

Charity registration number 313454

Unlock

Trustees' report and financial statements

for the year ended 31 December 2021

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Trustees' Report for the year ended 31 December 2021

The trustees present their report together with the financial statements of the charity and the independent examiner's report for the year ended 31 December 2021.

REFERENCE & ADMINISTRATIVE INFORMATION

Charity Name	Unlock
Registered Charity Number	313454
Charity Office	Unlock 15 Station Road Rotherham South Yorkshire S60 1HN
Website	www.unlock-urban.org.uk
Start of financial year	1 January 2021
End of financial year	31 December 2021
Trustees	Nicholas Carter - Chair Andrew Dorton Barbara Funnell (until 12 February 2022) Rev Canon Suzanne Sheriff (from 28 May 2022)
Chief Officer	Dawn Lonsdale
Bankers	The Co-operative Bank plc PO Box 250 Skelmersdale WN8 6WT Charities Deposit Fund 80 Cheapside London EC2V 6DZ
Independent Examiner	Peter Winter 103 Wilkinson Street Sheffield S10 2GJ

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Trustees' Report
for the year ended 31 December 2021

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STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

The Charity is governed by a declaration of Trust dated 25 May 1972, as amended by a supplemental deed dated 19 August 1999 and a deed of variation dated 6 July 2001.

Trustee Recruitment and Appointment

The trustees named on page 1 have served during the beginning of the year under review until the date of approval of these accounts. Appointment of trustees is governed by the Trust Deed of the Charity. The board of trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

Trustee Induction and Training

New trustees undergo orientation to brief them on their legal obligations under charity law, the decision making process, the aims and objectives and recent financial performance of the charity.

Organisational Structure

The Charity has a board of trustees who meet regularly and are responsible for the strategic direction and policy of the Charity. The trustees delegate the management of the Charity to the National Council. The National Council assigns the day-to-day responsibility for training and staff management to the Chief Officer.

Risk management

The trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finance of the Charity and are satisfied that systems are in place to mitigate exposure to major risks. Where appropriate, additional systems or procedures have been established to mitigate the risks faced by the Charity. External risks include the loss of funding, the effects of this have been minimised by the procedures in place, which have resulted in funding being secured from a variety of sources. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent delivery for all operational aspects of the Charity. These procedures are reviewed periodically to ensure they still meet the needs of the charity.

OBJECTIVES AND ACTIVITIES

Aims and Objectives

Unlock is a Christian Charity that has worked since 1973 to help urban churches of any denomination respond to the challenges in their areas. We are especially concerned with helping people in "text-shy" cultures to explore their faith.

As well as deploying a team of workers, Unlock publishes a variety of group Bible study packs, games, Lent courses, audit materials and provides training.

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Trustees' Report for the year ended 31 December 2021

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Statement of Public Benefit

The Trustees confirm that they 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 future activities. The Trustees are also aware of the Charity Commission's guidance on public benefit in "The Advancement of Religion for the Public Benefit" and have had regard to it in their administration of the Charity.

The trustees believe that the Charity is providing a benefit to the public in the following ways:

- The education and training of ministers and lay people concerned with the advancement of the Christian religion in urban and industrial areas
- enhancing the capacity of vulnerable people in deprived communities to grow in self-understanding and self esteem
- Providing regional training courses, research projects, study groups and small conferences for Christians to equip them to be more effective in their Christian witness in their own areas of life and work
- Making the results of research projects available to the public.

The Trustees confirm that they have complied with their duties under section 17 of the Charities Act 2011 with regard to public benefit.

ACHIEVEMENTS AND PERFORMANCE

During much of 2021 we were operating under severe constraints due to COVID 19. Nevertheless, we have done all that we were able to do.

The main achievements during the year under review are:

- Office staff, on significantly reduced hours, maintained essential financial management, administration and resourcing of workers as well as responding to enquiries.
- The 38th Annual Unlock Walk in London had to be converted to a virtual event for the second year. It raised £11k; only about 50% of the usual sum.
- Unlock work (with part-time paid workers) continued as much as possible in: Sunderland; Rotherham and Cardiff. This work was severely limited by Covid constraints but some engagement was still possible.
- Unlock website and social media presence maintained with new Bible study resources added.
- Annual Report produced and mailed.
- An Unlock Gathering took place at Cliff College in October.
- Resources to support people in processing the challenges of Covid have been designed and published.

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Trustees' Report for the year ended 31 December 2021

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FINANCIAL REVIEW

Reserves policy

The Reserves policy of the Charity was reviewed in February 2022 and takes into account the guidance of the Charity Commission and the income generation circumstances of Unlock (ie its heavy reliance on a single, annual fundraising event for its major source of income.) The Unlock National Council and Trustees believe that the free reserves of the Charity should be maintained at a sufficient level to cover adequately a minimum of three months' operating costs. These costs are based on projected future levels of income and expenditure and will be revised during the budget setting process.

A designated fund of £20,879 (2020: £21,473) has been created which comprises two elements:

- a. A redundancy reserve of £10,035 (2020: £8,708) which is to cover redundancy costs for all Unlock staff calculated using the statutory redundancy method.
- b. A closure costs reserve of £10,844 (2020: £12,765) which is to cover costs arising from the organisation being wound up and will include three months' operating costs (salaries, premises, running, and any additional closure costs).

The designated reserve is held in the Charities Aid Foundation investment account which currently has a market value of £24,772 (2020: £25,980) as at 31 December 2021. The designated reserve will be reviewed annually.

Investment policy

The Trust Deed authorises the trustees to make and hold investments using the general funds of the Charity. The Charity holds units in the CAF Income Fund (Note 16).

PLANS FOR THE FUTURE

There is a plan to restart the local partnership in Hull and other new locations for projects are being considered.

INDEPENDENT EXAMINER

Peter Winter MA FCCA FCIE, was reappointed independent examiner during the year under review.

APPROVAL

This report was approved by the trustees and signed on their behalf by:



Nicholas Carter - Chair of Trustees

Date: 25/7/22

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Independent Examiner's report to the trustees of Unlock

I report to the trustees on my examination of the financial statements of the above charity ("the Trust") for the year ended 31 December 2021, which are set out on pages 6 to 16.

Respective responsibilities of trustees and examiner

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 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:

- (1) the accounting records were not kept in accordance with section 130 of the Charities Act; or
- (2) the accounts did not not accord with the accounting records; or
- (3) 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.



Peter Winter MA FCCA FCIE
Chartered Certified Accountant
103 Wilkinson Street
Sheffield
S10 2GJ

Date: 25 / 7 / 22

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Statement of Financial Activities for the year ended 31 December 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2021 Total £	2020 Total £
Incoming Resources						
Incoming Resources from Generated Funds						
Voluntary Income	4	24,261	-	3,585	27,846	16,526
Activities for Generating Funds	5	11,072	-	-	11,072	19,613
Investment Income	6	188	-	-	188	892
Incoming Resources from Charitable Activities	7	-	-	-	-	542
HMRC Covid 19 support		8,432	-	-	8,432	13,132
Total Incoming Resources		<u>43,953</u>	<u>-</u>	<u>3,585</u>	<u>47,538</u>	<u>50,705</u>
Resources Expended						
Costs of Generating Funds	8	2,299	-	-	2,299	4,700
Charitable Activities	9	34,752	-	7,572	42,324	48,454
Governance Costs	10	2,771	-	-	2,771	3,958
Total Resources Expended		<u>39,822</u>	<u>-</u>	<u>7,572</u>	<u>47,394</u>	<u>57,112</u>
Net Incoming/(Outgoing) Resources for the year		4,131	-	(3,987)	144	(6,407)
Gross Transfers Between Funds	11	(5,011)	614	4,397	-	-
Gains/(losses) on investments	12	-	(1,208)	-	(1,208)	632
Net Movement in Funds		(880)	(594)	410	(1,064)	(5,775)
Funds at 1 January 2021		<u>27,857</u>	<u>21,473</u>	<u>16,752</u>	<u>66,082</u>	<u>71,857</u>
Funds at 31 December 2021		<u>26,977</u>	<u>20,879</u>	<u>17,162</u>	<u>65,018</u>	<u>66,082</u>

There were no recognised gains or losses for the current or previous year other than those included in the Statement of Financial Activities. All incoming resources and resources expended derive from continuing activities.

The notes on pages 8 to 16 form an integral part of these financial statements.

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Balance Sheet as at 31 December 2021

		2021		2020	
	Notes	£	£	£	£
Current assets					
Debtors	15	2,082		877	
Investments	16	24,772		25,979	
Cash at bank and in hand		39,637		40,309	
		<u>66,491</u>		<u>67,165</u>	
Creditors: amounts falling due within one year	17	<u>(1,473)</u>		<u>(1,083)</u>	
Net current assets			<u>65,018</u>		<u>66,082</u>
Total assets less current liabilities			<u>65,018</u>		<u>66,082</u>
Funds	18				
Unrestricted Funds			26,977		27,857
Designated Funds			20,879		21,473
Restricted Funds	19		17,162		16,752
			<u>65,018</u>		<u>66,082</u>

Approved by the Trustees and signed on their behalf by:

N.A. Carter

Nicholas Carter
 Chair of Trustees

Date: *25/7/22*

The notes on pages 8 to 16 form an integral part of these financial statements.

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Notes to the financial statements for the year ended 31 December 2021

1. Basis of Preparation

1.1. Basis of accounting

These accounts have been prepared on the basis of historical cost in accordance with: -

- a) The Charities Act 2011
- b) 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 2015) - (Charities SORP (FRS 102))
- c) Applicable accounting standards

2 Accounting Policies

- 2.1.** The principal accounting policies are unchanged from the previous year and have been applied consistently throughout the year under review. The accounts include the results of all of the Charity's operations, which are continuing and are described in detail in the Trustees' Report.

2.2. Form of Financial Statements

Balances are split between unrestricted and restricted funds held by the Trust.

- a) Unrestricted 'general' funds
These are the funds of Unlock that are not subject to any restrictions regarding their use and are available for application of general purposes of the Charity. Donations received by the Charity are treated as unrestricted unless specifically earmarked for a particular restricted fund.
- b) Designated funds
These are unrestricted funds which are designated for a particular purpose or project by the trustees.
- c) Restricted funds
These are funds subject to specific conditions imposed by the donor or by the specific terms of a trust deed or other legal measure.

2.3. Incoming Resources

- a) Incoming resources are recognised and included in the Statement of Financial Activities (SOFA) when the Charity becomes entitled to the resource; the trustees are virtually certain they will receive the resources; and the monetary value can be measured with reasonable accuracy.
- b) Where incoming resources have related expenditure (as with fundraising), the incoming resources and related expenditure are reported gross in the SOFA.
- c) Bank interest is recognised when it is credited to the account.
- d) Donated services and facilities are included at the value to the Charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

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Notes to the financial statements for the year ended 31 December 2021

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2.4. Expenditure and Liabilities

- a) Expenditure is accounted for on an accruals basis.
- b) Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.
- c) Governance costs include the costs of preparation and examination of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance and constitutional matters.

2.5. Pensions

The Charity contributes to eligible staff members' qualifying personal pension schemes at a rate of 3% of their gross salaries (increasing to a rate of 5% of gross salaries after 5 years of service). The assets of these schemes are held separately from those of the Charity in independently administered funds. The employer's pension costs represent contributions payable by the Charity to these funds.

2.6. Taxation

The Charity is not liable to income or capital gains tax on its charitable activities. Value added tax is not recoverable by the Charity, and as such is included in the asset cost or expense to which it relates.

1.7. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

2.8. Investments

Current asset investments are stated at market value at the balance sheet date in accordance with the Charities SORP (FRS 102).

1.9. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

3. Trustees' remuneration and related party transactions

- a) No remuneration was paid to any trustee.
- b) No travel or other expenses were reimbursed to trustees. Travel and other expenses amounting to £Nil, were reimbursed to Council Members who are not trustees (2020: £101).
- c) No trustee or other person connected to the Charity had any personal interest in any contract or transaction entered into by the Charity during the year.

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Notes to the financial statements for the year ended 31 December 2021

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	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
4. Voluntary Income				
Donations and Grants	20,839	3,585	24,424	11,497
Gift Aid claims	3,422	-	3,422	5,029
	<u>24,261</u>	<u>3,585</u>	<u>27,846</u>	<u>16,526</u>
	£	£	£	£
5. Activities for Generating Funds				
Annual Unlock Walk	11,072	-	11,072	19,613
	<u>11,072</u>	<u>-</u>	<u>11,072</u>	<u>19,613</u>
	£	£	£	£
6. Investment Income				
Bank interest	-	-	-	68
Listed investments interest	188	-	188	824
	<u>188</u>	<u>-</u>	<u>188</u>	<u>892</u>
	£	£	£	£
7. Incoming resources from charitable activities				
Training fees	-	-	-	542
	<u>-</u>	<u>-</u>	<u>-</u>	<u>542</u>
	£	£	£	£
8. Costs of Generating Funds				
Fundraising expenses - Walk	2,299	-	2,299	4,700
	<u>2,299</u>	<u>-</u>	<u>2,299</u>	<u>4,700</u>

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Notes to the financial statements for the year ended 31 December 2021

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9. Charitable activities	£	£	£	£
Staff costs (note 13)	25,478	6,644	32,122	37,362
Website costs	180	-	180	416
Workers' expenses	197	928	1,125	1,194
Rent	3,300	-	3,300	3,044
Insurance	1,027	-	1,027	919
Printing, postage and stationery	1,014	-	1,014	773
Computer costs	1,196	-	1,196	1,615
Computer software	330	-	330	399
Telephone	361	-	361	349
Staff Training & Travel	-	-	-	142
Festivals	1,671	-	1,671	153
Depreciation on fixtures	-	-	-	-
Other costs	(2)	-	(2)	2,088
	<u>34,752</u>	<u>7,572</u>	<u>42,324</u>	<u>48,454</u>
10. Governance Costs	£	£	£	£
Annual Report	2,096	-	2,096	3,047
Independent Examiner	675	-	675	810
Council expenses	-	-	-	101
	<u>2,771</u>	<u>-</u>	<u>2,771</u>	<u>3,958</u>
11. Transfers	£	£	£	£
Unrestricted Funds	614	-	-	-
Designated Funds	(614)	-	-	-
Restricted funds	(4,397)	4,397	-	-
	<u>(4,397)</u>	<u>4,397</u>	<u>-</u>	<u>-</u>
12. Investment	£	£	2021	2020
Gains / (losses) on investments	(1,208)	-	(1,208)	632
	<u>(1,208)</u>	<u>-</u>	<u>(1,208)</u>	<u>632</u>

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Notes to the financial statements for the year ended 31 December 2021

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13. Staff costs

	2021 £	2020 £
Salaries	31,353	36,641
Employer's National Insurance	-	-
Employer's Pension Contributions	769	721
	<u>32,122</u>	<u>37,362</u>

No employee received remuneration of more than £60,000 during the year under review (2020: None).

The charity was eligible to claim the Employment Allowance enabling it to reduce its national insurance liability for the year to £Nil (2020: £Nil).

14. Tangible fixed assets

	Fixtures, fittings and equipment £	Total £
Cost		
At 1 January 2021	3,567	3,567
Additions	-	-
Disposals	-	-
At 31 December 2021	<u>3,567</u>	<u>3,567</u>
Depreciation		
At 1 January 2021	3,567	3,567
On disposals	-	-
Charge for the year	-	-
At 31 December 2021	<u>3,567</u>	<u>3,567</u>
Net book values		
At 31 December 2021	<u>-</u>	<u>-</u>
At 31 December 2020	<u>-</u>	<u>-</u>

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Notes to the financial statements for the year ended 31 December 2021

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15. Debtors	2021	2020
	£	£
Gift aid receivable	671	-
Employment Allowance receivable	659	-
Insurance prepaid	752	877
	<u>2,082</u>	<u>877</u>

16. Investments	2021	2020
	£	£
Current asset investments	<u>24,772</u>	<u>25,979</u>

Current asset investments comprise 24,802 units in CAF Income Fund having a market value of £24,772 at 31 December 2021. The balance at 31 December 2020 comprised 24,802 units having a market value of £25,979. The unrealised gains/(losses) during the year are shown in the Statement of Financial Activities.

17. Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	24	24
Other taxes and social security costs	774	249
Accrued expenses	675	810
	<u>1,473</u>	<u>1,083</u>

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Notes to the financial statements for the year ended 31 December 2021

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18. Movements Between Funds

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
1 January 2021	27,857	21,473	16,752	66,082
Incoming Resources for the Year	43,953	-	3,585	47,538
	71,810	21,473	20,337	113,620
Resources Expended in the year	(39,822)	-	(7,572)	(47,394)
	31,988	21,473	12,765	66,226
Transfers between funds	(5,011)	614	4,397	-
Gains/(losses) on investments	-	(1,208)	-	(1,208)
	26,977	20,879	17,162	65,018

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Notes to the financial statements for the year ended 31 December 2021

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19. Restricted Funds

	At 1 January			Transfers	At 31 December
	2021	Income	Expenditure	General	2021
	£	£	£	Funds	£
Birmingham Queens	2,736	-		5	2,741
Birmingham Social Media	5,937	-	-	-	5,937
Cardiff	1,362	30	(3,578)	2,186	-
Hull Project	1,902	-	-	-	1,902
Rotherham	300	2,862	(2,868)	2,206	2,500
Sunderland Project	4,515	693	(1,126)	-	4,082
	<u>16,752</u>	<u>3,585</u>	<u>(7,572)</u>	<u>4,397</u>	<u>17,162</u>

At set up of a project: A local partner will normally give an amount of restricted funds (typically £2,500) and Unlock will provide an unrestricted amount available to the project (usually £2,500). The unrestricted portion from Unlock is not held separately. The restricted money is normally used first in order to leave Unlock with more flexibility if the project doesn't continue. If the restricted fund is used up then the project is funded using the money introduced from Unlock's unrestricted funds.

Birmingham (Queen's) Local Partnership

Unlock Birmingham works in Partnership with The Queen's Foundation and St Peter's Saltley Trust. Unlock is providing training for those working in churches and communities in the more deprived areas of Birmingham. At the same time it is ensuring that Methodist Deacons and other students in training at Queen's have opportunities to learn about Unlock's accessible and open approach to Bible engagement with oral learners in poor urban communities.

Birmingham (Social Media) Local Partnership

Developing work in partnership with St Peter's Saltley Trust which will explore the use of Social media in Urban Mission and Bible Engagement. Funding was received from St Peter's Saltley Trust in September 2017.

Cardiff Local Partnership

This fund is used for work in Cardiff. Work in this area is undertaken in partnership with local charity, Caru Am Byth. The Cardiff restricted fund was fully expended during 2021.

Hull (Community Church) Local Partnership

This fund is used for work in West Hull. Work in this area is undertaken in partnership with Hull Community Church where Unlock is providing training for church leaders.

Hull (New) Local Partnership

This fund is used for work in West Hull. Work in this area is undertaken in partnership with the Bible Society. This work is in the negotiation stage and in its present form is yet to be determined.

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Notes to the financial statements for the year ended 31 December 2021

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Rotherham Local Partnership

This fund is used for work in the Treeton area. Work in this area is undertaken alongside Treeton Baptist Church with grant funding from the Yorkshire Baptist Association.

Sunderland Local Partnership

This fund is used for work in the Sunderland area. Work in this area is undertaken with funding and partnership from Wearside Deanery, St Hild and St Bede Trust and Seedbed Christian Community Trust.

20. Prior Year: Statement of financial activities

	Unrestricted funds	Designated funds	Restricted funds	2020 Total
	£	£	£	£
Incoming resources	48,405	-	2,300	50,705
Resources expended	(51,092)	-	6,020	(57,112)
Total incoming/(outgoing) resources for the year	(2,687)	-	(3,720)	(6,407)
Transfers	284	473	(125)	632
Net funds bf	30,260	21,000	20,597	71,857
Net funds Cf	<u>27,857</u>	<u>21,473</u>	<u>16,752</u>	<u>66,082</u>