



# RED:COMMUNITY

UNITED IN THE GOSPEL, EXTENDING HOPE TO THOSE IN CHAINS

## Trustees' Annual Report

The trustees present their report for the year ended **31<sup>st</sup> March 2022**. The Financial Statements for the same period are appended. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting for Charities" Issued in March 2005.

### Reference Details

Name:	Red Community
Registered Number:	1169756
Address:	PO Box 1115, Cardiff, CF11 1UN
Trustees:	Dai Hankey (Chair); Nick Davis (Secretary & Treasurer); Mags Moss; Vianney Miti; Dave Medlicott; Liz Parry; Robin Davies
Bank:	HSBC, 94 Albany Road, Cardiff, CF24 3RT
Independent Examiner:	Paul Burnell, C Management Services, 69 Velindre Road, Cardiff

### Structure, Governance and Management

Red Community was established as a foundation Charitable Incorporated Organisation, registered on 18<sup>th</sup> October 2016 with a constitution as the governing document.

Should the need arise, new trustees have and will be appointed for a term of two years by the existing trustees taking full account of the individual's relevant skills, knowledge and experience. Any new trustees will be appropriately trained in respect of their responsibilities and the procedures of the charity.

The charity employed one part-time member staff and is administered by the trustees. Decisions in respect of sizeable grants to be awarded are made at trustees' meetings. Decisions relating to small grants under the Embrace scheme (usually significantly less than £200) are delegated to one member of the board by the trustees and are reviewed by the Treasurer prior to payment.

It is not considered that the charity is exposed to major risks, but this is continually reviewed and should any such be identified, mitigating procedures will be devised and implemented.



## Objectives and Activities

The objects of the charity are:

- (1) The relief of poverty suffered by those who are victims of, or vulnerable to human trafficking, slavery and exploitation by:
  - Providing frontline services to reach out and assist those who are victims of, or vulnerable to, human trafficking, slavery and exploitation.
  - Providing long-term support to care for and empower those who are victims of, or vulnerable to, human trafficking, slavery and exploitation.
  - Forming strategic partnerships with like-minded organisations, both locally and globally, who are seeking to reach out to and relieve the poverty and injustice suffered by victims of human trafficking, slavery and exploitation.
- (2) The advancement of education by raising awareness about human trafficking and modern-day slavery by:
  - Organising events that are geared towards raising awareness about human trafficking, slavery and exploitation.
  - Providing training for adults and young people to be able to inform others about human trafficking, slavery and exploitation.
  - Creating a wide range of resources aimed at raising awareness about human trafficking, slavery and exploitation.
  - Empowering people to identify signs of potential abuse and to know how to respond.
- (3) The Advancement of the Christian religion by:
  - Reaching out to both victims and perpetrators of human trafficking, exploitation and enslavement with the good news of hope, healing, forgiveness and redemption that can be found in Jesus.
  - Establishing a network of churches that are committed to extending gospel hope to the trafficked, exploited and enslaved.
  - Hosting meetings to pray for the trafficked, exploited and enslaved.

The main activities of Red Community since its formation have been raising awareness of trafficking and slavery and providing help and support for survivors as detailed below.





## Achievements and Performance

Much of our activity during this year was seriously impacted by the coronavirus pandemic and the various lockdowns that accompanied it. However, we remained active in our core ministries as much as was possible.

### Embrace

The Embrace project certainly slowed down as a result of the pandemic. Lockdown restrictions followed by a reluctance by some survivors to re-engage with the befriending project meant that our Embrace coordinator, Lauren, had a lot fewer befriending relationships to match and manage. Encouragingly there were still some friendships that were formed and able to flourish. Furthermore, we were also able to continue providing multiple sponsorship grants to help meet the various needs of survivors. We remain grateful for the ongoing partnership with BAWSO in helping to ensure that the Embrace project is able to serve survivors of modern slavery in South Wales.

### Just Prayer

We remain committed to praying for the issues of modern slavery and human trafficking. To that end our Just Prayer events on Zoom continued on the 21st day of every month in 2021 and the 22nd day of each month in 2022. Zoom allowed us to connect with, learn from and pray for various justice ministries around the UK and the world including: Caru, Beginning of Life (Moldova), Hope at Home, IJM, and Haven of Ilght.

### Arise Conference

Unfortunately, Covid restrictions meant that we were unable to organise an in-person Arise conference for the second year running.

### Podcasts

Dai was privileged to speak on a number of podcasts and events this year, including Tearfund, Inspired with Simon Guillebaud and All Things Considered on BBC Wales.

## Financial Review

Red Community gratefully acknowledges very generous donations from many churches, organisations and individuals.

There has been a substantial surplus of income over expenditure in the current year largely due a sizeable donation was received from Manumit Limited, a not-for-profit coffee roasting company which was set up shortly after Red Community to provide employment for survivors of slavery.

Expenditure is broadly in line with the previous year, mostly related to the grants and expenses related to the survivor-support Embrace project.

As the donors of the funding have not specified particular usages for their contributions, all amounts are currently held in a general unrestricted fund to be utilised for the work of Red Community at the trustees' discretion.

### **Plans for Future Periods**

#### **Caru am Byth**

One of the most exciting and significant developments at Red this year has been the beginning of discussions with the Cardiff-based charity, Caru, about a possible merger with Red Community. Caru is spear-headed by a wonderful woman called Louise who has been sharing the love of Jesus with sex workers on the streets and in the parlours of Cardiff for decades. Louise played a significant role in Red's early days and the prospect of a merger is exciting in the extreme.

#### **Red House**

Another exciting development has been the offer by a generous donor of a substantial sum of money for Red to use to purchase a house to provide supported accommodation for those at risk of exploitation in Cardiff.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

In conclusion, despite another tough, covid-affected year we remain committed to fighting for the trafficked, exploited and enslaved in Wales and beyond. We are thankful to all those who support us prayerfully and financially. Above all we remain grateful to the God of mercy and justice who continues to inspire, provide and protect the ministries of Red Community.

### **Reserves Policy**

The trustees would consider it prudent to retain three months operating costs as a reserve which would equate to approximately £5,000.





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## Declaration

### Statement of the Trustee's Responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees declare that they have approved the trustees' report above by correspondence in December 2022.

Signed on behalf of the trustees:

Dai Hankey  
Chair of Trustees



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### **Independent Examiner's Report**

Report to the trustees/members of **Red Community** Charity no **1169756**

On accounts for the year ended **31<sup>st</sup> March 2022**, set out on pages 7 to 9.

### **Responsibilities and basis of report**

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/03/2022.

As the charity trustees, you are responsible for the preparation of the accounts in accordance with the Charities Act 2011 ("the Act"). I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

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

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Paul Burnell

Date 15/1/23

C Management Services  
69, Velindre Road  
Whitchurch  
Cardiff  
CF14 2TF



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## Financial Statements

### Statement of Financial Activities for the Year Ended 31st March 2022

	Unrestricted Fund £	Total Funds £	Year ended 31st March 2021 £
<b>Incoming Resources</b>			
Incoming resources from generated			
Donations Individuals	£5,402.73	£5,402.73	£3,273.79
Just Giving	£7,662.09	£7,662.09	£7,365.70
Churches	£8,892.50	£8,892.50	£2,050.00
Organisations	£10,000.00	£10,000.00	£7,500.00
	<u>£31,957.32</u>	<u>£31,957.32</u>	<u>£20,189.49</u>
Fundraising events (net income)	£0.00	£0.00	£0.00
Brave book sales	£0.00	£0.00	£0.00
Total Incoming Resources	<u>£31,957.32</u>	<u>£31,957.32</u>	<u>£20,189.49</u>
<b>Resources Expended</b>			
Charitable Activities			
General Expenses	£665.88	£665.88	£1,299.75
Embrace	£5,723.00	£5,723.00	£7,226.28
Embrace expenses	£433.89	£433.89	£153.35
Salaries	£5,844.60	£5,844.60	£5,593.00
Depreciation	£1,500.00	£1,500.00	£0.00
Governance Costs	<u>£555.09</u>	<u>£555.09</u>	<u>£579.29</u>
Total Resources Expended	<u>£14,722.46</u>	<u>£14,722.46</u>	<u>£14,851.67</u>
Net movements in funds	<u>£17,234.86</u>	<u>£17,234.86</u>	<u>£5,337.82</u>
<b>Reconciliation of Funds</b>			
Total funds brought forward	£22,202.16	£22,202.16	£16,864.34
Total Funds Carried Forward	<u>£39,437.02</u>	<u>£39,437.02</u>	<u>£22,202.16</u>
<b>Balance Sheet as at 31st March 2022</b>			
	£	£	
<b>Fixed Assets</b>	£785.95	£2,285.95	
<b>Current Assets</b>			
Debtors	£1,440.24	£1,215.24	
Cash in Bank	<u>£37,210.83</u>	<u>£18,700.97</u>	
	£38,651.07	£19,916.21	
<b>Creditors</b>			
Amounts falling due within 1 year	£0.00	£0.00	
<b>Net Current Assets</b>	<u>£39,437.02</u>	<u>£19,916.21</u>	
<b>Net Assets</b>	<u>£39,437.02</u>	<u>£22,202.16</u>	
<b>Funds</b>			
Unrestricted Income Funds	<u>£39,437.02</u>	<u>£22,202.16</u>	
<b>Total Funds</b>	<u>£39,437.02</u>	<u>£22,202.16</u>	





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2022

### 1. Accounting Policies

#### a. Basis of preparing the financial statements

The trustees have identified no material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern.

Therefore, the financial statements have been prepared on a going concern basis.

#### b. Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities Act 2011 and the requirements of the Statement of Recommended Practice (2005), Accounting and Reporting by Charities.

#### c. Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the resources and the amount can be quantified with reasonable accuracy.

#### d. Resources expended

Expenditure is accruals basis and has been accounted for under headings that aggregate all cost relating to the category.

#### e. Cost of generating funds

Costs of generating funds comprise those costs directly attributable to raising funds through activities.

#### f. Governance costs

Governance costs include direct and related support costs relating to the governance infrastructure allowing the charity to generate information required for public accountability.

#### g. Taxation

The charity is exempt from tax on its charitable activities.

#### h. Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. As yet, Red Community does not have any restricted funds.





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**2. Charitable Activities**

Relate to costs associated with awareness raising events and grants awarded through the Embrace project.

**3. Governance Costs**

Relate to safeguarding and insurance costs.

**4. Trustees Remuneration and Expenses**

No amounts were paid to trustees for remuneration or reimbursement of expenses.

**5. Staff costs**

One part time member of staff is employed to coordinate the *Embrace* project.

**6. Transactions with related parties**

Red Community received a donation from Manumit Limited – a not-for-profit social enterprise company of which two Red Community trustees are directors.

These financial statements were approved by the Board of Trustees on 7<sup>th</sup> November 2022 and were signed on its behalf by:

Nick Davis,  
Trustee