

VICTORY OUTREACH U.K.
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

VICTORY OUTREACH U.K.

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VICTORY OUTREACH U.K.

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

It gives me great pleasure to bring this report on the work of Victory Outreach UK for the last financial year.

Every year has its challenges to achieve the objectives of the charity as laid out in its constitution, and this year has been no different. However, the Covid-19 pandemic continues to affect the operation, but it is with optimism that we face another year.

We are grateful for the support we receive from our donors to support the work which is being done and it is only with faithfulness and generosity that the work continues. Financially, the year has been very challenging, but it has been a joy to be able to share the valuable work that is being done.

The effect of the pandemic has been restrictive on the integration of the clients into community projects. As a result of the Covid-19 restrictions and subsequent lockdown it was necessary to reduce the staffing levels, which unfortunately meant losing some key people. Although applications from potential clients are regularly arriving in the office it is unfortunate that we currently have to decline the intake of clientele as a result of not having suitable staff. This has had a knock-on effect to our income but, at the same time, the expenditure has been reduced. A number of staff had been furloughed and placed on the government sponsored job retention scheme but, at its end, could not be retained.

Keeping abreast with regulations and legislation is important in any business but none more so than when, as we do, deal with vulnerable people. The importance of following the Charity Commission guidance is a paramount feature. Obtaining and maintaining the required certification is equally important and sometimes costly. The year continued to see maintenance and refurbishment of the buildings, both inside and out, to meet ever changing regulations and standards and invest in the same for the future. Roofing and walling repairs have been undertaken to ensure that the buildings are in good condition.

We acknowledge the work and diligence of the staff. We are also grateful for volunteers who comply with the charity's policies.

The trustees are grateful to Pastor Andrew Parsons, as Director of VOUK, for continuing to lead the charity forward towards increasing success in the charity's objective of rehabilitating the vulnerable and disadvantaged men and women.

This report is submitted on behalf of the trustees of Victory Outreach UK.

Robert J Hart
Chairman of the board of trustees of Victory Outreach UK,

VICTORY OUTREACH U.K.

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects of the charity as contained in the Constitution are:

- To provide a secure Christian home for ex-offenders and those excluded by social disadvantage.
- To offer rehabilitation.
- To offer holistic treatment through both practical and spiritual programs,
- To help prepare clients back into society,
- To alleviate poverty.

The main activities undertaken in relation to those purposes are detailed throughout this report.

Public Benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefits when reviewing our aims and objectives and in the planning of our future activities in particular the trustees consider how planned activities will contribute to the aims and objectives of the charity.

The main activities undertaken to further the charity's purposes for public benefit are detailed through the report.

The aims of the charity are to equip clients with their latent skills for introduction to the workplace and to enhance their opportunities to be free of their addictions. To achieve this clients are given regular routine tasks, learning from each other and attending college.

To achieve the above clients receive regular mentoring, teaching and training through holistic disciplines. Success can only be measured by noting the changes in the lives of those who seek help and VOUK have been able to measure its success in seeing both men and women re-establishing themselves back into their families from which they had previously become outcasts, and back into a society of worth where they have secured employment and their own living accommodation.

Achievements and performance

The charity is continuing to build its partners and has increased its HMP services and added referrers from the U.K. veterans support organizations. We have contacted the local and National government services to offer assistance to accommodate Ukrainian refugees, and still await an update.

Financial Update 2021-2022

I have decided to continue to reduce my salary until Victory Outreach UK's income returns back to normal. This along with other measures is helping to remove pressures of financial running costs. We are waiting for the sale of one property to go through, the money from this will be used to maintain existing properties and to also contribute to developing Woodside Lodge with cabins or to expand our housing provision elsewhere.

Work Force Ltd has had its first customer and all proceeds were paid to Victory Outreach UK due to ongoing problems with opening a new bank account.

VICTORY OUTREACH U.K.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Home Reports

Women's Home

Rohilla House

We have maintained this year an average occupancy of four female residents, eventually transferring them to Woodside Lodge this year. The temporary house address changes came to assist in both financial benefits to the charity and also to help with a fresh start for the women, as voluntary staff member Rachel Jones was dismissed for theft of resident benefits. The women settled in very well at Woodside Lodge and the women completed a minimum of 6-12 months rehabilitation with complete abstinence. We are currently renovating the kitchen and the flooring in the downstairs bathroom.

Men's Home

The Bush Hotel

The Bush Hotel is now fit for use after repairs on the roof have been carried out this year, but due to the lack of suitable staff applications for various vacancies it remains empty. All HMO license compliances have now been completed and we have made enquiries to offer the home to assist in the Ukrainians refugee crises.

Woodside Lodge

Due to our lady residents moving on, we have now made Woodside Lodge back into one of our male homes. We have had two male residents for this year, one moving into independent living after being with us 10 months and the remaining resident still making progress in his recovery.

Financial review

At the year end the charity had unrestricted reserves of £1,231,025, consisting of; cash at bank and in hand £127,959, debtors of £10,400, investments in subsidiaries of £100, fixed assets of £1,104,216 and creditors of £11,650. The free reserves of the charity totalled £126,809. The charity made an unrestricted deficit of £42,736.

The board agreed a £2,000 short term loan to David Ciriboti (Cwm Care Recruitment) at a 15% APR interest rate on 15 October 2018. As at 31 March 2022 £1,524 remained outstanding.

Reserves Policy

Unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") held by the charity should be between three and six months of the resources expended, which equates to approximately £55,566 to £111,132 in general funds. At this level, the board of trustees feel that it would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed accordingly. At the balance sheet date the free reserves were £126,809. This is currently within the target level.

Investment powers and policy

The Constitution allows the trustees to invest in any stocks, funds, shares, securities or other investments of whatsoever nature as the trustees in their absolute discretion see fit. As income is utilised within a short time after receipt, the trustees consider that the most appropriate policy for investing funds is to place them on short-term deposit.

Risk Review

A strategic review is in the process of being carried out which will identify the risks to which the charity is potentially exposed to. It is anticipated that the review will result in further systems being put in place to manage those possible risks. Internal risks are minimised by the implementation of effective internal control procedures which ensure both appropriate safeguarding procedures and consistent delivery of operations and aspects of the charity. These procedures are periodically reviewed for their continuing effectiveness.

VICTORY OUTREACH U.K.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The risks to the charity which have been identified are:-

1. Levels of staffing. Reliable, honest and trustworthy staff are important to the charity and the commitment is always considered on appointment
2. Fabric of Homes. If homes are neglected in their upkeep, they can quickly become dilapidated to a point of being beyond repair and will not meet the necessary legal requirements for habitation. The assets are maintained on a daily basis.
3. Cutbacks in benefits as a source of income. The charity is dependent on the benefits the residents receive and any change in government or local authority policies could be detrimental.
4. Litigation. Objectors to the work of the charity can involve litigation from a number of sources and can impact the charity's work and finance. To mitigate this, early mediation is important.

Plans for future periods

A complete internal renovation will be planned over the next three years upgrading and further developing our services. Additional rooms will also be built at our mens home along with the development of our preparation for work programmes with national agencies. Our overall plans will also include a new financial strategy to help provide and generate income to sustain and grow our services.

Structure, governance and management

Victory Outreach UK is constituted as a registered charity under a Deed of Trust dated 21 October 1998. The Charity's registration number is 291611. The charity is an unincorporated entity.

Recruitment of trustees

Trustees are duly appointed by recommendation as set out in the Trust Deed. The number of trustees consists of no less than three and no more than seven. If the number of trustees falls below three, a trustee must be appointed immediately. New Trustees may be appointed by a resolution of the trustees and recorded in minutes. A trustee can retire at any point by putting his/her resignation in writing, this is also recorded in the minutes. The trustees may, in their absolute discretion, remove any trustee by a resolution proposed at a meeting of the trustees, as long as this is approved by the majority. The trustees from time to time may wish to appoint an honorary secretary or treasurer, this person does not have to be a trustee. The trustees also select a chairman and determine the period for which he/she is to serve.

Those within our organisation that are dedicated to the charity's aims and development are considered for future trusteeship.

Trustees induction

New trustees will receive an induction pack, a handbook with all the policies and procedures adopted by the board and an induction.

Related parties

The charity works with a number of local agencies such as Probations Services, Prison Services, Carat workers and many other agencies. We also have close relationships with referring agencies such as The Lighthouse Project, Gateway Foundation and a number of hostels in the UK.

Decisions relating to the charity are made at two levels. The trustees make the decision on the appointment of the director and also on the purchase of assets over £40,000. Decisions relating to the appointment of staff, their remuneration and the day to day running and affairs of the charity are delegated to the director.

Trustees are appointed in accordance with the constitution of the charity and their induction and any training is in accordance with the relative policy.

VICTORY OUTREACH U.K.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Reference and administrative details

Name	Victory Outreach U.K.
Charity registration number	291611
Principal office	The Bush Hotel High Street Abertillery NP13 1DD
Trustees	Mr Robert Hart (Chair) Mr David Ciriboto - resigned 22/12/21 Mr John Williams
Key management personnel	Mr Andrew Parsons – Director Mrs Susan Parsons – Finance Manager
Bankers	HSBC plc 38 Gwent Square Cwmbran Torfaen NP44 1XL
Independent Examiner	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB

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

.....*Robert Hart*
Mr Robert Hart - Trustee
Dated: 06/12/22

VICTORY OUTREACH U.K.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees 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).

The law applicable to charities in England and Wales 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 year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 sufficient 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

VICTORY OUTREACH U.K.

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF VICTORY OUTREACH U.K.

I report on the financial statements of the charity for the year ended 31 March 2022, which are set out on pages 8 to 20.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

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

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached


Sarah Case FCA DChA
Azets Audit Services
Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB
United Kingdom

Dated: 15-12-2022

VICTORY OUTREACH U.K.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Income and endowments from:</u>							
Donations and legacies	3	51,738	-	51,738	47,767	-	47,767
Charitable activities	4	116,540	35,333	151,873	96,726	75,283	172,009
Investments	5	411	-	411	759	-	759
Other income	6	10,838	-	10,838	-	-	-
Total income		179,527	35,333	214,860	145,252	75,283	220,535
<u>Expenditure on:</u>							
Charitable activities	7	222,263	35,333	257,596	242,058	75,283	317,341
Net expenditure for the year/ Net movement in funds		(42,736)	-	(42,736)	(96,806)	-	(96,806)
Fund balances at 1 April 2021		1,273,761	-	1,273,761	1,370,567	-	1,370,567
Fund balances at 31 March 2022		1,231,025	-	1,231,025	1,273,761	-	1,273,761

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

All income and expenditure derive from continuing activities.

VICTORY OUTREACH U.K.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	12	1,104,216		1,155,635	
Investments	13	100		100	
		<u>1,104,316</u>		<u>1,155,735</u>	
Current assets					
Debtors	14	10,400		6,506	
Cash at bank and in hand		127,959		118,090	
		<u>138,359</u>		<u>124,596</u>	
Creditors: amounts falling due within one year	15	(11,650)		(6,570)	
Net current assets			<u>126,709</u>		<u>118,026</u>
Total assets less current liabilities			<u>1,231,025</u>		<u>1,273,761</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	17	1,104,216		1,155,635	
General unrestricted funds		<u>126,809</u>		<u>118,126</u>	
			<u>1,231,025</u>		<u>1,273,761</u>
			<u>1,231,025</u>		<u>1,273,761</u>

The accounts were approved by the Trustees on 06/12/22

Robert Hart

Mr Robert Hart - Trustee

VICTORY OUTREACH U.K.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Victory Outreach U.K. is a unincorporated charity, whose principal office is The Bush Hotel, High Street, Abertillery, NP13 1DD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but 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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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

VICTORY OUTREACH U.K.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Capital grants are released to the Statement of Financial Activities in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against grant income, in a restricted fund.

Income from interest is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

Income from housing benefit and rent is recognised in the period to which the service is provided.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report and their associated support costs.

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

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property and land	No depreciation applied to land
Buildings	2% per annum
Fixtures and fittings	20% per annum
Motor vehicles	20% per annum

VICTORY OUTREACH U.K.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Cash and cash equivalents

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

1.9 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.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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

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

Derecognition of financial liabilities

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

VICTORY OUTREACH U.K.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.10 Employee benefits

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

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

1.11 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	51,738	47,767
	<u> </u>	<u> </u>
Donations and gifts		
Donations	48,199	45,253
Gift aid	3,539	2,514
	<u> </u>	<u> </u>
	51,738	47,767
	<u> </u>	<u> </u>

VICTORY OUTREACH U.K.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	2022 £	2021 £
Housing benefit and rental income	116,540	96,726
Grants	35,333	75,283
	<u>151,873</u>	<u>172,009</u>
Analysis by fund		
Unrestricted funds	116,540	96,726
Restricted funds	35,333	75,283
	<u>151,873</u>	<u>172,009</u>
Grants		
HMRC Coronavirus Job Retention Scheme	35,333	75,283
	<u>35,333</u>	<u>75,283</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Interest receivable	<u>411</u>	<u>759</u>

6 Other income

	Unrestricted funds	Total
	2022 £	2021 £
Other income	<u>10,838</u>	<u>-</u>

VICTORY OUTREACH U.K.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities

	2022 £	2021 £
Staff costs	77,843	114,493
Depreciation and impairment	54,198	53,567
Rehabilitation costs	91,039	104,105
	<u>223,080</u>	<u>272,165</u>
Share of support costs (see note 8)	30,911	41,916
Share of governance costs (see note 8)	3,605	3,260
	<u>257,596</u>	<u>317,341</u>
Analysis by fund		
Unrestricted funds	222,263	242,058
Restricted funds	35,333	75,283
	<u>257,596</u>	<u>317,341</u>

8 Support costs

	Support costs £	Governance costs £	2022 £	2021 £	Basis of allocation
Staff costs	19,461	-	19,461	28,623	Time spent
Office expenses	10,256	-	10,256	12,089	Direct apportionment
Professional fees	1,194	-	1,194	1,204	Direct apportionment
Accountancy fees	-	3,605	3,605	3,260	Governance
	<u>30,911</u>	<u>3,605</u>	<u>34,516</u>	<u>45,176</u>	
Analysed between Charitable activities	<u>30,911</u>	<u>3,605</u>	<u>34,516</u>	<u>45,176</u>	

Governance costs includes payments to the independent examiners of £2,880 (2021: £2,940).

VICTORY OUTREACH U.K.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Trustees

No trustees were reimbursed for expenses relating to travel and subsistence (2021: no trustees were reimbursed for expenses)

2 trustees were remunerated £21,953 (2021: £11,976) for paid employment. They were not remunerated for their role as a trustee.

No trustee received remuneration for their role as a trustee during the current or previous year.

In a prior year 1 trustee was issued with a loan of £2,000 which bears an interest rate of 15%. Amounts outstanding at the year end totalled £1,524 (2021: £2,128).

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Number of staff	5	6

Employment costs

	2022 £	2021 £
Wages and salaries	89,939	131,409
Social security costs	6,998	11,507
Other pension costs	367	200
	97,304	143,116

Key management personnel

The total amount paid to the charity's key management personnel for their services to the charity totalled £54,575 (2021: £103,115).

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

11 Defined contribution scheme

The company operates a defined contribution pension scheme. During the year employer's contributions charged for these schemes amounted to £367 (2021: £200). The amount outstanding at the year end was £91 (2021: £10).

VICTORY OUTREACH U.K.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Tangible fixed assets

	Freehold property and land	Office equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2021	1,504,103	131,444	44,144	1,679,691
Additions	-	2,779	-	2,779
At 31 March 2022	1,504,103	134,223	44,144	1,682,470
Depreciation and impairment				
At 1 April 2021	421,755	76,733	25,568	524,056
Depreciation charged in the year	30,082	15,587	8,529	54,198
At 31 March 2022	451,837	92,320	34,097	578,254
Carrying amount				
At 31 March 2022	1,052,266	41,903	10,047	1,104,216
At 31 March 2021	1,082,348	54,711	18,576	1,155,635

13 Fixed asset investments

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	20	100	100

14 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	1,879	1,533
Amount owed by parent undertaking	495	-
Amounts owed by fellow group undertakings	-	495
Other debtors	8,026	4,478
	10,400	6,506

VICTORY OUTREACH U.K.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	1,124	1,645
Trade creditors	2,258	-
Other creditors	91	10
Accruals and deferred income	8,177	4,915
	<u>11,650</u>	<u>6,570</u>

16 Restricted funds

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

	Movement in funds		
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £
HMRC Coronavirus Job Retention Scheme	-	35,333	(35,333)
	<u>-</u>	<u>35,333</u>	<u>(35,333)</u>

HMRC Coronavirus Job Retention Scheme

Amounts received regarding furlough submissions to fund wage and salary costs.

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020 £	Resources expended £	Transfers £	Balance at 1 April 2021 £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Fixed asset fund	1,196,181	(53,567)	13,021	1,155,635	(54,198)	2,779	1,104,216
	<u>1,196,181</u>	<u>(53,567)</u>	<u>13,021</u>	<u>1,155,635</u>	<u>(54,198)</u>	<u>2,779</u>	<u>1,104,216</u>

The fixed asset fund represents the functional fixed assets used to further the charity's aims.

Transfers from the designated fund relate to additions and depreciation movement in the year.

VICTORY OUTREACH U.K.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

18 Analysis of net assets between funds

Fund balances at 31 March 2022 are represented by:

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Tangible assets	1,104,216	-	-	1,104,216	-	-	1,155,635
Investments	100	-	-	100	100	-	100
Current assets/(liabilities)	126,709	-	-	126,709	118,026	-	118,026
	<u>1,231,025</u>	<u>-</u>	<u>-</u>	<u>1,231,025</u>	<u>1,155,635</u>	<u>-</u>	<u>1,273,761</u>

VICTORY OUTREACH U.K.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Related party transactions

1 trustee was remunerated £6,780 (2021: £11,976) for consultancy work. They were not remunerated for their role as a trustee.

No trustee received remuneration for their role as a trustee during the current or previous year.

In a prior year 1 trustee was issued with a loan of £2,000 which bears an interest rate of 15%. Amounts outstanding at the year end totalled £1,524 (2021: £2,128).

20 Subsidiaries

These financial statements are separate charity financial statements for Victory Outreach U.K.

The financial statements of the subsidiary can be found on Companies House. The company number is 10043967, a company registered in England and Wales whose registered office is The Bush Hotel, High Street, Abertillery, Wales, NP13 1DD.

As the gross income of the parent charity and its subsidiaries do not exceed the threshold limits consolidated accounts have not been prepared.

Details of the charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Work Force Rehab Limited	United Kingdom	Building/trade related	Ordinary Shares	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Work Force Rehab Limited	-	(495)

The investments in subsidiaries are all stated at cost.