse, debt, and harsh visa restrictions of no recourse to public funds. This Foodbank Advice Project, in partnership with Citizens Advice Wandsworth (CAW), is part-funded by a Henry Smith Foundation grant to CAW; and in 20/21 was also part-funded by grants from Trussell Trust.

To achieve its objective, JCT maintained a strong relationship with its partner Trussell Trust; to raise adequate funding; to retain suitably qualified and trained staff; to publicise the food bank; and to build a strong volunteer base and continuing financial support. Trussell Trust and national Citizens Advice created a free national helpline, which people could call, receive advice and be referred to a local food bank across the UK, including to Wandsworth Foodbank.

JCT increased the number of employed staff in the food bank team, to respond to the increase in need locally. As well as the full-time Foodbank Manager, Foodbank Administrator and Volunteers Manager and part-time Warehouse Coordinator, new posts of Advocacy and Communications Manager and Referrals Coordinator were created and filled. We would like to thank generous sources of funding which includes grants or donations from Trussell Trust for £69,584, Henry Smith Foundation for £9,500, Wimbledon Foundation for £10,000, Love Triangle Pizza for £15,940, Battersea Power Station Foundation for £5,000 and Holy Trinity 60 plus café Roehampton for £1000.

174,741kg of food and toiletries were donated in this period with an estimated value of £305,797. Many of these food donations were made spontaneously by individual shoppers at supermarkets that kindly gave permission to Foodbank to publicise its activities on their premises; as well as by schools, churches, community groups and individuals. Many other people donated via Bankuet, a social enterprise that enables people to donate money which in turn enables Wandsworth Foodbank to order the food items it needs, in bulk and often at reduced cost.

Together with other individual and corporate donations specifically to Foodbank or to JCT generally, sufficient funds were raised to cover Foodbank's expenses in the reporting period.

Research and Advocacy work was carried out, and the Foodbank published Covid-19: The view from the Foodbank, looking at the drivers and impacts of poverty and food bank use during the lockdown in 2020. Additionally, our team worked with the wider voluntary sector to successfully advocate for more generous and effective local welfare assistance in 20/21 – leading to Wandsworth Council more than doubling their budget for crisis and community care grants for residents in hardship; increasing the generosity of awards; creating a phone line to reduce digital exclusion; and widening the criteria to include refugees and asylum seekers, and others with no recourse to public funds. We also successfully advocated for the Council to use some of its government hardship funding to provide supermarket vouchers to families with children who receive Free School Meals during school holidays Christmas 2020- summer 2021.

Further details of Foodbank's activities can be found at <http://wandsworth.foodbank.org.uk/>

Key relationships

JCT believes that relationships are critical to its continuing success. It depends first on the continuing skill and dedication of its own staff. St Mark's Church provides invaluable support via the expertise and time of its staff and members, as well as donated office space, storage space and equipment. The generosity of institutional and individual donors is of course hugely appreciated.

Resurgo provides extensive materials, staff training and other support for conducting Spear programmes. Within the wider community, the trust of local job centres and other statutory services is critical if they are to encourage young people to participate in Spear; and local employers provide company visits and employment opportunities. Finally, JCT encourages the young people participating in Spear programmes to remain in contact following completion. Their readiness to do so is an indicator of the value they place on the programme.

Trussell Trust similarly provides vital training, funding, support and feedback to JCT and its church partners. Local people and organisations have been extremely generous both in donating food, and in helping in its collection and distribution. We value strong relationships with the care professionals who refer individuals to the foodbank, and with the network of churches who distribute the food. Our partnerships with Citizen's Advice Wandsworth and Family Action enable us to refer clients to additional sources of support. Finally, as with Spear, we are delighted that many of those attending the Foodbank choose to stay in touch after the immediate issue which prompted their referral is resolved.

3. FINANCIAL REVIEW

JCT's overall income in the year to 31 March 2021 was £1,144,024 compared to £604,506 in the 15-month period to 31 March 2020. The main points relating to changes in the income levels are as follows:

- Food donations to Foodbank increased significantly (2021 £327,490 versus 2020 £161,320) as Foodbank expanded its activities to cope with the Covid outbreak
- Income from donations was significantly higher (2021 £534,662 versus 2020 £246,817) reflecting generous donations in a difficult year to both Foodbank and Spear.
- Income from the Spear online auction which took place in lieu of the usual Summer party (and other events) was lower (2021 £15,173 versus 2020 £61,372)
- The notional value of the benefits in kind provided by Resurgo to JCT for the Spear programmes remained the same at £55,000 per annum (2021 £55,000 versus £68,750 for the 15-month period to 31 March 2020). This reflected the continued strength of the relationship between JCT and Resurgo.

Expenditure for the year to 31 March 2021 was £810,134 compared to £527,237 in the 15-month period to 31 March 2020. This increase primarily reflected the cumulative impact of partially offsetting factors

- A significant rise in the food distributed by Foodbank (2021 £300,046 versus 2020 £172,424) as a result of the rise in need for Foodbank use and broadly corresponding to the increase in income from this source.
- An increase in directly employed staff costs (2021 £228,939 versus 2020 £212,242) due to an increase in employee numbers and days worked
- An decrease in the cost of generating income (2021 £3,571 versus 2020 £24,896) reflecting lower costs for the online auction as compared to the usual Spear party
- JCT has entered into an arrangement to make a payment to St Mark's Church of £15,000 per annum as a contribution towards running costs. This began on 1 January 2020. This level of contribution will increase from 1 April 2021.

The trustees noted that in the period to 31 March 2021 income was significantly above expenditure, and also that JCT remained well-funded at March 2021. They were seeking additional funding, particularly grant funding, to help ensure the long-term position of the charity.

Reserves

JCT engages in a number of distinct charitable activities. Contributions to JCT are typically directed to one of these activities, and since their use is restricted they are not reserves. Much of JCT's income to support these activities comes from large fundraising events or one-off grants rather than regular donations. It is therefore irregular in timing and size. For this reason, it aims to have assets that, together with future regular contributions and other committed sums, would be sufficient to cover at least the next 6 months of each of its activities.

JCT makes use of St Mark's Church premises. It therefore has limited exposure to the costs of repair and upkeep of its facilities, and therefore has agreed to make a contribution of £15,000 per annum towards these costs. JCT expects that any new charitable initiative would be funded through additional fundraising activity. It therefore does not hold reserves to cover the costs of such expansion. Given these facts, and the policy of pre-funding specific activities it sees limited need for substantial additional reserves.

Nevertheless, to meet contingencies such as minor repair costs or a delay in the receipt of a promised source of income, it aims to hold a sum equivalent to at least one month of its total regular outgoings as a general reserve. Assets not immediately required would normally be held on deposit.

At 31 March 2021, JCT held restricted funds sufficient to cover less than one month of regular outgoings for Spear, and more than six months of regular outgoings for Foodbank; it held unrestricted funds sufficient to cover six months of total regular outgoings. (These figures ignore future income.) It plans to continue fund raising.

4. FUTURE PLANS

JCT plans to continue running Spear programmes in co-operation with Resurgo and its Foodbank in co-operation with Trussell Trust. It has been exploring how to provide additional advice and support to clients of each service. In particular, JCT is exploring with Resurgo the intended extension of the latter's activities to include training for apprentices.

JUNCTION COMMUNITY TRUST

REPORT OF THE TRUSTEES

5. STRUCTURE, GOVERNANCE AND MANAGEMENT

JCT is constituted under Articles of Association as a Company Limited by Guarantee and not having a Share Capital.

Any person who is willing to act as a trustee, and who would not be disqualified from acting, may be appointed to be a trustee by a decision of the trustees. The Vicar of St Mark's Church is an ex officio trustee and Chair of JCT, though his authority is typically delegated to an acting Chair. The Rev Paul Perkin retired as Vicar of St Mark's Church in April 2020 and the acting Vicar during the inter-regnum, Rev Charlie Thompson, was appointed Chairman. The new Vicar of St Mark's, Martyn Layzell, was appointed Chairman following his appointment in November 2020. The PCC of St Mark's also has the right to appoint up to two members of the PCC to the position of trustee.

There are no specific policies or procedures relating to the induction and training of trustees. However, in practice, trustees with relevant knowledge or experience are appointed.

Any decision of the trustees must be either by decision of a majority of the trustees present and voting at a quorate trustees' meeting, or when the majority of trustees have indicated to all the trustees by any means (including email) that they share a common view on a matter. Full trustee meetings typically occur every two months.

Decisions relating to some routine financial matters are delegated by the trustees to a finance committee, consisting of the acting Chair, Vice Chair and Treasurer of JCT. Day-to-day decision making relating to JCT's specific charitable activities is delegated to JCT staff appointed to oversee these activities. The organisation of fundraising events is typically delegated to an events committee consisting of selected trustees and other individuals with relevant experience.

The trustees have reviewed the major risks to which the charity is exposed and systems or procedures have been established to manage those risks. In particular, the charity has documented procedures with regards to finance, working with children and vulnerable adults, health and safety and other matters.

JCT looks to learn from and work in partnership with other organisations with experience relevant to its charitable activities. In particular, since 2012, it has worked closely with Resurgo Trust. Resurgo Trust is a charity founded through St. Paul's Church in Hammersmith in 2004. Resurgo aims to stimulate significant social transformation in local communities by helping people facing serious social disadvantage to transform their situation. In particular, among its activities, it has provided 'Spear' programmes for young people (discussed above). Resurgo has provided JCT staff with extensive training, ongoing support and materials to enable them to conduct these programmes.

Similarly, since 2013 JCT has worked closely with the Trussell Trust. The Trussell Trust's mission is to develop, run, and enable communities to replicate sustainable projects that combat poverty and exclusion, and to share their experiences in order to raise awareness of the issues. In 2004, Trussell Trust launched the UK Foodbank Network to teach churches and communities nationwide how to start their own foodbank. Trussell Trust has provided extensive guidance and support to JCT as it launched its Foodbank.

JUNCTION COMMUNITY TRUST

REPORT OF THE TRUSTEES

Trustees' responsibilities statement

The Trustees (who are also directors of Junction Community Trust) for the purposes 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Trustees are required to:

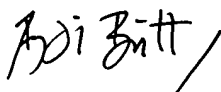
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2016 (FRS 102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 charitable company 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.

By Order of the Board



Rev Martyn Layzell
Chairman



Andi Britt
Acting Chairman



Gary Window
Treasurer

Date: 21/12/2021

JUNCTION COMMUNITY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF JUNCTION COMMUNITY TRUST

Opinion

We have audited the financial statements of Junction Community Trust (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 the charitable company'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' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF JUNCTION COMMUNITY TRUST

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 directors' report included within the trustees' 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 trustees 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' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

Without qualifying our opinion, we draw attention to the fact that the comparative information in the financial statements was unaudited.

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.

Azets Audit Services

John Howard (Senior Statutory Auditor)

For and on behalf of Azets Audit Services Limited
Chartered Accountants and Statutory Auditor
Regis House, 45 King William Street
London, EC4R 9AN

Date: *06 January 2022*

JUNCTION COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (Including the Income and Expenditure Account)

FOR THE YEAR ENDED 31 March 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total March 2021 £	Total March 2020 £
Income:					
Donations and legacies	2	46,014	755,304	801,318	381,307
Charitable activities	3	-	327,490	327,490	161,320
Other trading activities	4	-	15,173	15,173	61,372
Investment income	5	43	-	43	507
Total income		46,057	1,097,967	1,144,024	604,506
Expenditure:					
Raising funds	6	-	3,571	3,571	24,896
Charitable activities	7	10,261	796,302	806,563	502,341
Total expenditure	8	10,261	799,873	810,134	527,237
Net (expenditure)/income		35,796	298,094	333,890	77,269
Transfer between funds		-	-	-	-
Net movement in funds		35,796	298,094	333,890	77,269
Reconciliation of funds:					
Total funds brought forward		110,737	70,757	181,494	104,225
Total funds carried forward	17	146,533	368,851	515,384	181,494

All income and expenditure derive from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

The notes on pages 13 to 22 form part of these financial statements

JUNCTION COMMUNITY TRUST

BALANCE SHEET

COMPANY NUMBER: 08032776

AS AT 31 MARCH 2021

	Notes	Year ended 31 March 2021		Period Ended 31 March 2020	
		£	£	£	£
Current assets					
Stock	13	39,883		12,438	
Debtors	14	11,097		58,267	
Cash and bank		474,491		139,864	
		<u>525,471</u>		<u>210,569</u>	
Creditors: Amounts falling due within one year	15	<u>(10,087)</u>		<u>(29,075)</u>	
Net current assets			515,384		181,494
Net assets			<u>515,384</u>		<u>181,494</u>
Restricted funds	16		368,851		70,757
Unrestricted funds	17		146,533		110,737
Total funds	17		<u>515,384</u>		<u>181,494</u>


The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board on the 21/12/2021 and signed on its behalf by:


Rev Martyn Layzell
Chairman


Andi Britt
Acting Chairman


Gary Window
Treasurer

The notes on pages 13 to 22 form part of these financial statements

JUNCTION COMMUNITY TRUST**CASH FLOW STATEMENT****COMPANY NUMBER: 08032776****AS AT 31 MARCH 2021**

	Notes	Total March 2021 £	Total March 2020 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	19	334,584	45,000
Cash flows from investing activities:			
Dividends, interest and rents from investments		<u>43</u>	<u>507</u>
Net cash provided by (used in) investing activities		43	507
Change in cash and cash equivalents in the reporting period		334,627	45,507
Cash and cash equivalents at the beginning of the reporting period		<u>139,864</u>	<u>94,357</u>
Cash and cash equivalents at the end of the reporting period		<u>474,491</u>	<u>139,864</u>

The notes on pages 13 to 22 form part of these financial statements

1. ACCOUNTING POLICIES

(a) General information and basis of preparation

The Junction Community Trust is a company limited by guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out on pages 2-4.

The charitable company 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) issued on 16 July 2016, 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 2016.

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 prepared in sterling which is the functional currency of the charity.

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) Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Since March 2020 the Covid-19 pandemic has had a significant impact on all aspects of the Trusts' governed activities - from the remote operation of Spear and Foodbank, to the switching the Spear Fundraising party to an on-line auction, through to the unforeseen but welcome substantial increase in donations to the Foodbank. The Trustees continue to meet regularly to assess the risks to operations, financing and the welfare and wellbeing of our staff and volunteers. We remain confident that both Spear and Foodbank can be adequately funded for the foreseeable future - notwithstanding the uncertainty around the pattern of donations and means of fundraising during lockdown - and are convinced that the work supporting our local community is more essential now than it ever has been.

(c) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. There were no restatements to note.

(d) Funds

Unrestricted funds - represent funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds - represent funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for specific restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1. ACCOUNTING POLICIES - continued

(e) Income

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, the amount can be measured reliably and it is probable that the income will be 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.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

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.

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.

(f) Expenditure

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 all costs in relation to generating voluntary income, fundraising events and fundraising trading;
- Expenditure on charitable activities includes costs in relation to the Spear Courses, and Food Bank Activities.

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

Staff costs are allocated between cost headings according to the function of each employee.

(g) Allocation of support and governance costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs, administrative office function costs, HR and recruitment, and premises costs. They are incurred directly in support of expenditure on the objects of the charitable company.

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice. These costs include costs related to the independent examination, statutory audit and legal fees.

Support and Governance costs have been allocated across the charitable activities based on an analysis of the time spent on each project.

JUNCTION COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

(h) Stocks and work in progress

The Balance sheet includes the estimated value of food that can be donated and used in the Junction Community Trust Foodbank. The estimated cost of food has been calculated by weight at an average retail cost of £1.75 per kilogram (£1.75 per kg for 2020 accounts). The total amount of food distributed in the period was 168,384kg.

(i) Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Accrued income is measured at the amount due to be received.

(j) Cash at bank and in hand

Cash at bank and cash in hand includes cash 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.

(k) Creditors and provisions

Creditors are recognised where the Trust 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.

Other creditors and accruals are recognised at their settlement amount due.

(l) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

(m) Tax

The charitable company 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. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(n) Judgements and key sources of estimation uncertainty

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.

JUNCTION COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

2. DONATIONS AND LEGACIES

	Unrestricted Mar 2021 £	Restricted Mar 2021 £	Mar 2021 £	Mar 2020 £
Grant Income	10	144,233	144,243	56,852
Benefits in Kind (Management Consultancy)	-	55,000	55,000	68,750
Donations	42,113	492,549	534,662	246,817
Recoverable Gift Aid	3,891	63,522	67,413	8,888
	<u>46,014</u>	<u>755,304</u>	<u>801,318</u>	<u>381,307</u>

In the year to 31 March 2020, £38,357 of donations and legacies was attributable to unrestricted funds and £342,950 was attributable to restricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Mar 2021 £	Restricted Mar 2021 £	Mar 2021 £	Mar 2020 £
Food Donated for Foodbanks	-	327,490	327,490	161,320
	<u>-</u>	<u>327,490</u>	<u>327,490</u>	<u>161,320</u>

In the year to 31 March 2020, all of the income from charitable activities was attributable to restricted funds.

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Mar 2021 £	Restricted Mar 2021 £	Mar 2021 £	Mar 2020 £
Spear Summer Party and events	-	15,173	15,173	61,372
	<u>-</u>	<u>15,173</u>	<u>15,173</u>	<u>61,372</u>

In the year to 31 March 2020, all of the income from Other Trading Activities was attributable to restricted funds.

5. INVESTMENT INCOME

	Unrestricted Mar 2021 £	Restricted Mar 2021 £	Mar 2021 £	Mar 2020 £
Bank interest	43	-	43	507
	<u>43</u>	<u>-</u>	<u>43</u>	<u>507</u>

In the year to 31 March 2020, all of the investment income was attributable to unrestricted funds.

JUNCTION COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

6. RAISING FUNDS

	Unrestricted Mar 2021 £	Restricted Mar 2021 £	Mar 2021 £	Mar 2020 £
Costs of generating voluntary income	-	3,571	3,571	24,896
	<u>-</u>	<u>3,571</u>	<u>3,571</u>	<u>24,896</u>

In the year to 31 March 2020, all of the expenditure from costs of generating voluntary income was attributable to restricted funds.

7. CHARITABLE ACTIVITIES

	Unrestricted Mar 2021 £	Restricted Mar 2021 £	Mar 2021 £	Mar 2020 £
Spear Course Expenses	5,130	135,207	140,337	193,977
Food Bank Activities	5,131	661,095	666,226	308,364
	<u>10,261</u>	<u>796,302</u>	<u>806,563</u>	<u>502,341</u>

In the year to 31 March 2020, a credit balance of £2,242 of the expenditure on charitable activities was unrestricted and £504,583 of expenditure was restricted.

8. ANALYSIS OF EXPENDITURE

	Direct Charitable £	Support Costs (note 9) £	Mar 2021 £	Mar 2020 £
Raising Funds	3,571	-	3,571	24,896
Charitable Activities:				
Spear Course Expenses	130,006	10,331	140,337	193,977
Foodbank Activities	601,645	64,581	666,226	308,364
	<u>735,222</u>	<u>74,912</u>	<u>810,134</u>	<u>527,237</u>

In the year to 31 March 2020, £507,653 of the expenditure on charitable activities was attributable to direct costs and £19,584 was attributable to support costs.

JUNCTION COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

9. SUPPORT COSTS

	Mar 2021	Mar 2020
	£	£
Sundry Expenses	2,012	(7,187)
Office Equipment	23,956	910
Telephone and IT	8,055	7,287
Stationery and Postage	1,080	3,724
Subsistence and Travel	6,289	6,071
Insurance	989	1,799
Administration Costs	25,069	2,360
Professional Fees	2,062	2,940
Governance (see note 10)	5,400	1,680
	74,912	19,584

10. GOVERNANCE COSTS

	Mar 2021	Mar 2020
	£	£
Independent Examination Fee	-	1,020
Audit Fee	5,400	-
Other Accountancy Fees	-	660
	5,400	1,680

11. NET INCOME/ (EXPENDITURE) FOR THE YEAR

	Mar 2021	Mar 2020
	£	£
This is stated after charging:		
Audit Fee	5,400	-
Independent Examination Fee	-	1,020

JUNCTION COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

12. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	Mar 2021 £	Mar 2020 £
Salaries and wages	203,172	192,805
Social security costs	12,743	9,616
Pension costs	9,951	9,821
	<u>225,866</u>	<u>212,242</u>
The average number of full-time equivalent employees:		
Charitable Activities	6	6
	<u>6</u>	<u>6</u>

Employee time has been allocated to direct costs based on the activity they are involved in.

No employee received annualised remuneration above £60,000

During the period to 31 March 2021, no trustees were paid or received other benefits from employment with the charitable company.

During the period to 31 March 2021, no trustees were paid or received other benefits from employment with the charitable company. (2020: None)

The key management of the charitable company comprise the trustees. The Trustees do not receive any remuneration for this role.

13. STOCK

	Mar 2021 £	Mar 2020 £
Food Stocks for Foodbank Distribution	39,883	12,438
	<u>39,883</u>	<u>12,438</u>

14. DEBTORS

	Mar 2021 £	Mar 2020 £
Other Debtors	1,383	-
Prepayments and accrued income	9,714	58,267
	<u>11,097</u>	<u>58,267</u>

JUNCTION COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

15.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	Mar 2021	Mar 2020
		£	£
	Trade Creditors	6,826	25,461
	Other Creditors	3,261	3,614
		<u>10,087</u>	<u>29,075</u>

16. RESTRICTED FUNDS

	1 April 2020	Incoming resources	Resources Expended	Transfers	31 March 2021
	£	£	£	£	£
Restricted funds					
Spear	(7,334)	205,757	138,678	-	59,745
Foodbank	78,091	907,123	676,108	-	309,106
	<u>70,757</u>	<u>1,112,880</u>	<u>814,786</u>	<u>-</u>	<u>368,851</u>

16A. RESTRICTED FUNDS – Prior Year

	1 January 2019	Incoming resources	Resources Expended	Transfers	31 March 2020
	£	£	£	£	£
Restricted funds					
Spear	15,230	191,604	(214,168)	-	(7,334)
Foodbank	19,364	374,038	(315,311)	-	78,091
	<u>34,594</u>	<u>565,642</u>	<u>(529,479)</u>	<u>-</u>	<u>70,757</u>

Spear

Spear funds are held for the use of the "Spear" Training course, focused on aiding young people to gain key skills to aid employment and life chances

The actions we have taken and recent grants received from Wandsworth Council and two Livery Companies among others, as well as the unrestricted funds available, give us confidence that we can continue to operate Spear for the foreseeable future.

Foodbank

The Foodbank fund is aimed at providing emergency food and support to people in crisis.

JUNCTION COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

17. ANALYSIS OF NET ASSETS BETWEEN TOTAL FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2021 are represented by:			
Stock	-	39,883	39,883
Debtors	-	11,097	11,097
Cash at bank and in hand	146,533	327,958	474,491
Other net current assets/(liabilities)	-	(10,087)	(10,087)
	146,533	368,851	515,384

17A. ANALYSIS OF NET ASSETS BETWEEN TOTAL FUNDS – Prior Year

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2020 are represented by:			
Stock	-	12,438	12,438
Debtors	-	58,267	58,267
Cash at bank and in hand	110,737	29,127	139,864
Other net current assets/(liabilities)	-	(29,075)	(29,075)
	110,737	70,757	181,494

18. RELATED PARTY TRANSACTIONS

There are no related party transactions during the period (2020: £ nil).

19. RECONCILIATION OF NET CASH (USED IN) OPERATING ACTIVITIES

	Mar 2021 £	Mar 2020 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	333,890	77,269
Adjustments for:		
Dividends, interest and rents from investments	(43)	(507)
(Increase)/decrease in stocks	(27,445)	11,105
(Increase)/decrease in debtors	47,170	(52,148)
Increase/(decrease) in creditors	(18,988)	9,281
Net cash provided by operating activities	334,584	45,000

JUNCTION COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

20. STATEMENT OF FINANCIAL ACTIVITIES – Prior Year

	Unrestricted Funds £	Restricted Funds £	Total March 2020 £	Total December 2018 £
Income:				
Donations and legacies	38,357	342,950	381,307	207,914
Charitable activities	-	161,320	161,320	112,053
Other trading activities	-	61,372	61,372	95,377
Investment income	507	-	507	459
Total income	38,864	565,642	604,506	415,803
Expenditure:				
Raising funds	-	24,896	24,896	21,352
Charitable activities	(2,242)	504,583	502,341	375,439
Total expenditure	(2,242)	529,479	527,237	396,791
Net (expenditure)/income	41,106	36,163	77,269	19,012
Transfer between funds	-	-	-	-
Net movement in funds	41,106	36,163	77,269	19,012
Reconciliation of funds:				
Total funds brought forward	69,631	34,594	104,225	85,213
Total funds carried forward	110,737	70,757	181,494	104,225