

Registered Charity Number: 1169048

Care4Calais

(a Charitable Incorporated Organisation "CIO")

Annual Report and Financial Statements

for the year ended 30 September 2021

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Care4Calais

Reference and Administrative Details

Trustees

Trustees who served during the year and up to the date of this report were as follows:

Donna Leech
Clare Moseley
Sara Wing
Emma Mort
Sue Jex
James Nichol (appointed 7 May 2022)
Jacky Griffiths (appointed 9 March 2022)
Paul Moore (appointed 9 March 2022)

Principal Office

Apartment 4307
Beetham Tower
301 Deansgate
Manchester
M3 4LX

Charity Registration Number

Registered as a Charitable Incorporated Organisation
"CIO" in England and Wales charity number 1169048

Registered as an association in France number
W626003482

Auditor

Azets Audit Services Limited
Triune Court
Monks Cross Drive
York
YO32 9GZ

Bankers

The Co-operative Bank PLC
P.O. Box 101
1 Balloon Street
Manchester
M60 4EP

Solicitors

Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

Care4Calais

Report of the Trustees for the year ended 30 September 2021

The Trustees present their report and the audited financial statements for the year to 30 September 2021. Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the charity's trust deed and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and the Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Purposes and aims

Care4Calais is established with the charitable objects of the relief and assistance of people in need, in particular but not exclusively victims of war, natural disaster, trouble or catastrophe by such means as the Trustees think fit, in particular but not exclusively by the provision of food, water, shelter, healthcare and legal support.

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

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Our Volunteers

Care4Calais is a volunteer-led charity with one Trustee taking a key management role and volunteers delivering services on the ground. During the year the charity has recruited six paid individuals, bringing the total number of staff to eight, including two full time contractors in France.

During the year the charity had a revolving team of over 1,000 volunteers in France and a more permanent team of around 700 volunteers in the UK. This includes the Trustees.

Structure, governance and management

The organisation is a charitable incorporated organisation constituted under the foundation model and was registered on 5 September 2016 with the Charity Commission in England and Wales. To facilitate its work in France, Care4Calais is also registered as an association in France (number W626003482).

Trustees all have an equal vote on matters relating to the management of the charity, which includes the appointment of Trustees. All Trustees give their time voluntarily and receive no benefits and do not claim personal expenses from the charity. Trustees are selected from individuals showing interest in the charity's work and agreeing to serve to further the charity's objects. Formal appointment of new Trustees is by way of majority vote of the existing Trustees. The induction of new Trustees is carried out by the chair and supported by the wider Trustees to enable them to acquaint themselves with the Charity's policies and practice, its aims and activities and what is expected of them under charity law.

During the year under review, the Trustees held six full meetings. However, due to the fluidity of the work of the charity and the active involvement of the Trustees, there is regular communication between the Trustees of current issues, financial performance and strategic decision making.

Report of the Trustees for the year ended 30 September 2021 (continued)

Structure, governance and management (continued)

The Trustees are acutely aware of the need for strong governance and transparency and as part of the charity's operational management and risk management process, have drafted and regularly review specific policies which include:

- Complaints handling
- Risk management
- Safeguarding vulnerable beneficiaries

In 2020 the Charity Commission opened a Statutory Inquiry into the Charity which remains open at the date of signing of the financial statements. This followed a period of exceptional growth of the charity which put considerable pressure on systems, staff and volunteers. The Charity is working positively and transparently with the Charity Commission to ensure best-practice governance and compliance. We remain committed to our work supporting refugees and asylum seekers, and to our legal and ethical duties as a charitable organisation.

Achievements and performance

The charity's activities focus on the provision of direct aid and social support to displaced people in the UK, France and Belgium, as well as advocating for a welcoming and inclusive attitude towards refugees in the UK.

Between October 2020 and September 2021, the charity continued its programme of weekly distributions and social support in Calais and Dunkirk; however, trips to Brussels, Paris and Caen were less frequent due to Covid restrictions. In Calais and Dunkirk, distributions and social activities continued but Covid restrictions reduced their scope. This affected the methods of delivery of distributions and services and meant that extra work and safety procedures continued to be needed. In addition, it was not possible to accept volunteers for short term periods as the turnover of people in the charity's warehouse had to be limited. This meant that larger groups such as schools, trade unions and corporates could not be welcomed to Calais.

The impact of Brexit continued to be felt. Increased paperwork requirements and customs duty, particularly with respect to food, made it difficult to get both goods and donations across the Channel. Many items were sourced in Europe and costs increased across the board.

UK operations continued to grow. At the beginning of the year the charity was working in approximately 40 hotels in the UK where asylum seekers were living. By the end of the year, this was 95 hotels together with dispersal accommodations.

In October 2020, the charity began working in Napier Barracks, a new type of mass accommodation option introduced by the Home Office. Issues arose because the military setting invoked reminders of previous trauma in the asylum seekers, and the lack of proximity to the community meant there was little access to medical, dental or legal services. The accommodation was in a state of disrepair. The lack of experience of the management and staff in taking care of vulnerable people exacerbated matters. By January 2021 there had been suicide attempts, self-harm and many incidents of deteriorating mental health. On 9 January, in temperatures of -2 degrees, some of the men slept outside as a sign of peaceful protest and on 12 January, 350 men started a hunger strike. In mid-January, there was a Covid outbreak that was not contained, and half the residents became seriously ill. On 29 January a fire broke out, following which 14 people were arrested, although not in connection with the fire. The charity supported the residents throughout these issues.

After referring some of the men to some law firms, on 16 February some of the residents were given permission to challenge in court the use of the barracks as asylum accommodation. The charity provided witness statements in support of this. The ICIBI issued a damning report into conditions in the barracks. On 1 April, the last of the residents moved out. On 3 June, the High court ruled that use of the barracks as asylum seeker accommodation had been unlawful.

Report of the Trustees for the year ended 30 September 2021 (continued)

At the time of writing the barracks is now once again being used to house asylum seekers, but various changes have been made, most importantly that the length of stay there is limited to 60 days.

From October to December 2020, the charity's legal access team continued to work with people who had been placed in detention due to the Government's desire to deport as many people as possible before they lost the ability to deport to Europe as a result of Brexit on 31 December. In October the charity was supporting 22 Syrians in Calais who had already been deported by the UK. Between October and December the charity's legal access team supported over 100 clients to sign up with lawyers, who assisted them to successfully challenge their deportations.

During 2021, a number of problems manifested in asylum accommodation across the UK, the root cause of which was often the substantial delays in asylum claim processing. Many asylum seekers were waiting months or even years for their asylum claims to be processed and so they became afraid that there may be issues with their claims or that they might not be granted asylum. This fear and anxiety was the key theme underscoring lesser issues such as low budget accommodation, food provision, difficulties of living in hotels that are not meant for long term accommodation, and mental health issues. The fact that the asylum seekers are given negligible money or support, and are not allowed to work or study, exacerbated this anxiety. In July 2021, it was revealed that more than 50 people had died in Home Office accommodation in the UK. Care4Calais volunteers around the country worked hard to support people and to minimise the many negative effects of this situation.

In November 2020, the Government began imprisoning asylum seekers who steered small boats across the Channel as the Government considered them to be people smugglers. During the period, the charity worked with Aneurin Brewer of Red Lion Chambers, who represented an Iranian asylum seeker who had been sentenced due to these charges, and successfully had them dropped in May 2021, opening the way for many others to appeal their sentences.

In August 2021, Afghan refugees were airlifted out of Kabul with the first ones arriving in Manchester. The charity was one of the first to respond, delivering blankets, nappies, baby milk and other supplies to airports and hotels within 24 hours of the first arrivals touching down. The charity opened a warehouse in Manchester and was overwhelmed by the positive response from the public. For the first six weeks a sizable amount of donations was received, turned around and taken out to those who needed them around the country with unprecedented pace. After the first three months, other NGOs with more funding and capacity were able to respond and the charity stepped back from this to concentrate on its core beneficiaries (those arriving by boat and lorry) who generally have the greater need and significantly less state support.

Plans for the future

The move to operating in the UK has driven significant growth in on-the-ground operations of the charity. In the medium term, efforts will continue to be focused on embedding appropriate systems and procedures within the UK charity, staff and volunteer development and training, and maintaining the focus of the charity on its core objectives of delivering what the refugees need the most and being there for them no matter what the challenges are.

Principal risks and uncertainties

The Trustees have identified resources and established review systems to manage organisational risk.

The Trustees maintain a register of the risks faced by the charity that is reviewed at least annually. The risk register records the risks that may arise in each area of the charity's operations, along with the policies, systems and procedures in place to mitigate them. Risks are identified, assessed, and scored according to their likelihood and impact. Appropriate steps are then taken to mitigate them in day to day operations.

Report of the Trustees for the year ended 30 September 2021 (continued)

The principal risks and uncertainties faced by the charity at the time of writing are as follows:

- The challenges of Brexit, including continued impact on regulation, cross border transactions and pricing.
- Lack of income diversity, as the majority of the charity's income comes from public donations and is non-recurring.
- Key person risk in respect of the charity's founder and CEO.

Financial review

The period under review represents the charity's sixth full year of operation and its fifth year as a registered charity. Donations in kind remained low during the year, due to difficulties in getting goods across the border from the UK to France because of the combination of Brexit and Covid restrictions. Financial donations have, however, increased, as the public supported the charity's moves to both support refugees in Northern France despite the complex challenges of Covid, and to step up in the UK where refugees have been left without support and in desperate need of help in many ways. In addition, the charity was quick to respond when refugees were airlifted out of Kabul and the public also supported this move.

While donations in kind of food have disappeared, purchasing food has become one of the charity's biggest expenses, with many items now being sourced in Europe. Food costs have doubled on the previous year. Operations costs have increased as the charity now has six paid employees in the UK together with two full time contracted staff members in France, bringing the total number of staff to eight. The charity also now has a warehouse in Manchester and several small storage facilities around the UK, meaning storage and distribution costs have also increased, and many more people across the UK can be helped.

A prior year adjustment, increasing opening general reserves by £41,955 has been posted, details of this adjustment are included in Note 9 to the financial statements.

Reserves policy

At the end of the year the charity had reserves of £1,203,183 (2020: £546,033), which includes stock of donated goods for distribution of £230,434 (2020: £146,508) which cannot be converted into cash funds. £151,356 (2020: £nil) represents restricted funds (see note 15) and £413,905 (2020: £99,000) has been ringfenced for future staff costs. This leaves a free reserves balance of £637,922 (2020: £447,033), which represents approximately six months' running costs.

The Trustees regularly review the need for free reserves and consider a level to cover four to six months of running costs to be appropriate.

Pay policy for senior staff

The pay of the charity's senior staff is reviewed annually and may be increased in accordance with national indicators such as inflation, where financially possible and prudent.

Fundraising

We strive to achieve the highest fundraising standards and we value our supportive funders.

The vast majority of the charity's income comes from public donations. The Trustees believe this means that the charity is working for and on behalf of real people and communities in the UK who believe in what it does and want to support refugees. However, inherent in this is a risk that income is not diversified or guaranteed in the medium to long term.

**Report of the Trustees for the year ended 30 September 2021
(continued)**

We are staying up to date with developments in charity regulation, data protection and the Fundraising Preference Service (FPS) to make sure we are legally compliant and adhering to all guidelines. Our fundraisers follow the Institute of Fundraising's Code of Practice.

Trustees and their Statutory Responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State 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 charity will continue in operation.

The Trustees are responsible for keeping proper 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 Charities Act 2011. 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.

Auditors

Azets Audit Services Limited were appointed auditor to the Charity following their acquisition of the trade of Garbutt & Elliott Audit Limited on 1 December 2021. Azets Audit Services Limited have indicated their willingness to be reappointed.

Approved by the Trustees of the charity on 21/07/2022 and signed on its behalf by:

clare moseley

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Clare Moseley

Trustee

Independent Auditors' Report to the Trustees of Care4Calais

We have audited the financial statements of Care4Calais (the charity) for the year ended 30 September 2021 which comprise of the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related 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 charity's affairs as at 30 September 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Charity 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.

Conclusion 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Independent auditors' report to the Trustees of Care4Calais

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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

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.

Extent to which the audit was capable of identifying irregularities, including fraud

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the trustees and other management, and from inspection of the charity's regulatory and legal correspondence. We discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

Independent auditors' report to the Trustees of Care4Calais

The charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related charities legislation), pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising data protection, health and safety, safeguarding and employment legislation, and, in the current climate, Covid19 regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the charity to commit fraud. Our risk assessment procedures included: enquiry of trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud, reading Board minutes and considering performance targets and incentive schemes in place for management. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:

- income recognition especially the risk that income is recognised in the wrong reporting period or that income is netted off expenditure, that gifts in-kind are not fairly valued;
- that restricted income is not correctly recognised as such;
- subjective accounting estimates, primarily around the valuation of stock.

Fraud risks arise due to a potential desire to present the financial statements in a differing light due to trustee objectives.

As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias;
- testing the recognition of income and in particular that it was appropriately recognised or deferred; and
- Review of board meeting minutes and correspondence with the regulator.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Care4Calais

Independent auditors' report to the Trustees of Care4Calais

Key audit matters

In forming our audit opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the charity's ability to continue as a going concern. At the date charity continues to hold strong reserves and generates good levels of income via its fundraising however The Charity Commission's Statutory Inquiry remains open at the date of signing of the financial statements and the full outcome is yet unknown.

Other matters

In the previous accounting year the financial statements were below the audit threshold. Therefore the prior year financial statements were not subject to audit.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees 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 Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services Limited

Laura Masheder FCA DChA
Senior Statutory Auditor

For and on behalf of Azets
Statutory Auditor

22/07/2022

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Triune Court
Monks Cross Drive
York
YO32 9GZ

Statement of Financial Activities for the year ended 30 September 2021

| | | Unrestricted funds | Restricted funds | Total funds | Total Funds (as restated) Unaudited |
|---|-----------|-----------------------|---------------------|----------------|--|
| | Notes | £ | £ | 2021 £ | 2020 £ |
| Income from: | | | | | |
| Donations and legacies | 2 | 1,331,467 | 252,404 | 1,583,871 | 896,371 |
| Trading income – shop takings | | 32,748 | - | 32,748 | 23,578 |
| Investment income | 3 | 381 | - | 381 | - |
| Total income | | 1,364,596 | 252,404 | 1,617,000 | 919,949 |
| Expenditure on: | | | | | |
| Charitable activities | 4 | (795,279) | (101,048) | (896,327) | (547,008) |
| Raising funds | | (57,053) | - | (57,053) | (31,604) |
| Trading expenditure – shop costs | | (6,470) | - | (6,470) | (7,877) |
| Total expenditure | | (858,802) | (101,048) | (959,850) | (586,489) |
| Net income and movement in funds | | | | | |
| | | 505,794 | 151,356 | 657,150 | 333,460 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 546,033 | - | 546,033 | 212,573 |
| Total funds carried forward | 15 | 1,051,827 | 151,356 | 1,203,183 | 546,033 |

All of the charity's activities derive from continuing operations.

All income and expenditure in the comparative Statement of Financial Activities was unrestricted.

The Statement of Financial Activities includes all gains and losses recognised in the year.

All funds in the prior year were unrestricted.

Care4Calais

Balance Sheet as at 30 September 2021

| | Notes | 2021 £ | Unaudited 2020 (as restated) |
|---|-------|-----------|------------------------------------|
| Fixed assets | | | |
| Tangible assets | 10 | 489 | 4,029 |
| Current assets | | | |
| Investments | 11 | 413,905 | 99,750 |
| Stocks | 12 | 230,434 | 146,508 |
| Debtors | 13 | 101,875 | 25,093 |
| Cash at bank and in hand | | 521,335 | 295,413 |
| | | 1,267,549 | 566,764 |
| Creditors: Amounts falling due within one year | 14 | (64,855) | (24,760) |
| Net current assets | | 1,202,694 | 542,004 |
| Net assets | | 1,203,183 | 546,033 |
| Funds of the charity: | | | |
| Restricted funds | 15 | 151,356 | - |
| Unrestricted funds: | | | |
| Unrestricted general funds | | 637,922 | 447,033 |
| Unrestricted designated funds | | 413,905 | 99,000 |
| Total unrestricted funds | | 1,051,827 | 546,033 |
| Total funds | 15 | 1,203,183 | 546,033 |

The Financial Statements were approved by the Trustees on 21/07/2022 and signed on their behalf by:

clare moseley

Clare Moseley
Trustee

The notes on pages 14-23 form part of these financial statements.

Statement of Cash Flows for the Year Ended 30 September 2021

| | | 2021 | Unaudited |
|--|-------------|-------------|----------------------|
| | Note | £ | 2020 |
| | | | (as restated) |
| | | | £ |
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 17 | 539,696 | 264,613 |
| Cash flows from investing activities | | | |
| Interest received | | 381 | - |
| Increase in cash investments | | (314,155) | (99,750) |
| Purchase of fixed assets | | - | (4,420) |
| Net cash provided by/(used by) investing activities | | 381 | (4,420) |
| Change in cash and cash equivalents in the year | | 225,922 | 260,193 |
| Cash and cash equivalents at the beginning of the year | | 295,413 | 134,970 |
| Cash and cash equivalents at the end of the year | | 521,335 | 295,413 |

Notes to the Financial Statements for the year ended 30 September 2021

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Charity information

Care4Calais was registered on 5 September 2016 as a Charitable Incorporated Organisation under the foundation model, it is registered with the Charity Commission under charity number 1169048. The charity's principal office address is Apartment 4307 Beetham Tower, 301 Deansgate, Manchester, M3 4LX.

Accounting convention

The financial statements have been prepared on a going concern basis 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 (FRS102) (effective 1 January 2019) (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Charities SORP (FRS 102) rather than Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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 £1.

Care4Calais meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The Trustees have reviewed the financial position of the charity, which includes reserves (mainly in the form of cash balances) and ongoing donation levels. The nature of the charity is such that its output is dictated by ongoing income and there is minimal reliance on large supporters, as such the charity can respond quickly to fluctuations in income by managing spend, should the Trustees not take the view that they wish to use reserves in the short term.

Accordingly they have a reasonable expectation that adequate financial resources are available to enable the charity to continue in operational existence for the foreseeable future and have adequate contingency plans in the event that income streams are reduced

The Charity Commission's Statutory Inquiry remains open at the date of signing of the financial statements. This followed a period of exceptional growth of the charity which put considerable pressure on systems, staff and volunteers. The charity is working positively and transparently with the Charity Commission to ensure best-practice governance and compliance. We remain committed to our work supporting refugees and asylum seekers, and to our legal and ethical duties as a charitable organisation.

Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

Voluntary income is recognised when the charity entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Notes to the Financial Statements for the year ended 30 September 2021

1. Accounting policies (continued)

Donations of goods for distribution

Donated goods are recognised as income when the charity has control over the item, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain items of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the Trustees annual report for more information about their contribution.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

Charitable activities - 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.

Pensions

The charity operates a defined contribution scheme for the employees of the Charity. Contributions are charged as an expense to the SoFA in the period in which they fall due.

Staff costs

The costs of short-term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Support Costs - includes payments to advisors, providing information to refugees, supporters and the media together with sundry office and administration costs.

Governance costs - include the costs attributable to the charity's compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor.

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

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the 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.

Notes to the Financial Statements for the year ended 30 September 2021

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments in accordance with section 11 of FRS 102. Basic financial instruments are initially recognised at transaction value and are subsequently measured at their settlement value.

The CIO does not acquire put options, derivatives or other complex financial instruments.

Debtors

Other debtors relate to accrued income held by online fundraising platforms, this is recognised at the settlement amount due.

Prepayments are valued at the amount prepaid.

Creditors

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

Financial liabilities are derecognised when, and only when, obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Tangible fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| | |
|------------------|-----------------------|
| Containers | 3 years straight line |
| Motor vehicles | 3 years straight line |
| Office equipment | 3 years straight line |

Stock

Donated items of stock held for distribution are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Notes to the Financial Statements for the year ended 30 September 2021

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.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below

Stock

The charity recognises donated items, including clothing, goods, hygiene and other personal and practical items, as both income and stock when they remain in the warehouses at the year end. In doing so, the Trustees have identified a reasonable fair value for each category of donated items, which are a mix of quality new and donated goods, based on readily available prices for replacement.

Valuations of gifts in kind

The charity recognises donated items, including clothing, goods, hygiene and other personal and practical items, as both income and expenditure as they are issued to beneficiaries during the year. In doing so, the Trustees have identified a reasonable fair value for each category of donated items, which are a mix of quality new and donated goods, based on readily available prices for replacement and apply this to the logs of goods issued in the year.

Care4Calais

Notes to the Financial Statements for the year ended 30 September 2021

2. Income from donations and legacies

| | Unrestricted 2021 £ | Restricted 2021 £ | Total 2021 £ | Unaudited Re-stated Total 2020 £ |
|--------------------------------|---------------------------|-------------------------|--------------------|--|
| Donated goods for distribution | 182,215 | - | 182,215 | 176,971 |
| Donations and legacies | 1,331,467 | 252,404 | 1,401,656 | 719,400 |
| | 1,513,682 | 252,404 | 1,583,871 | 896,371 |

The charity is heavily reliant on its volunteers, in accordance with the Charity SORP volunteer time has not been valued in these financial statements.

3. Investment income

| | Total 2021 £ | Unaudited Re-stated Total 2020 £ |
|--------------------------------------|--------------------|--|
| Interest receivable on bank deposits | 381 | - |

4. Expenditure on charitable activity

| | Note | Total 2021 £ | Unaudited Re-stated Total 2020 £ |
|---|------|--------------------|--|
| Direct costs of charitable activity: | | | |
| Food, clothing and equipment for refugees | | 446,682 | 390,799 |
| Staff costs | | 64,323 | - |
| Operational costs | | 158,056 | 9,902 |
| Advocacy | | 43,156 | 31,605 |
| Warehouse and storage costs | | 96,772 | 66,846 |
| Volunteer costs | | 12,753 | 18,140 |
| Total direct costs | | 821,742 | 517,292 |
| Support costs allocated | 5 | 32,580 | 19,116 |
| Governance costs allocated | 5 | 42,005 | 10,600 |
| Total expenditure on charitable activity | | 896,327 | 547,008 |

5. Analysis of governance and support costs

| Support costs | Total 2021 £ | Unaudited Re-stated Total 2020 £ |
|-----------------------------|--------------------|--|
| Bookkeeping consultancy | 7,477 | 5,800 |
| Insurance | 6,477 | 4,125 |
| Bank charges | 1,512 | 634 |
| Depreciation | 3,540 | 3,590 |
| General expenses | 11,122 | 3,620 |
| Subscriptions and Donations | 2,452 | 1,347 |
| | 32,580 | 19,116 |

Care4Calais

Notes to the Financial Statements for the year ended 30 September 2021

5. Analysis of governance and support costs (continued)

| Governance costs | Total 2021 £ | Unaudited Re-stated Total 2020 £ |
|-------------------------------------|-----------------------------|---|
| Audit Fees | 8,160 | - |
| Independent examiner fees | - | 3,000 |
| Preparation of financial statements | 1,560 | 1,440 |
| Legal fees | 32,285 | 6,160 |
| | 42,005 | 10,600 |

Fundraising expenditure includes marketing, social media, website and public relations costs which are all directly attributable to donations received in the year.

6. Staff costs, trustees' remuneration and expenses

| Staff costs during the year were as follows: | 2021 £ | Unaudited 2020 £ |
|--|-------------------|---------------------------------|
| Wages and salaries | 62,923 | - |
| Social security costs | 1,024 | - |
| Pension costs | 376 | - |
| | 64,323 | - |

No employees received emoluments of more than £60,000 (2020: no employees). The Trustees consider themselves to be key management personnel.

The average number of employees in the year was 2 (2020: nil)

During the year the charity entered into following transactions with Trustees:

No Trustees, nor any persons connected with them, have received any remuneration or other benefits from the charity during the year.

Clare Moseley

£nil (2020: £273) of personal expenses were reimbursed during the year.

Historically Claire Moseley had advanced funds to the charity to facilitate its cashflow as it became established, this loan was interest free and carried no fixed date for repayment. At the balance sheet date the amount due to Mrs C Moseley in respect of her loan account was £317 (2020: £317).

7. Operating surplus

This is stated after charging:

| | 2021 £ | Unaudited Re-stated 2020 £ |
|---|-------------------|---|
| Auditor's remuneration | 8,160 | - |
| Independent examination | - | 3,000 |
| Preparation of the financial statements | 1,560 | 1,440 |
| Depreciation | 3,540 | 3,590 |

Notes to the Financial Statements for the year ended 30 September 2021**8. Taxation**

Care4Calais is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, the Foundation is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

9. Prior year adjustments

Adjustments have been made to prior year figures in relation to income held in a Paypal account, and the reclassification of cash balances to investments and the analysis of expenditure.

| | Unaudited 2020 £ |
|---|---------------------------------|
| Opening reserves at 1 October 2020 (as previously stated) | 504,078 |
| Prior year adjustment: | |
| Paypal income | 41,955 |
| Reanalysis of expenses | - |
| Reclassification of investment from cash | - |
| Increase in reported surplus for the year | 41,955 |
| Opening reserves at 1 October 2020 (restated) | 546,033 |

a) Paypal income

In the prior year the Charity incorrectly only included income received into the Paypal account when transferred from the Paypal account into the Charity's bank account and not when the donation is received. A prior year adjustment has been processed to correct this. This adjustment has had the effect of increasing closing unrestricted funds and cash at 30 September 2020 by £41,955.

b) Reclassification of investments from cash

Investments held as cash had been incorrectly included as cash. A prior year adjustment has been processed to reclassify a balance of £99,750 at 30 September 2020. There is no impact on the closing funds at 30 September 2020.

c) Re-analysis of expenses

The basis upon which certain costs were allocated in the current year has been reviewed. Where the previous year was inconsistent with this new allocation these have been restated. There has been no impact to the result for the year due to this adjustment.

Care4Calais

Notes to the Financial Statements for the year ended 30 September 2021

10. Tangible fixed assets

| | Office Equipment £ | Motor vehicles £ | Containers £ | Total £ |
|------------------------------------|--------------------------|------------------------|-----------------|------------|
| Cost | | | | |
| At 1 October 2020 | 3,269 | 10,450 | 1,320 | 15,039 |
| Additions | - | - | - | - |
| As at 30 September 2021 | 3,269 | 10,450 | 1,320 | 15,039 |
| Depreciation | | | | |
| At 1 October 2020 | 1,690 | 8,000 | 1,320 | 11,010 |
| Charge in the year | 1,090 | 2,450 | - | 3,540 |
| As at 30 September 2021 | 2,780 | 10,450 | 1,320 | 14,550 |
| Net book value | | | | |
| At 30 September 2021 | 489 | - | - | 489 |
| At 30 September 2020 (as restated) | 1,579 | 2,450 | - | 4,029 |

11. Investments

| | 2021 £ | Unaudited Re-stated 2020 £ |
|------------------|-----------|-------------------------------------|
| Cash investments | 413,905 | 99,750 |

Cash investments relate to term deposit accounts which have maturity dates ranging from 95 days notice to 12 months fixed.

12. Stock

| | 2021 £ | Unaudited 2020 £ |
|-------------------------------------|-----------|------------------------|
| New and used goods for distribution | 230,434 | 146,508 |

13. Debtors

| | 2021 £ | Unaudited 2020 £ |
|----------------|-----------|------------------------|
| Accrued income | 101,875 | 25,093 |

Notes to the Financial Statements for the year ended 30 September 2021

14. Creditors

| | 2021 £ | Unaudited 2020 £ |
|--------------------------|-----------|------------------------|
| Trustees current account | 317 | 317 |
| Other creditors | 62,538 | 24,443 |
| | 64,855 | 24,760 |

15. Funds

| | Unaudited Re-stated Balance at 1 October 2020 | Income £ | Expenditure £ | Transfers £ | Balance at 30 September 2021 |
|---------------------------|---|-------------|------------------|----------------|---------------------------------------|
| Restricted funds | | | | | |
| Afghanistan | - | 184,000 | (59,944) | - | 124,056 |
| Groups | - | 68,404 | (41,104) | - | 27,300 |
| | - | 252,404 | (101,048) | - | 151,356 |
| Unrestricted funds | | | | | |
| General | 447,033 | 1,364,596 | (858,802) | (314,905) | 637,922 |
| Designated funds | 99,000 | - | - | 314,905 | 413,905 |
| | 546,033 | 1,403,896 | (858,802) | - | 1,051,827 |
| | 546,033 | 1,617,000 | (959,850) | - | 1,203,183 |

| | Unaudited Balance at 1 October 2019 | Re-stated Income £ | Re-stated Expenditure £ | Re- stated Transfers £ | Unaudited Re-stated Balance at 30 September 2020 |
|---------------------------|--|--------------------------|-------------------------------|---------------------------------|---|
| Unrestricted funds | | | | | |
| General | 212,573 | 919,949 | (586,489) | (99,000) | 447,033 |
| Designated funds | - | - | - | 99,000 | 99,000 |
| | 212,573 | 919,949 | (586,489) | - | 546,033 |

Restricted funds

Afghanistan Funds relates to monies raised to help people fleeing Afghanistan following the withdrawal of US and NATO forces in 2021.

Groups funds are monies raised to support specific Care4Calais UK regional groups around the UK.

Designated funds

Designated funds relate to funds have been ringfenced for future staff costs to facilitate the growth and management of the charity.

Notes to the Financial Statements for the year ended 30 September 2021

16. Analysis of net assets between funds

| | Restricted 2021 £ | Unrestricted general 2021 £ | Unrestricted designated 2021 £ | Total funds 2021 £ |
|-----------------------|-------------------------|-----------------------------------|--------------------------------------|-----------------------------|
| Tangible fixed assets | - | 489 | - | 489 |
| Net current assets | 151,356 | 637,433 | 413,905 | 1,202,694 |
| Total net assets | 151,356 | 637,922 | 413,905 | 1,203,183 |

| | Restricted 2020 £ | Unrestricted general 2020 £ | Unrestricted designated 2020 £ | Unaudited Re-stated Total funds 2020 £ |
|-----------------------|-------------------------|--------------------------------------|---|---|
| Tangible fixed assets | - | 4,029 | - | 4,029 |
| Net current assets | - | 443,004 | 99,000 | 542,004 |
| Total net assets | - | 447,033 | 99,000 | 546,033 |

17. Reconciliation of net movements in funds to net cash flow from operating activities

| | 2021 £ | Unaudited Re-stated 2020 £ |
|-------------------------------------|-----------|-------------------------------------|
| Net movement in funds | 657,150 | 333,460 |
| Depreciation charge | 3,540 | 3,590 |
| Interest income | (381) | - |
| Increase in debtors | (76,782) | (25,093) |
| Increase/(decrease) in creditors | 40,095 | (30,785) |
| Increase in stock | (83,926) | (16,559) |
| Cash inflow from operating activity | 539,696 | 264,613 |

The charity had no net debt in either this or the previous financial year.

During the year goods and services totalling £182,215 (2020 - £176,971) were gifted to the charity for distribution as needed to beneficiaries. These constitute major non cash transactions during the year.