

Spurgeons

ANNUAL REPORT

2022 - 2023

Company No. 3990460
Charity No. 1081182



TOGETHER
WITH FAMILIES

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WELCOME

When renowned Baptist preacher Charles Haddon Spurgeon founded this precious charity over 150 years ago, his heart was for all children to flourish regardless of their background. To this day, we continue this vision of transformation and support by establishing Family Hubs where we are needed most. We partner with local councils, churches and communities to care for every family, putting children and young people first in everything we do.

I am new in post, taking over from interim Chair of the Board, Sarah Powley, in October 2022 and I would like to thank Sarah for her excellent job of keeping a steady ship through a time of exceptional change. There have been new members join the Senior Leadership team and the Board, amidst the backdrop of a cost-of-living crisis and significant funding cuts to services, yet by God's grace, we have managed to navigate these internal and external fluxes with impressive commitment and agility whilst continuing to support over 30,000 children in need.

Spurgeons' colleagues have embedded the new strategy of delivering Family Hubs through a comprehensive, holistic business plan across the entire organisation, ensuring that each of our 534 colleagues and volunteers have a part to play in the care of children and families in need. Our recent rebrand successfully reflects this new strategic direction, along with the energy of the executive team and our more diverse services resulting from the acquisition of Fegans charity in July 2021. This fresh new look and feel to Spurgeons positions us as a charity that works with the entire family, providing care that meets their unique needs and will help us diversify our income to meet the needs of even more children and families in years to come.

Spurgeons has a big year ahead with several local authority contracts being retendered; however, with our central and family practitioner teams continuing to work in unity towards a shared purpose, living out our values of being compassionate, fair, and committed, we are confident of the future of Spurgeons. We are undertaking a financial review to



maximise the charity's assets, whilst also augmenting our fundraising team, increasing our digital well-being support, and establishing more community partners to help us meet the ever-increasing need for family well-being

support in the UK. I am immensely proud of serving a Christian charity connecting local government and the faith sector to undertake complex work with vulnerable families and believe we can make a real difference to the lives of many more in need.

I would also like to give thanks for all the work that this report reflects and express my gratitude for the colleagues, volunteers, supporters and partners that have helped us and who share our belief and hope in the transformation we can all bring when we work together. Lastly, and most importantly, I want to give thanks for the co-operation and perseverance of the children, young people and families we have the privilege of working alongside; your courage in the face of adversity never fails to inspire me to work harder to serve this impactful charity.

God bless,

MIKE REBEIRO

Chair of Spurgeons Board of Trustees

STRATEGIC REPORT

OUR MISSION

Our mission

Together, we create Family Hubs where we're needed most, with counselling, early years and family support. We partner with local councils, churches and communities to care for every family, putting children and young people first in everything we do.

Our charitable objects

To advance in life and help children and young people, their families and carers, who need care and protection, in particular but not exclusively, by the provision of education, support services, social care, maintenance, vocational training and financial assistance.

Our values and behaviours



compassionate



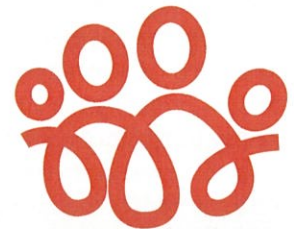
fair



committed

To act justly (fairness) and to love mercy (compassion) and to walk humbly with your God (commitment)." - Micah 6:8

- Put children and young people first in everything.
- Respect and value every individual.
- Listen to understand, without judging.
- Be open and honest, with kindness.
- Persevere to be our absolute best and do what we say we will do.
- Bring out the best in each other as we work together for the right result.



Our vision

Spurgeons transforms the nation, one child at a time by ensuring every family has the support needed to flourish.

Who we are here to serve

Children and young people (0-18, or 25 for those in Care or SEND) with an aim to reach across the four nations of the UK. For over 150 years Spurgeons has committed to enabling every child to fulfil their full potential even when life's challenges become overwhelming. Families and carers – Spurgeons empowers families to become self-sustaining through family support, parenting and SEND provision so that every child has a safe environment in which to flourish.

The trustees confirm that they have referred to the Charity Commission public benefit guidance in compiling this report, and that what Spurgeons does contributes to its charitable objects in this regard.

CEO UPDATE

Last year was my first full year as CEO following Spurgeons' acquisition of Fegans. Working closely with the Trustees we have spent the last year developing and rolling out our Family Hub strategy and recruiting a senior team to lead it. Much of the care that Spurgeons provides for families is delivered through our Local Authority Commissioned Children's Centres, but increasingly we are reaching many families where they are in the community, in churches, prisons, schools or reached through our counsellors working in GP practices.

At the heart of Spurgeons is the ability to meet the needs of families wherever they are, with whatever they need; a self-harming teenager, a family torn apart by imprisonment, a mum suffering from domestic abuse or a child with suicidal ideation. We want to be there for all families in need and turn no one away. Our strategy is to partner with churches of all denominations to equip and support them to meet the needs of families, so that every community has the chance to receive the care needed to flourish. We do this with safeguarding and quality as our utmost priority. We leverage the expertise of our commissioned contracts and partner with statutory partners and other charities wherever possible to ensure children and families receive the most holistic care possible.



To facilitate this approach, we have spent the last year crystallising the strategy into a publicly available document, and developing a new brand and new website to accurately reflect it, as well as establishing a new senior leadership team to write and implement the business plan needed to deliver the strategy effectively over the coming two years. We have also reviewed and streamlined our policies, improving our safeguarding processes and procedures to better equip us to partner with local communities.

We are currently building relationships with senior church figures, local authority commissioners and Directors of Service to establish a common understanding of how we may partner together to care for communities facing complex adversities. The new Family Hub strategy does not replace the work we currently do, but, rather, draws it together, providing our many services a common theme of accessible, holistic care for families. To that end our focus for the coming year is to:

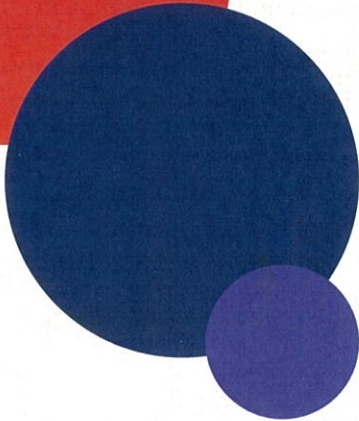
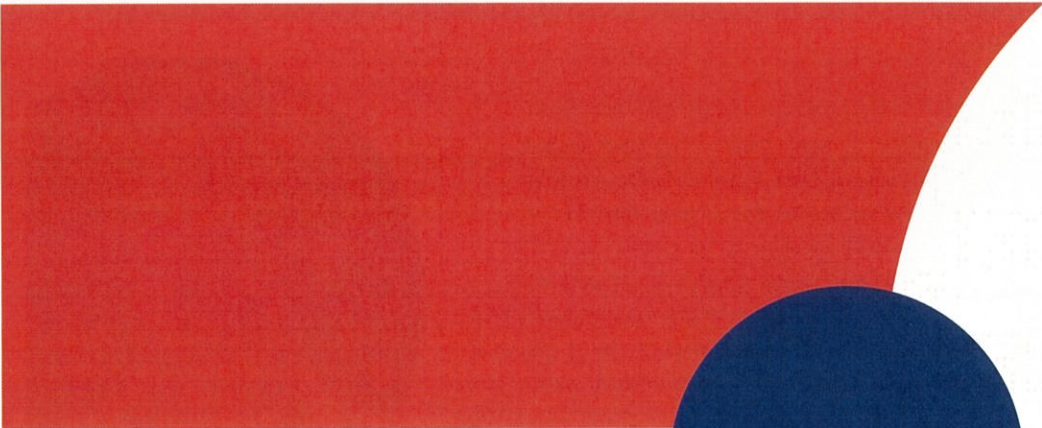
- Consolidate the new strategy into our communication, culture and growth plans
- Re-win our current contracts and secure new to help us serve more families
- Develop and establish our church Family Hub model ready for wider rollout
- Continue to augment our operations to enable continued agility in a changing environment.

Underpinning this strategy is further development of our digital delivery. We have qualified counsellors and trained parenting practitioners providing 1-1 support via Teams to children and parents in distress. Spurgeons are producing OCN-accredited online training programs to equip local communities with our expertise. We currently deliver free, accessible digital courses covering a range of topics, from separated parenting through to disordered eating, and have plans to create many more as we listen to the needs of local communities and what they would find most helpful.

IAN SOARS

Chief Executive Officer

IMPACT REPORT



OUR FUTURE PLANS

Over the last year we have established a wider leadership team (SLT) and rebranded and released our strategy for the coming season. All of these were coordinated to a single purpose of being able to focus the organisation on delivering our promise of transforming this nation one child at a time.

The coming year embeds these different aspects to enable Spurgeons to move forward effectively in a very changeable environment. Some of our contracts are ending, with a view to being retendered for throughout financial year 2023-24. We remain hopeful of the positive outcomes of these processes but at the same time are focusing on delivering Family Hubs in ways that are not dependent on statutory support. We do this because of local authorities' decreased ability to fully fund the extensive support that some children and families need, as well as the increasingly few alternatives for families to turn to.

To enable this, we are significantly investing in our fundraising, communications and digital capability, allowing us to reach more families, particularly those unable to pay for services. We are increasing our church engagement with a view to announcing partnerships with churches of all denominations.

Over the coming season we intend to harness the competence, reach and resources of the local church in partnership with the responsibilities and governance requirements of the state to grow our capacity to respond to those in need. To achieve this, our strategic goals for 2023-26 are

Spurgeons are significantly investing in our fundraising, communications and digital capability, allowing us to reach more families, particularly those unable to contribute financially

Raise our profile

to be known as specialist, faith motivated provider of high-quality delivery and practice to children and families.

Work with the state and church

in partnership, we deliver expert and locally integrated Family Hubs.

Develop our financial sustainability

Diversify our voluntary and statutory income base.

Empower our people

Be a place of inclusivity and welcome, inspiring colleagues to serve children and families to their full potential.

Inspiring excellence in operations

Integrate our ways of working.

Combining these gives us great confidence that we are ready and equipped to face our sector's challenges whilst at the same time increasing our capacity to see every family who needs our support, wherever they live and regardless of their capacity to contribute.



OUR SERVICES

CHILDREN'S CENTRES

now known as 'Family Hubs'

Early years, health and well-being

Evidence-informed programmes and interventions aimed at reducing health inequalities and promoting safe, happy, healthy lifestyles.

Birmingham, Wiltshire

Preschools

School or church-based pre-schools with on-site therapeutic and family support predominantly located in areas of intense need offering holistic family care.

Nationwide

YOUNG CARERS

Young Carers

Providing case work, group work, respite, residential trips, transition support for children and young people and awareness raising amongst professionals.

Birmingham, Wolverhampton

FAMILY SUPPORT

Domestic abuse care and recovery

Providing support and evidence informed interventions for children and adults affected by domestic abuse and training for professionals.

Nationwide

DAD.info and social media

DAD.info celebrates the role of dads with helpful resources and content for dads to build, strong and healthy relationships with their children. We have a community of active and involved dads in our moderated forum, providing peer-to-peer support.

Online

Counselling

Support for children, young people, parents and carers provided through one-to-one counselling either face to face or remotely with qualified and experienced psychotherapists.

Nationwide

Parenting advice and support

Supporting children's social, emotional and intellectual well-being, with additional support for families and children with special educational needs.

Birmingham, Elmbridge, Wiltshire. Kent, East Sussex and West Sussex

CHILDREN & YOUNG PEOPLE AFFECTED BY IMPRISONMENT

Prisoner family support

Supporting families to maintain contact, preparing families for release and reintegration, prevention of inter-generational criminality.

Winchester, Feltham

OUR IMPACT



Spurgeons is a national charity and during 2022/23 we have helped **30,500 families, children, young people and adults*** and two million people heard our voice through online, media and other streams outside our physical services. We deliver services in a post-pandemic landscape where children have missed out on opportunities to flourish and the cost of living crisis now impacts our most vulnerable families even more.

* this does not include services closed during the year.

98%

of service users
In 2022-23 would recommend us to friends and family.

In 2022-23 children in our pre-schools made progress so that 60% were school ready compared to 60% being behind when they started with us.

Our visitor centre at HMP Winchester had 4,810 adults and 939 children come through the doors in 2022-23 and we had 136 men and families attending our family days where 80 children were able to enjoy time together with their dads including having a family meal.

We saw **5,160 two-year-olds** in Birmingham completing their early years review; this is more than **92% of two-year-olds** in our Birmingham communities.

We delivered 149 loving baby-bundles giving families clothes and essentials for their newborn babies.

2 million people heard our voice online through digital offerings and forums.

70%

of our 500 referrals for young carers services come from social care and schools. In Birmingham alone, we work with 780 young carers.

We are currently working intensively with **220 prisoners** to improve relationships with their families and children.

Ensuring our teams are well trained to support children and families is critical and 81% of colleagues said in the last year they had opportunities to learn and grow.

“The nursery has been fantastic from the moment Olivia started, despite her difficulties. Olivia has really developed and made lots of improvements in her learning and physical skills. Buttons ABC team have been amazing.”

95%+

of families accessing our services tell us that things have improved from working with us.

98%

of our colleagues are proud to work for Spurgeons.

100%

of children say they made progress when being supported by our services and 86% have made headway with their feelings and behaviour.

We worked to safeguard **694 children** keeping them safe from domestic abuse, neglect and the effects of poor mental health.

97%

of families make progress across their lives when working alongside us and 63% of families have improved well-being.

“The Ofsted inspector was really interested in our joint working and felt that we had enabled families to access support that they might have previously been reluctant to engage in.”

CLIENT STORIES

“Prison can be a very dark and horrible and lonely place. And then you’ve got someone like Spurgeons. It’s like an angel comes out of nowhere and just literally picks you up and puts you with your family and takes you out of that dark place. Even if it’s just for one hour, two hours at a time. It just gives you a chance to recharge your batteries and focus on what is important.”



“I have more understanding [of] my child’s needs and how to understand him better when he is feeling angry than before, thanks to parenting [team].”

“The face-to-face counselling this year [has] been great. They have supported a bereaved child incredibly intuitively enabling her to fully access the curriculum once again. As a school we feel we have benefitted greatly.”



“I was welcomed into the children’s centre. Everyone was friendly and supportive, [and] really helped to ease my anxiety. I felt comfortable to listen and take onboard what was being discussed. My child was happy in another room and away from me [Five to Thrive childcare group]. This is the first time he has been left and I am pleased he settled well in a room and away from me [Five to Thrive childcare group].”



OUR PEOPLE

Our achievements are based on the dedication, expertise and passion of our entire team, made up of employees, volunteers and faithful supporters.

A BREAKDOWN IN NUMBERS

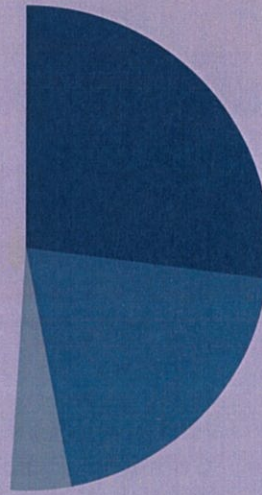
On **31 March 2023** Spurgeons employed a total of

418

employees (429 in 2022-21). This year-on-year reduction is due to Spurgeons no longer operating a number of the prison contracts.

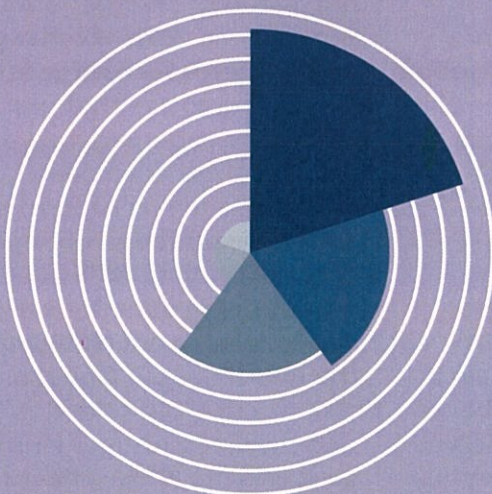
97%

say their work gives them a sense of purpose.



The nature of our work and the sector we work in, as well as our colleagues' personal circumstances, means that many of these colleagues work part-time (**26.8%**) or term time only (**19.5%**).

A further **3.7%** of the workforce are on casual contracts. This means that half of our workforce (**50%**) work full-time, which is slightly higher than last year.



92.5% of our workforce stated their gender as female, **58%** declared their ethnicity as White and **50%** cited their religion as Christian. However as an organisation aiming to be welcoming and inclusive to all, we are proud to have a diverse range of ethnic backgrounds and religions in our workforce including **15%** Asian/Asian British and **13%** Muslims.

Existing data at time of publishing

VOLUNTEERS

Volunteers are an essential and important part of our workforce. As of 31 March 2023 we had **116 volunteers** across our services supporting our work with children, families and vulnerable adults. Over the coming two years we intend to review further the role that volunteers

could have in our workforce. We have positive examples of service users who have benefited from our services, becoming valuable volunteers with lived experience, now supporting other parents and families.



OUR VALUES, LEARNING, INCLUSION AND ENGAGEMENT

Building on the work in 2021 to launch our refreshed values and integrate Fegans and Spurgeons as one organisation, all colleagues had a values objective in 2022, focusing on our six core behaviours.

In addition we launched an ethos and values workshop for all new starters to help embed these from day one and encouraged teams to use a values team agreement for how they work together.

We have continued to develop a learning culture across the organisation with a focus on learning on the job and learning from each other, rather than just formal

learning. This has included widening access for all colleagues to the Community Care Inform platform and continued development of our Communities of Practice. Our Mental Health community of practice has been instrumental in collating cost of living resources that have been shared across the organisation via our learning platform to support both colleagues and service users during this challenging year. We also launched the Spurgeons Savings platform enabling colleagues to get discounts from a range of retailers. In terms of formal training we have increased the number of managers with Mental Health First Aid training and continue to upskill our managers with managing people well and appraisal training; these have also now been rolled out to those managers that joined us from Fegans.

We asked colleagues for their views during January and February 2023 and received 260 responses, equal to **63%** of our workforce. Results have improved since the last full survey in 2020, which, given the level of organisational and external change, is very positive, with **98% of colleagues proud to work for Spurgeons**. It is pleasing to see that areas of most notable improvement are where we have been focusing, such as supporting colleagues through change and uncertainty (**89%** overall agree), being conscious of the values in my work (**98%**), seeing the impact of our Christian ethos on the organisation (**86%**) and my line manager helps and supports me (**97%**). **81%** have had opportunities to learn and grow in the last 12 months.

Colleague voice remains an integral part of our culture and in 2022 we engaged a new

specialist Diversity, Equity and Inclusion partner. The first step has been to run three webinars with our colleagues in March to educate, gather feedback and develop personal ownership on how together we create a culture of inclusion. In April we will be undertaking leadership training enabling all leaders to weave a focus on inclusion into their objectives and day-to-day activities.

Ensuring our workforce is kept up to date with developments and provided information in an appropriate and timely way is an important element of engaging our employees. One of our

key channels for ensuring this is our monthly newsletter called *Together* that goes out to all employees and contains information, reminders, requests and good news stories. This often includes a direct message from the CEO which is also supplemented by CEO emails and video updates. We have continued with our CEO face-to-face live update every other month via Microsoft Teams that is also recorded and attended by other senior managers. Messages that are relevant only to particular teams or individuals are managed through different channels.

PRACTICE DEVELOPMENT

Over the last year we have continued to focus on developing quality of practice with a formative mindset, building on strengths and empowering staff members and teams. We have continued to monitor and accurately evaluate the effectiveness of our services and to act on findings using feedback from service users, commissioners and colleagues as part of monitoring and evaluation. We have developed a Practice Handbook encompassing all we do to set the bar high in terms of practice standards and ensure that we remain focused on the impact of all we do for children and families.

We have continued to develop our Team Around the Child/Resident and Family (TAC/TARF) audit. This is a collaborative 'live audit' that includes all members of teams who have worked with the child(ren)/ family/ resident and those who have had management oversight of the case. These audits have been incredibly valuable for opening up reflections and discussions on practice.

In addition, as part of developing a learning

culture of reflective practice, we have continued to develop Communities of Practice on areas including domestic abuse, mental health/ inclusive practice, the child's voice/lived experience, and administration.



Communities of Practice enables practitioners in all roles, and subject specialists, from across the organisation to take collective responsibility for managing the knowledge they need, recognising that given the right framework, they are in the best position to do this. Members have a responsibility to bring their experience, research, and areas of focus to each session and to drive any learning back into their areas of work to ensure that the cycle of learning continues.

Our Safeguarding Policy and Child Protection Procedures have been comprehensively updated to ensure that they reflect the latest guidance and best practice and support us in our collectively responsibility of keeping children safe.

OUR FINANCIALS



AN OVERVIEW OF OUR FINANCIAL PERFORMANCE

Advantages in the property market, investment gains and increased unrestricted income from the acquisition of Fegans saw financial year 2021-22 end with an increase in total funds of £2.5m. By contrast, in 2022-23 we contended with inflation, subsequent cost of living increases; high employment cost increases linked to the National Joint Council for Local Government services pay reviews, as well as minor investment losses. This, along with purposed growth and diversification aligned with the strategy, resulted in a decrease of funds of £1.9m.

Our financials continue to reflect stability through our large government-funded contracts, contributing 76% of the annual turnover in 2022-23. Most of these contracts will reach end of term in 2024. We are in the process of retendering for these contracts, but to ensure sufficient liquidity, we kept £2.5m from the sale of properties and £1.6m from our investment funds in cash to mitigate potential cash-flow risks during this uncertain period, especially given our growth strategy. We have since reinvested £1.6m cash in short-term treasury bills to capitalise on strong interest rate returns.

We transitioned our stocks and shares portfolio from Epworths to Rathbone Greenbank Investments in 2022. Rathbone Greenbank specialise in Ethical, Sustainable and Impact investment management and our investment portfolio targets a return of CPI + 3% over the long term.

Despite unprecedented external economic factors, our financials continue to reflect stability and resilience with reserves positioned at £20.9m (2021-22: £22.9m). Similar to 2022-23, we anticipate further reduction in reserves as we continue to implement our growth strategy.

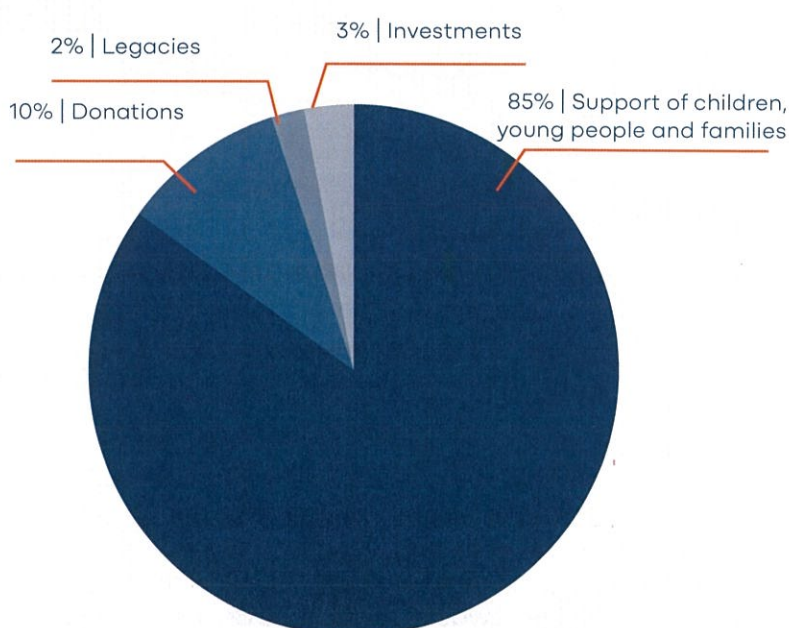
OUR INCOME RESULTS FOR 2022-23

In comparison to 2021-22, this financial year reflects a lower overall income of £12.5m (2021-22: £14.2m). This outcome is primarily due to higher one-off income received (£1.0m) from the acquisition of Fegans in the previous year.

We have reclassified a proportion of our unrestricted income to restricted, to more accurately reflect the terms governing our contracts, which means all income related to a contract is now reflected under one heading.

Income from donations (including legacies) accounted for £1.4m (2021-22: £1.7m) reflecting lower legacy income than last year. Income in support of children, young people and families amounted to £10.6m (2021-22: £11m), mainly due to lower income supporting children affected by imprisonment.

Higher interest income (£0.1m) in 2022-23, along with the reduction in dividends (£0.1m), reflects the higher liquidity cash flow strategies deployed in 2022 and the transition of our stocks and shares portfolio.



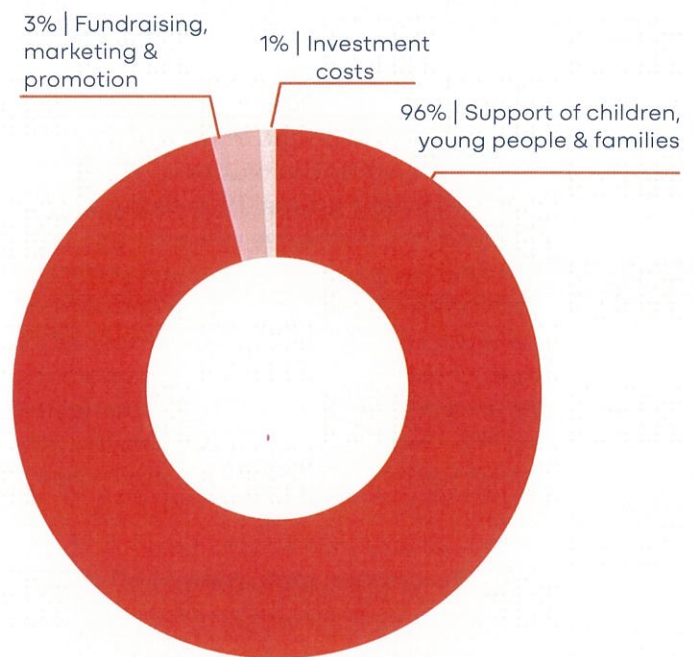
Donations	£1.2m
Legacies	£0.2m
Investments	£0.5m
Support of children, young people & families	£10.6m

OUR EXPENDITURE RESULTS FOR 2022-23

Financial year 2022-23 saw expenditure amount to £14.3m (2021-22: £12.8m). Activities to support children, young people and families accounted for 96% (£13.7m) of total expenditure, with fundraising and investment cost comprising the remaining 4% (£0.6m). Fundraising costs are expected to increase in 2023-24, in relation to fundraising income, as the strategy focuses on growth and diversification of income sources to fund a greater impact and influence in support of vulnerable families and children.

Our children's centre work accounts for 83% or £11.4m (2021-22: £9.4m) and our family support work is 5% or £0.7m (2021-22: £1m) of our total spend of £13.7m. Working with children and young people affected by imprisonment accounts for 8% or £1m (2021-22: £1.2m) and our youth, community and young carers work accounts for 4% or £0.6m of the total spend.

A notable portion of overall expenditure, £10.7m (2021-22: £9.9m), is attributed to employment costs, representing 75% of our total expenditure (2021-22: 78%), with most of this amount expended on personnel directly involved in delivering essential support services.



Fundraising, marketing, and promotion	£0.5m
Investments	£0.1m
Support of children, young people & families	£13.7m
Childrens centres	£11.4m
Family support	£0.7m
Children and young people affected by Imprisonment	£1.0m
Youth community and young carers	£0.6m

OUR RESERVES

Our reserves reduced by £2.0m to £20.9m (2021-22: £22.9m), reflecting the annual operational deficit of (£1.8m). Our investment focuses on augmenting fundraising, communication, and digital capabilities, alongside investment in our own initiatives to support children and families affected by imprisonment, enabling growth in vital services delivered to vulnerable children and families. Of our total funds, £8.5m (2021-22: £9.2m) were restricted or endowed.

The designated funds of £8.2m (2021-22: £8.5m) are those set aside by the Trustees for a particular purpose and comprise the Strategic Investment Fund £2.6m, the Service Development Fund £3.5m (2021-22: £3.7m) and the Property Investment Fund £2.2m (2021-22: £2.2m). The Central Office Development Fund was repositioned as the Strategic Investment Fund (£2.6m) in 2022-23 (2021-22: £2.6m). The Central Office Development Fund no longer served a feasible purpose, given the charity's decision to implement remote working from January 2023. General unrestricted funds were £4.2m (2021-22: £5.1m).

The balance sheet and liquidity of the charity at year-end remain strong and positioned to mitigate the potential impact of contracts ending in financial year 2023-24.

ANNUAL NET ASSETS

As projected in the Annual Accounts for financial year 2021-22, the value of the net assets has reduced to £20.9m (2021-22: £22.9m) reflecting intentional budget deficits and investment to allow for growth in the vital services we deliver. However, Spurgeons remains strong as a 'going concern'.

INVESTMENT MANAGEMENT

Spurgeons seeks to steward its assets well and applies the ethical standards that are based on our Christian faith in the context of our responsibility to manage investments in line with the Trustee Act 2000. Income from investments is an important part of our funding and how we balance good returns with an ethical investment policy can be found on our website (www.spurgeons.org). Trustees review our investment policy annually, and investment performance every quarter.

Our investment managers are Rathbones Greenbank who specialise in ethical, sustainable and impact investment management. The Trustees also employed Crowe Financial Planning UK Ltd to support the transfer of funds from Epworths Investment Management Ltd to Rathbones Greenbank and to provide investment advice during the year.

Our investment portfolio targets a return of CPI+ 3% over the long term and follows the ethical investment policy of the Baptist Union. From 12 October 2022, the inception date of investing with Rathbones Greenbank, the Spurgeons' investment portfolio delivered a return of 3.9% net of fees.

The Charity's non-property investments generated an unrealised loss of £82k (2021-22: £92k gain) on year-end valuation. At 31 March 2023, the total decrease in the valuation of all investments (Note 9) was £371k for UK Common investment funds, compared to a total decrease of £62k in 2021-22. The value of these investments has decreased by a further £42k between 31 March and 31 May 2023.

Our portfolio performance can be compared to a peer group composite, the ARC Charity Steady Growth Index, which returned -0.4% over this time period.

The greater part of our investment value is held in a property portfolio, which is represented by assets that have been gifted to us over many years. The property values and strategy of directly holding and managing investment properties is reviewed annually by the Trustees. At the start of the year two properties were sold with proceeds of £2.5m.

The remaining property portfolio showed a revaluation increase of £0.1m (2021-22: £0.9m). The Trustees continue to monitor the balance of the portfolio and how the assets can be best used in the interests of our charitable purposes.

The Trustees approved the sale of a further two investment properties with a combined sales value of £715,000 in 2022-23 and these properties were marketed with one being in the process of sale. Since we anticipate the sale of both properties imminently these properties will be reclassified from Fixed Asset Investments to Current Assets Held for Sale.

RESERVES POLICY

Like many other charities, Spurgeons relies on a small number of income sources. It is important that, however unlikely it may be that these sources all suddenly cease, we plan to hold sufficient reserves to meet our obligations and needs. In this respect Spurgeons reserves are strong and healthy.

Our reserves policy is reviewed annually by the Finance Committee and approved by the Board of Trustees. The Trustees have carefully considered the requirement for us to maintain an appropriate level of free reserves, being those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed.

During 2022-23, the designated fund held for the potential development of a Central Office, was repurposed as a strategic investment fund, designating funds for investment in strategic growth, following management and Trustees' decision to implement remote working contracts in January 2023. As of 31st March 2023, the value of the Strategic Investment Fund was £2.6m. The 2023-24 budget includes circa £0.4m cost earmarked as investment from the Strategic Investment Fund, alongside circa £0.5m property development cost, as we continue to invest in growth and focus on maximizing our assets in light of sustainable future activities.

We also had a designated Property Investment Fund that was established in 2016 to use the sums invested in property to provide income for charitable purposes. This fund was increased in 2020-21 to £1.7m and as of 31st March 2023 has a value of £2.2m, reflecting the unrealised gain on the underlying assets.

At the end of 2017, the Trustees agreed that a Service Development Fund of £1.5m of reserves should be designated to directly develop and enhance our work with vulnerable children and families. In the year to 31st March 2021 a further transfer of funds from the Property Investment Fund increased the balance of the Service Development Fund to £3.7m. The Service Development Fund has since seen a reduction of £0.2m in 2022-23 as these funds are being utilized to support vulnerable children and families, in line with our new strategy. We anticipate a further decrease in designated Service Development

Funds as our strategic trajectory focuses on developing Church Family Hubs as well as our continued initiative of working with children and families affected by imprisonment.

The Trustees have taken into account the level of free reserves necessary to cover the following risks:

- Loss of restricted income as a result of the closure of major pieces of work or failure to retain commissioned work on re-tender.
- Working capital requirements.
- Potential redundancy and other costs associated with the closure of a significant part of the organisation.
- Failure to hit fundraising targets.
- Volatility and uncertainty in the investment markets.
- An event having a major negative reputational effect on the charity.

Based on the above assessment, the Trustees have estimated that the level of free reserves required to mitigate against the identifiable risks is approximately £2.1m (2021-22: £1.8m).

With the approval of the new strategy that will begin to be implemented in 2022-23, Trustees estimate that unrestricted deficits in the region of £2.5m are likely to be incurred over the next three years as we invest in the new strategy and establish new strands of work to support vulnerable children and families.

This gives an estimated total requirement for free reserves of £4.6m.

The level of free reserves is represented by the General Fund which, at year-end, totalled £4.2m (2021-22: £5.1m), representing approximately 13 weeks (2021-22: 14 weeks) of planned operating expenditure. Given the above factors, the Trustees anticipate that the current level of free reserves will be sufficient to cover the identifiable risks and expected future deficits.

GOING CONCERN

With ongoing tensions at play in the macro environment, energy costs, supply chain difficulties and inflation are all factors impacting charity viability in terms of sustainable finances to ensure charitable objectives are met. While Spurgeons' reserves are strong, we are mindful of the constraints we work in, as well as the disruptive macro-environmental trends.

As such, Spurgeons are investing in the ability to diversify income sources to augment sustainability over the long term as we look to broaden our vital services. The year ahead will see Spurgeons segment our fundraising into multiple income streams with a clear focus on key account management at every level. These segmented groups include church, corporate, major and mid-level donors. Our guiding principles for our fundraising will be relationally led whilst being informed to maximise our potential.

The Trustees have reviewed the balance of liquidity versus fixed assets, as well as a rolling two-year cashflow alongside the free reserves required to mitigate potential risk, and the investment required to implement our long-term plans for diversification. As a result of our work, and the strength of our reserves and value of our assets, we confidently assert that we are in a good financial position and that the charity's accounts can be prepared on the going concern basis.



FUNDRAISING AND INCOME GENERATION

Most of our income comes from contracts with the public sector. Funding from local government remains our main source of funding. Our strategy of engaging with state and church in delivering services will allow us cost efficiencies which, coupled with our focus on strong outcomes from our delivery, we believe will see our fundraising potential increase in 2023-24.

Voluntary income is vital to our identity as the UK's leading Christian family charity supporting vulnerable children and families who need our help, regardless of background or situation. Partnering with supporters and local communities is extremely important to us and we seek to grow in this area. Fundraising has been difficult due to the cost of living crisis,

and 2021 and 2022 having been challenging periods for donation income.

In 2023, new appointments in our Head of fundraising, Philanthropy lead and research & engagement lead roles resulted in the specialism, and expertise required to underwrite the new fundraising strategy.

SPURGEONS' ACTIVITIES

Spurgeons' fundraising team is grateful for the opportunities to work with funders, churches, and communities who share our vision to care for children and families. Family Hubs are a key focus for us, and we appreciate the investment from Colyer Fergusson for a Family Hub in Whitstable. We're already seeing an impact as we counsel children and support families. Save the Children funded a parenting project in Margate with a focus on early years for families where English is an additional language, while Surrey Active Communities supported the Elmbridge School Holidays project. Kent County Council's Early Help and Reconnect funding supported parenting and counselling in key districts across Kent.

BBC Children in Need and Awards for All supported our work with young carers, providing respite and

recreational activities and the Young Carers Festival project. The Behind the Walls and Beyond the Gates prison project supporting families was funded by Colyer Fergusson, and The Lewes Prison Art Project was made possible with funding from The Crucible Foundation. Invisible Walls received continued support from The National Lottery Community Fund and OPCC for Hampshire. Jerusalem Trust and Benefact invested in our journey to make our support available digitally, with the latter generously funding new digital resources for our Family Hubs.

We are journeying alongside the Cinnamon Network to create new scalable and replicable ways of growing our church and school Family Hubs model. This way of working will allow us to grow, at pace, using a low-cost model to partner

with both state and church together and demanding a higher level of infrastructure from local churches.

We're thankful for the funders who supported Spurgeons' services in 2022-23 and look forward to sharing our new strategies, impact stories, and outcomes in the coming year.




APPEALS


We received positive responses from a wide range of supporters throughout the year, particularly in our direct mail appeals that highlighted different aspects of our work. Our Christmas campaign focused on supporting families dealing with additional needs

and cost-of-living pressures in our Children's Centres, while our summer campaign highlighted our work in the West Midlands helping families who have fled domestic violence. Over Easter, we shared the work of our Young Carers team.

Our **12 Days of Christmas campaign** was a notable success, with over 1,500 people signing up to receive our email series of parenting tips to help families navigate Christmas on a tight budget and manage behavioral challenges and expectations.



FUNDRAISING REGULATOR

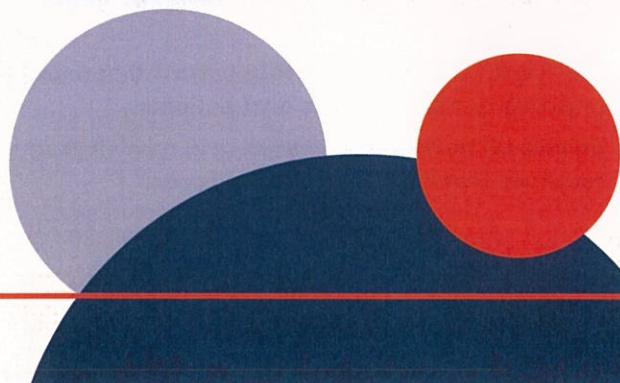


Spurgeons is registered with the fundraising regulator and adheres to the Code of Fundraising Practice in all our policies and procedures. We are committed to best practices and excellent donor care and regularly review our Donations Policy and Fundraising Promise, which are published on our website. Our Complaints Policy is

available on our website and we received no complaints related to our fundraising activity in the year ending March 2023.

We prioritise the safety and responsible use of personal data and provide clear and transparent communication about how we use it. We offer individuals a choice in what they receive from us, through

which channels, and how often. We also provide easy and clear ways for people to stop receiving communications from us. Our GDPR Policy, which is available on our website, is intended to ensure compliance with all personal data regulations.



RISK MANAGEMENT

Identifying and actively managing risk is an important part of ensuring that Spurgeons remains a healthy and impactful charity and ensures that Trustees remain focused on the appropriate issues as they lead the organisation. This continues to be done at a Board and senior staff level by maintaining a Risk Register that identifies the key organisational risks.

The Risk Register is co-owned by our Board of Trustees and the Chief Executive. It follows the good practice format set out by the Charity Commission, which includes clarity regarding current mitigations, key actions, who these actions are assigned to, and a risk score that is related to a RAG-rating (Red, Amber, Green). Each of our Board's committees has responsibility for monitoring how we are managing risks relevant to their remit. Their consideration is then reported to the full Board.

Summary of key risks for the charity are:

Risk	Mitigations
Reduction in income if rebidding for commissioned contracts is unsuccessful.	<ul style="list-style-type: none">• Review service delivery model to ensure cost effectiveness, efficiency and impact.• Work closely with commissioners and partners, ensuring we deliver the highest quality of services to children and families.• Ensure we are prepared and have the capacity to prioritise rebidding in the organisation.
Failure to implement our new strategy comprehensively.	<ul style="list-style-type: none">• Developed a clear strategic road map (the organisational business plan). Designed an organisational scorecard of our key targets.• Aligned the organisational structure to support the strategy. Prepared a financial budget and forecast to support the strategy.• Set aside designated reserves and assets ready to fund the strategy.
Breach of our safeguarding or Health & Safety standards and procedures putting the children and families we work with at risk.	<ul style="list-style-type: none">• Standards and Outcomes Committee to review safeguarding and Health & Safety performance across all sites every quarter.• Peer review of safeguarding incidents and learning reviews where appropriate.• Rigorous safeguarding policies and practice in place across the whole organisation including essential training for all staff on safeguarding vulnerable adults and children.• Practice Improvement Manager who supports safeguarding good practice across projects and services.• Work with a Health & Safety external consultant to improve our procedures and policies.• Ensure all new areas of work and new sites meet the required Health & Safety standards.

Risk

Mitigations

Inability to deliver high quality or key services due to staff attrition rates.

- Implement staff development programmes with internal promotion opportunities and enhanced training opportunities.
- Develop contingency plans for business continuity.
- Review flexible working opportunities and staff wellbeing packages.
- Ongoing pay and rewards reviews to ensure pay and rewards are competitive.

Unsatisfactory fundraising returns compared to our targets.

- Look for opportunities to diversify our income.
- Develop partnerships and networks that align to our strategy.
- Launch a new brand strategy with a clear USP.
- Invest in a clear fundraising strategy with a compelling ask.
- Develop clear fundraising KPIs and impact targets as part of our organisational scorecard.
- Recruit a Head of Fundraising to drive a new strategy.
- Review our CRM System and supporter engagement and retention approach.

Failure to meet our obligations in respect of compliance, regulatory requirements, or good governance.

- Appointment of new Chair and Trustees with improved onboarding and training.
- Governance review to be implemented, including reviewing Terms of Reference, Trustee skills and roles and sub-committee structure.
- Regulatory requirements regularly reviewed in all our services.

Financial loss and data integrity from cybercrime.

- Hold Cyber Essentials Accreditation.
 - Mandatory GDPR and data protection training.
 - Regular review of IT systems, controls and firewalls.
 - Annual review of cyber insurance.
-

OUR COMMITMENT TO GOOD GOVERNANCE

Spurgeons is a registered charity (registered number 1081182) and a company limited by guarantee registered in England (registered number 3990460). Spurgeons is governed by a Board of Trustees who are also appointed as company members for their term of office. The Board has a maximum of 12 members who must all profess a Christian faith as set out in Spurgeons' statement of faith. In October 2022, the Board of Trustees passed a resolution to increase the maximum number of Trustees from 12 to 13 to ensure robust governance during a time of growth and change, as the organisation implements its new strategy.

Our Articles of Association, last reviewed and updated in 2017, set out how we are governed. We are committed to meeting the standards set out in the Charity Governance Code as part of our commitment to maintaining high standards of leadership and work.

Trustees are appointed for a three-year term of office and can be re-elected for one further three-year term. Recruitment of Trustees follows our Safer Recruitment Policy and our Equality and Diversity Policy, and, where appropriate, we are clear about any specialist skills or experience we are seeking to fill.

New Trustees receive an induction that includes an overview of Spurgeons' work and activities. All Trustees receive training to enable them to fulfill their role, including the completion of five essential courses to ensure they are compliant.

The Board of Trustees meets four times a year based on a quarterly cycle, including one two-day residential meeting towards the end of the calendar year. Additional meetings of the Trustees can occur when there is a need to consider a specific item of business that has arisen between meetings. Trustees will also receive regular updates from the Chief Executive and are sent key documents that may not be included in Board meetings but may contain helpful or important information that allows them to carry out their work effectively.

Finance Committee	Oversees all financial aspects, including setting and managing the internal financial controls, budget setting, management against budget, and investment policy appraisal.
Remuneration and Trustee Recruitment Committee	Reviews the remuneration package of the Chief Executive and Senior Executives and is responsible for trustee recruitment.
Standards & Outcomes Committee	Examine and reviewing all systems and methods of Safeguarding, Knowledge and Skills (training), and Health and Safety management; ensuring the charity is compliant with all aspects of the law, relevant regulations and good practice in relation to service beneficiaries.

The Chief Executive Officer acts as the Company Secretary.

Spurgeons prioritises the safety of its staff and clients - we have a Health and Safety panel and a Safeguarding panel which meet every three months with all senior operational leaders, and their outcomes and actions are reviewed by the Standards and Outcomes Committee.

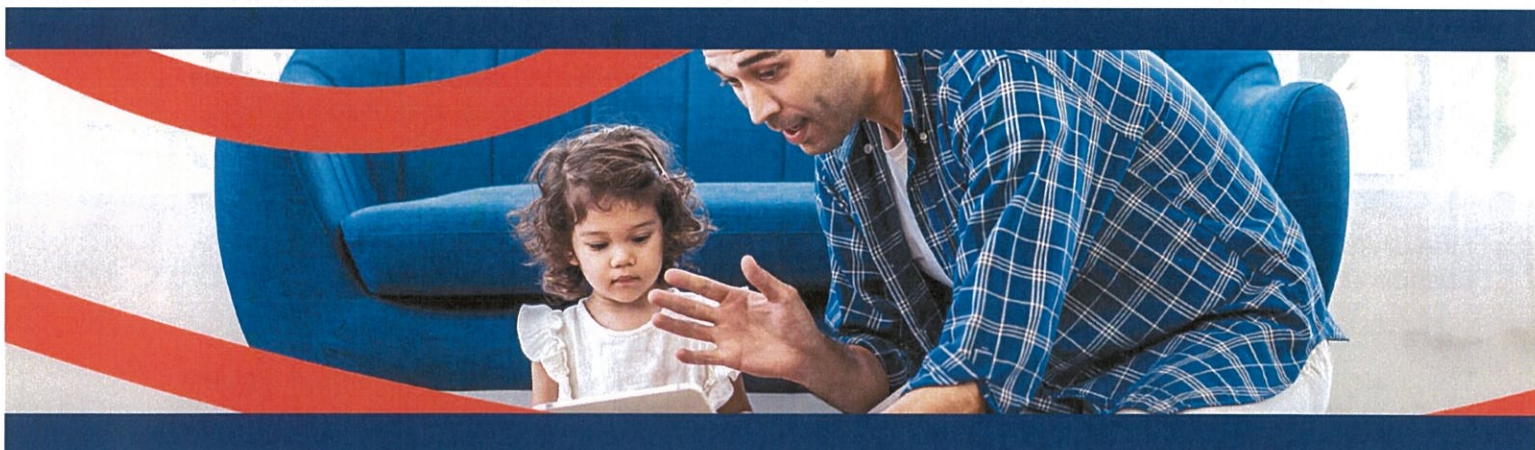
GOVERNANCE AND DECISION-MAKING

The Board is responsible for Spurgeons' governance and it shapes and agrees our vision, mission, values and strategy. Trustees are encouraged to pray and reflect deeply on the spiritual as well as social and economic aspects of their work.

The Board has committed to benchmarking its own performance against the Charity Governance Code that is widely recognised as the sector best practice standard. External reviews of our governance arrangements and practice are carried out at regular intervals, the last being in November and December 2020.

Day-to-day management of the charity is delegated to the Chief Executive, who in turn delegates management of specific projects to members of the Senior Leadership Team (SLT) and their reporting lines who head different departments. Strategy is drafted by the Chief Executive with the wider leadership team, after consultation and research with specific stakeholders and the Trustees. The Board approves the strategy and delegates responsibility for implementing it to the Chief Executive and his team.

Each year the Board reviews and approves a Delegated Authority Framework that sets out key areas of decision-making and where accountability and responsibility for it rests. This is set within a biblical framework of principles about how and why we delegate (or why we do not, in some cases) authority and responsibility to different grades within our staffing structures.



KEY MANAGEMENT PERSONNEL AND REMUNERATION POLICY

During the year, membership of the Senior Leadership (SLT) consisted of the Chief Executive, Director of Commissioned Services, Director of Non-Commissioned Services, Director of Finance, IT and Corporate Services and a Director of Fundraising and an extended SLT team including the roles of Head of People and Culture, Head of Communications and Digital, and Head of Strategic Programmes and Governance.

We also recruited a new Chair of Trustees and welcomed three new Trustees in December 2022, further strengthening our Board.

Members of the SLT have their remuneration reviewed annually by the Remuneration Committee who make a pay recommendation to the Board for approval. Salaries of all other employees are subject to an annual incremental increase up to the top of a salary band for each role, and an additional discretionary cost of living increase based on the local government National Joint Council (NJC) pay award that requires Board approval. Given the cost of living pressures in 2022, we brought forward part of the cost of living pay award, in advance of the NJC decision to help support staff.

Our Remuneration Policy is published on our website. It includes a target that no employee is paid less than the real living wage and the principle that the Chief Executive's salary is no more than five times the median full-time equivalent within the charity. The Remuneration Policy is published alongside our annual Gender Pay Gap Report. We are encouraged that our gender pay gap has reduced between 2021 to 2022 and that our 2022 gender pay gap is below the 2022 national median gender pay gap.

Trustees do not receive any remuneration for their service but are compensated for any expenses incurred in undertaking Spurgeons' business.

The Trustee Indemnity policy covers the legal liability of Trustees in relation to claims against them for any actual or alleged act, error or omission committed or attempted by them arising from the performance of that person's duties solely in their capacity as a Trustee.

CARBON REPORTING

In harmony with our dedication to legislative compliance and upholding our Christian values, we maintain a steadfast commitment to achieving maximum energy efficiency and reducing our environmental impact. This unwavering dedication is evident in our daily operational choices, ranging from the implementation of energy-efficient lighting to the utilisation of fairtrade products. We have successfully gathered data on electricity and gas consumption across 12 sites, comprising nine Children's Centres, one Young Carer Service, an office setting in Kent and our head office in Rushden.

The table below outlines our total usage across the aforementioned sites. It represents a notable increase compared to the previous year which can be attributed to the resumption of all services (excluding Rushden Head Office) operating at normal capacity, five days a week. Additionally, the availability of more comprehensive information this year, compared to last year's data, has contributed to the increased consumption analysis. It is noteworthy that the previous year's data was based on 11 sites, with gas information only accessible for 9 sites, whereas this year we have expanded our data collection to encompass 12 sites.

Energy consumption	April 2022 - March 2023 (kWh)
Electricity	472204 kWh
Gas	212152 kWh
Total Energy Consumption	684356 kWh

To provide a comprehensive breakdown, electricity usage accounted for 472204 kWh (472.204 MWh) across 12 sites, while gas consumption reached 212152 kWh (212.152 MWh). Unsurprisingly, the energy consumption is primarily concentrated within the large children's centre which operates daily and attracts a high footfall. Conversely, our head office exhibits a relatively modest energy usage, with an anticipated total electricity charge of 12837 kWh based on previous quarterly figures and 20631 of gas. The average electricity consumption for the children's centre is 21,723 kWh and in relation to gas is 48,716 kWh. Currently, we are unable to provide energy usage reports in 17 sites. These sites consist of seven children centres, three family centres, one young carers office, two prison services based within prison sites (where utilities are managed by the prison so usage information is not provided and we are not recharged for the costs), two pre-schools where we are recharged by the landlord, one shared office building where the utility usage information is not accessible to us and lastly a specialist service in Faringdon where the utility information is managed by the landlord and not shared or recharged to us. The remaining site not yet mentioned is our head office archive and storage facility where the utilities are included in the rent.

We recognise the progress made in our commitment to environmental responsibility and it is our earnest objective to continue monitoring and optimising our energy consumption across all sites. By aligning with our core principles and adhering to legislative requirements, we aim to make further strides in reducing our environmental impact and through collective efforts we will ensure sustainable practices are ingrained within Spurgeons.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Spurgeons is governed by a Board of Trustees who are also directors of the charity for the purposes of company law. The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for 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 in the Charities' SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards, subject to any material departures.
- Disclosed and explained in the financial statements, have been followed.
- Prepare the financial statements on the going concern basis unless it's inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the charitable company and to enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the trustees is aware at the time the report is approved:

- There is no relevant audit information of which the charitable company's Auditors are

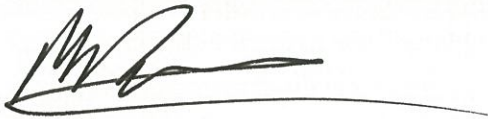
-
- unaware.
 - The Trustees have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

The Trustees have considered the Charity Commission guidance on public benefit in deciding what activities to undertake. This report contains an explanation of the significant activities undertaken during the year to carry out the Charity's aims for the public benefit, and also the achievements measured against the objectives set by the Trustees.

AUDITORS

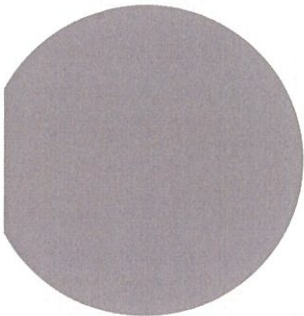
Haysmacintyre was re-appointed as Auditors during the year and has expressed its willingness to continue in office as Auditor.

The Trustees' Annual Report, including the Strategic Report, has been signed on behalf of the Board of Trustees by Mike Rebeiro on 17 October 2023.



Mike Rebeiro
Trustee

INDEPENDENT AUDITOR'S REPORT



OPINION

We have audited the financial statements of Spurgeons for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and the Chair's statement. 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the Trustees' responsibilities statement set out on page 25, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to revenue recognition, in particular in relation to the risk of improper journals being posted to revenue, and management override of controls. Audit procedures performed by the engagement team included:

-
- Inspecting correspondence with regulators.
 - Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
 - Reviewing the controls and procedures of the charity relevant to the preparation of the financial statements;
 - Evaluating management’s controls designed to prevent and detect irregularities;
 - Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, and
 - Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

USE OF OUR REPORT

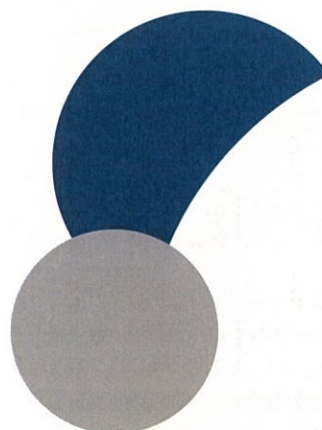
This report is made solely to the charitable company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company’s members those matters we are required to state to them in an Auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company’s members, as a body, for our audit work, for this report, or for the opinions we have formed.

Lee Stokes (Senior Statutory Auditor)



For and on behalf of:
Haysmacintyre LLP, Statutory Auditors
10 Queen Street Place,
London EC4R 1AG

Date: 21 November 2023



FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023			2022		
		Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
		£000's	£000's	£000's	£000's	£000's	£000's
Income from:							
Donations & legacies							
Donations		354	793	1,147	266	979	1,245
Legacies		232	-	232	479	-	479
Investments:							
Rental income		121	35	156	149	130	279
Interest		126	-	126	2	9	11
Dividends		122	-	122	243	-	243
Charitable activities:							
Amounts received towards the support of children, young people and families	3	1,089	9,546	10,635	2,305	8,668	10,973
Other income							
Funds received on acquisition of Fegans	18	-	-	-	478	24	502
Funds received on acquisition of DL Moody Trust	18	-	-	-	-	425	425
Other income		5	40	45	2	-	2
Total income		2,049	10,414	12,463	3,924	10,235	14,159
Expenditure on:							
Raising funds:							
Fundraising, marketing & promotion		450	-	450	448	-	448
Investment property costs		150	-	150	87	47	134
Charitable activities							
Support of children, young people & families	4	2,566	11,141	13,707	2,946	9,267	12,213
Total expenditure	5	3,166	11,141	14,307	3,481	9,314	12,795
Net (expenditure)/income before net gains/(losses) on investments		(1,117)	(727)	(1,844)	443	921	1,364
Net (losses)/gains on investments	9	(82)	-	(82)	983	(7)	976
Net income after net (losses)/gains on investments		(1,199)	(727)	(1,926)	1,426	914	2,340
Transfers between funds	13	-	-	-	147	(147)	-
Gains on revaluation of fixed assets		-	-	-	203	-	203
Net movement in funds		(1,199)	(728)	(1,926)	1,776	767	2,543
Total funds brought forward at 1st April		13,613	9,246	22,859	11,837	8,479	20,316
Total funds carried forward at 31st March		12,414	8,519	20,933	13,613	9,246	22,859

All of the above results relate to continuing activities. Included within the restricted funds column are endowment funds with a balance as at 31st March 2023 of £511,000 (2021-22: £511,000).

Movements on endowment funds are shown in Note 13. The notes on pages 35 to 50 form part of these financial statements.

BALANCE SHEET AS AT 31 MARCH 2023

	Notes	2023 £000's	2022 £000's
Fixed assets			
Tangible fixed assets	7	381	393
Intangible fixed assets	8	101	39
Investments	9	11,202	13,811
Total fixed assets		11,684	14,243
Current assets			
Stock		-	7
Debtors	10	763	1,043
Investments	12	715	2,550
Cash at bank and in hand		9,004	5,921
Total current assets		10,482	9,521
Liabilities			
Creditors: Amounts falling due within one year	11	(1,233)	(905)
Net current assets		9,249	8,616
Total net assets		20,933	22,859
The funds of the charity			
Endowment funds	13a	511	511
Restricted funds	13a		
D.J. Thomas fund		4,735	4,735
UK projects fund		3,273	4,000
Total restricted funds		8,519	9,246
Designated funds	13a	8,429	8,494
General funds	13a	3,985	5,119
Total unrestricted funds		12,414	13,613
TOTAL FUNDS		20,933	22,859

* The D.J. Thomas fund includes a revaluation reserve of £2,648,000 (2021-22: £2,648,000).

** Designated funds include a revaluation reserve of £1,795,000 (2021-22: £4,195,000).

*** General funds include a revaluation reserve for investment property of £2,388,000 (2021-22: £2,263,000).

Approved by the Board of Trustees and authorised for issue on 17 October 2023 and signed on its behalf by:



Colin Jones
Trustee

Company No. 3990460

STATEMENT OF CASH FLOWS AS AT 31 MARCH 2023

	Notes	2023 £000's	2022 £000's
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	(Note A)	(1,599)	(96)
Cash flows from investing activities:			
Rental income		156	279
Interest and dividends		248	254
(Purchase)/disposal of capital equipment		(84)	(21)
Additions at cost: common investment funds		(333)	(976)
Disposal proceeds: common investment funds		2,167	1,540
Disposal of current asset investment		2,550	-
(Retained)/cash used in common funds		(67)	(3)
Net cash provided by investing activities		4,682	1,073
Change in cash and cash equivalents in the year		3,083	977
Cash and cash equivalents at beginning of the year		5,921	4,944
Cash and cash equivalents at the end of the year	(Note B)	9,004	5,921

Note A

		2023 £000's	2022 £000's
Reconciliation of net income to net cashflows			
Net cash (used in)/provided by operating activities			
Net income		(1,844)	437
Income from acquisition of Fegans	18	-	502
Income from acquisition of DL Moody	18	-	425
Adjustments for:			
Investments transferred to Spurgeons		-	(408)
Fixed assets transferred to Spurgeons	18	-	(97)
Depreciation charges		34	32
Dividends, interest & rents from investments		(404)	(533)
Decrease/(increase) in stock		7	(6)
Decrease/(increase) in debtors		280	(244)
Increase/(decrease) in creditors		328	(204)
Net cash (used in) / provided by operating activities		(1,599)	(96)

Note B

	At 1 April 2022 £000's	Cashflow £000's	Non-Cash Changes £000's	At 1 April 2023 £000's
Analysis of changes in net funds				
Cash at bank and in hand	4,796	4,208	-	9,004
Notice deposits (less than 3 Months)	1,125	(1,125)	-	-
	5,921	3,083	-	9,004

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

a) General information

Spurgeons is a charitable company limited by guarantee incorporated in England and Wales (Company number 3990460) and registered with the Charity Commission (Charity Registration number 1081182). The charity's registered office address is 74 Wellingborough Road, Rushden, Northamptonshire NN10 9TY.

b) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments which are carried at fair value, and in accordance with the Statement of Recommended Practice for Charities (SORP – Second Edition effective 1st January 2019), applicable accounting standards (FRS 102) and the Companies Act 2006.

The charitable company meets the definition of a public benefit entity under FRS102.

c) Going concern

The Trustees consider that there are no material uncertainties regarding the charitable company's ability to continue as a going concern. In making this assessment, the Trustees have also considered the impact of the new strategy and designated fund investments. Taking each of these factors into account the Trustees consider that there are sufficient funds and clarity to our mission to ensure that we will remain a going concern for at least 12 months from the date of approving these financial statements.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Dividends, collections and appeals are credited to the Statement of Financial Activities as received.

Interest, rents and amounts receivable from local authorities towards the support of the children, young people and families are credited to the Statement of Financial Activities on an accruals basis.

For legacies, entitlement is taken as the earlier of the date of notification that a distribution will be made and when a distribution is received from an estate.

Goods and services donated for the charity's own use are recognised in the Statement of Financial Activities at the value to the charity as both income and expenditure.

e) Expenditure

Expenditure is accounted for on an accruals basis. Irrecoverable VAT is included within the expense items to which it relates.

Direct expenditure on charitable activities includes all costs directly relating to delivering the charity's principal activities in supporting children, young people and families.

Support costs consist of central management, administration and governance costs and are allocated entirely to expenditure on charitable activities as detailed in Note 5 to the accounts. We have reallocated unrestricted costs to restricted to more accurately reflect the full cost of delivering our services.

Governance costs represent direct and indirect costs incurred in relation to strategic management and compliance with constitutional and statutory requirements.

f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. The minimum amount for the capitalisation of assets is £2,000. Assets purchased for projects funded by local authorities are expensed upon purchase rather than depreciating over the life of the project. Depreciation is provided on all tangible assets, other than freehold land, to write off the cost, less estimated residual value of each asset over its expected useful life on a straight-line basis. The estimated useful lives are as follows:

Freehold buildings	- 2% per annum on cost
Fixtures and fittings	- 12.5% per annum on cost
Computer equipment	- 33 $\frac{1}{3}$ % per annum on cost

g) Intangible fixed assets

Intangible assets are held at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated on a straight-line basis to write off the cost over their expected useful economic lives being five years.

h) Fixed asset investments

Quoted investments are valued at market price at the balance sheet date. Investment properties whose fair value can be measured reliably are measured at fair value. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

The marketing and sale of two residential properties is underway as at balance sheet date and has been updated to reflect as Current Assets.

Pension bonds are amounts required to be set aside under contractual arrangements in respect of local government pension schemes and are measured at cost.

Gains and losses on disposal and revaluation of investments are charged or credited to the Statement of Financial Activities.

i) Current asset investments

The marketing and sale of two residential properties is under way and expected to be concluded and the proceeds reflected in the 2023-24 Annual Accounting Period. The Trustees have taken the decision to reclassify these properties to Current Assets Held for Sale in the Annual Accounts to 31 March 2023; further disclosure is provided in Note 12.

j) Stocks

Stocks consist of goods held for resale, valued at the lower of cost and net realisable value.

k) Financial instruments – assets and liabilities

Cash and cash equivalents

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

Debtors and creditors

Debtors and creditors with no stated interest rates are recorded at transaction price and subsequently measured at amortised cost. Any losses arising from impairment are recognised in the Statement of Financial Activities.

l) Employee benefits

The charity provides a range of benefits to employees including paid holiday arrangements and defined benefit and defined contribution pension plans.

Short-term benefits

Short-term benefits, including holidays and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Defined contribution pension plans

The charity contributes to a Group Personal Pension Plan for employees. The employer contributions range between 5% and 7% of gross pay depending upon the level of employee contribution. Contributions are further enhanced by a salary sacrifice arrangement through which the employer pays into the employee's pension fund 10% of the 13.8% employer's NI saving on the salary sacrificed.

In compliance with the auto enrolment requirements, the charity contributes to a separate section of the Group Personal Pension Plan for those employees not wishing to join the enhanced scheme, at an additional rate of 1%. No salary sacrifice option is available.

The contributions are recognised as an expense when they fall due. The assets of the pension plans are held separately from the charity in independently administered funds. The charity's total Group Personal Pension Plan contribution for the year was £442,577 (£386,034 in 2022).

Local Government Pension Schemes (LGPS)

The charity also has some staff who have been transferred into the organisation via TUPE transfer and are members of local government pension schemes. Under the terms of the associated contract arrangements the charity is responsible for making good any pension deficits that arise during the period of the contracts. As the contributions payable are estimated on a fully funded basis, contributions to the schemes are included within the Statement of Financial Activities on an accruals basis as incurred.

m) Funds

Fund balances are split between unrestricted (general and designated), restricted and endowment funds.

- **Permanent Endowment Funds**, being composed of a fund which is treated as being permanently endowed in accordance with an agreement with the Charity Commission.
- **Restricted Funds** are to be used for specified purposes as laid down by the donor.
- **Unrestricted General Funds** are funds which can be used in accordance with the charitable objects of the charity at the discretion of the Trustees.
- **Unrestricted Designated Funds** are funds which have been set aside for a purpose specified by the Trustees as explained in Note 13 to the financial statements.

n) Operating leases

Rentals incurred under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key areas subject to judgement and estimation are as follows:

Donations, grants and legacies

Donations and grants are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. Where the donation or grant is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the Statement of Financial Activities when probate is granted, the charity is entitled to the legacy and the executors have established there are surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Local authority funding

Local authority funding is recognised in accordance with the invoicing schedule, specified in the contract between Spurgeons and the local authority.

Investment property

The charity measures its investment properties at fair value in accordance with FRS 102. A full professional valuation of the investment property portfolio was commissioned in the year, resulting in an increase in the overall property valuations of £140,002 (2021-22: £885,000).

Provisions for dilapidation works to leased properties

Management review and provide for potential dilapidations in respect of properties where the lease includes an obligation to restore the premises to the condition they were in when the lease was entered into. Management reviews such provisions on an annual basis and updates them in accordance with historical experience and events that might materially impact on the potential costs to the charity. At the balance sheet date, the total amounts accrued within creditors was £95,642 (2021-22: £87,164).

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

In accordance with the Charities SORP FRS 102, volunteer time is not recognised.

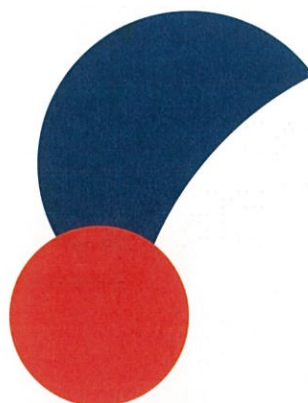
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

3. ANALYSIS OF AMOUNTS RECEIVED TOWARDS THE SUPPORT OF CHILDREN & YOUNG PEOPLE & FAMILIES YEAR ENDED 31 MARCH 2023

	Unrestricted Funds £000's	Restricted Funds £000's	2023 Total £000's	2022 Total £000's
Fees and other project income	190	196	386	559
Catering	178	-	178	93
Statutory sector				
Local authorities	721	8,847	9,568	9,459
NOMS	-	503	503	862
Total	1,089	9,546	10,635	10,973

ANALYSIS OF AMOUNTS RECEIVED TOWARDS THE SUPPORT OF CHILDREN & YOUNG PEOPLE & FAMILIES YEAR ENDED 31 MARCH 2022

	Unrestricted Funds £000's	Restricted Funds £000's	2022 Total £000's	2021 Total £000's
Fees and other project income	301	258	559	341
Catering	93	-	93	67
Statutory sector				
Local authorities	1,756	7,703	9,549	9,912
NOMS	155	707	862	839
Total	2,305	8,668	10,973	11,159



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

4. ANALYSIS OF AMOUNTS EXPENDED IN THE SUPPORT OF CHILDREN, YOUNG PEOPLE AND FAMILIES YEAR ENDED 31 MARCH 2023

Type of project	Unrestricted Funds £000's	Restricted Funds £000's	2023 Total £000's	2022 Total £000's
Childrens centres	1,710	9,655	11,365	9,423
Children and young people affected by imprisonment	303	727	1,030	1,199
Family support	481	239	720	996
Youth community & young carers	72	520	592	595
Total	2,566	11,141	13,707	12,213

ANALYSIS OF AMOUNTS EXPENDED IN THE SUPPORT OF CHILDREN, YOUNG PEOPLE AND FAMILIES YEAR ENDED 31 MARCH 2022

Type of project	Unrestricted Funds £000's	Restricted Funds £000's	2022 Total £000's	2021 Total £000's
Childrens centres	2,087	7,336	9,423	9,433
Children & young people affected by imprisonment	237	962	1,199	1,085
Family support	505	491	996	873
Youth community & young carers	117	478	595	598
Total	2,946	9,267	12,213	11,989

5. TOTAL EXPENDITURE YEAR ENDED 31 MARCH 2023

	Staff Costs (Note 6) £000's	Depreciation £000's	Other Costs £000's	2023 Total £000's
Expenditure on raising funds				
Fundraising, marketing & promotion	262	-	188	450
Investment property costs	-	-	150	150
Charitable expenditure				
Project costs	10,483	34	3,190	13,707
Total	10,745	34	3,528	14,307

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

5. (Continued) TOTAL EXPENDITURE YEAR ENDED 31 MARCH 2022

	Staff Costs (Note 6) £000's	Depreciation £000's	Other Costs £000's	2022 Total £000's
Expenditure on raising funds				
Fundraising, marketing & promotion	290	-	158	448
Investment property costs	-	-	134	134
Charitable expenditure				
Project costs	9,640	9	2,565	12,214
Total	9,930	9	2,857	12,796

NET MOVEMENT IN FUNDS

The net movement in funds is stated after charging:	2023 £000's	2022 £000's
Depreciation	34	32
Operating lease rentals - buildings	99	98
Operating lease rentals - other	34	43
Auditors remuneration (Including VAT) - audit	35	21

SUPPORT COSTS

	2023 £000's	2022 £000's
Operational management	700	529
Business development	63	120
Finance, IT & corporate services	785	670
Human resources & people development	572	288
Governance	157	63
Other central support and administration	195	51
	2,472	1,721

Organisational support costs are charged in line with contract agreement and deliverables. Both recovered and unrecovered support costs are included entirely within the analysis of amounts expended in the support of children, young people and families detailed in Note 4 above.

GOVERNANCE COSTS

	2023 £000's	2022 £000's
Audit	35	21
Trustees' expenses	3	1
Other costs	73	34
Recruitment	38	-
Professional indemnity insurance	8	7
	157	63

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

6. STAFF COSTS

	2023 £000's	2022 £000's
Wages and salaries	9,117	8,727
Social security costs	787	690
Pension costs	559	513
Other	283	-
	<u>10,745</u>	<u>9,930</u>

EMPLOYEE EMOLUMENTS OVER £60,000

	2023 £000'S	2022 £000'S
Employees continuing in service:		
£60,001 to £70,000	1	3
£70,001 to £80,000	2	-
£80,001 to £90,000	-	-
£90,001 to £100,000	1	1

All of the employees belonged to the charity's group personal pension plan throughout the year. Employer contributions in accordance with Note 1 to the accounts for the above employees were £41,311 (2021-22: £34,095).

The Key Management personnel for the organisation consists of the Trustees and six members of the senior leadership team. The total emoluments in the year, including gross salary, employers pension contribution and benefits in kind, were £277,436 (2021-22: £252,177).

The average number of employees (including casual workers) in the year was 400 (2021-22: 337). The average number of full-time equivalent employees (including casual workers) in the year was 290 (2021-22 : 306) The charity paid £37,828 in redundancy and termination payments during the year (2021-22 : £29,109).

ANALYSIS OF FULL TIME EQUIVALENT EMPLOYEES

	2023 FTE	2022 FTE
Central departments and regional office	52	37
Projects and services	238	269
	<u>290</u>	<u>306</u>
Average salary cost	£31,440	£28,520

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

7. TANGIBLE FIXED ASSETS

	Computer Equipment Fixtures & Fittings £000's	Permanent Endowment Freehold Property £000's	Freehold Property £000's	Total £000's
Cost/valuation				
At 1 April 2022	187	185	300	672
Disposals	(19)	-	-	(19)
Revaluations	-	-	-	-
As at 31 March 2023	168	185	300	653
Accumulated depreciation				
At 1 April 2022	182	97	-	279
Charge for the year	2	4	6	12
Disposals	(19)	-	-	(19)
As at 31 March 2023	165	101	6	272
Net book value				
As at 31 March 2023	3	84	294	381
At 1 April 2022	5	88	300	393

The carrying value of the freehold property is deemed cost as previously adopted under Charities SORP FRS 102. All tangible fixed assets are used for charitable purposes.

8. INTANGIBLE FIXED ASSETS

	Computer Software £000's
Cost	
At 1 April 2022	135
Additions	84
As at 31 March 2023	219
Accumulated depreciation	
At 1 April 2022	96
Charge for the year	22
As at 31 March 2023	118
Net book value	
At 31 March 2023	101
At 1 April 2022	39

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

9. FIXED ASSETS INVESTMENTS

	2023 £000's	2022 £000's
Analysis of investments by class		
UK Common investment funds	4,832	5,203
Investment properties	6,370	6,945
Notice deposits (Less than 3 Months)	-	1,663
Total investments	11,202	13,811
Movement in market value of investments		
Market value as at 1 April 2022	13,811	15,538
Additions at cost: common investment funds	333	976
Additions from the acquisition of DL Moody Trust	-	408
Disposal proceeds: common investment funds	(2,167)	(1,540)
Cash retained in common funds	67	3
** Reclassification to current asset investments	(715)	(2,550)
* Revaluation investment property	140	885
Revaluation common investment funds	(267)	91
Market value as at 31 March 2023	11,202	13,811
Historic cost of common investment funds	3,539	3,539
Historic cost of investment properties	389	389

Valuations of investment properties were carried out by Paul Goodsir, BSc (Hons) MRICS as at 31st March 2023.

* Includes revaluation gain of £140,002 in 2022-23.

** In 2022-23, the marketing and sale of two residential properties was underway but had not reached exchange of contracts by 31st March 2023. The Trustees took the decision to reclassify these properties to Current Assets Held For Sale in the Annual Accounts to 31st March 2023. Further details are disclosed in Note 12 Current Asset Investments.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £000's	2022 £000's
Trade debtors	132	222
Prepayments & accrued Income	631	817
Other debtors	-	4
Total	763	1,043

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £000's	2022 £000's
Trade creditors	243	16
Accruals and deferred income	679	505
Taxation & social security	171	149
Pension contributions	116	217
Other creditors	24	18
Total	<u>1,233</u>	<u>905</u>

In 2022-23, the pension contribution included £284,000 related to the Elmbridge contract pension. This was paid to the Surrey County Council in 2023-24.

12. INVESTMENTS HELD FOR SALE

	2023 £000's	2022 £000's
Investment property	<u>715</u>	<u>2,550</u>
	<u>715</u>	<u>2,550</u>

In 2022-23, the Trustees took the decision to reclassify two additional properties to Current Assets Held For Sale. In 2021-22 two properties were reclassified to Current Assets Held For Sale and subsequently sold at the start of this financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

13. FUNDS

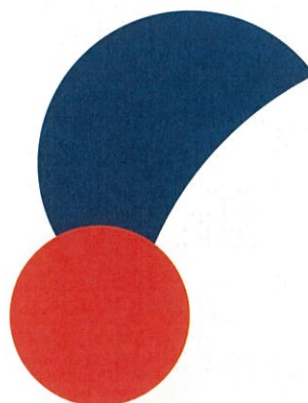
a) MOVEMENT IN FUNDS FOR THE YEAR ENDED MARCH 2023

	Balance at 1 April 2022 £000's	Income £000's	Expenditure £000's	Investment Gains/ (Losses) £000's	Transfers £000's	Acquisitions £000's	Balance at 31 March 2023 £000's
Restricted funds							
Foundation trust - Permanent endowment	88	-	-	-	423	-	511
Acquisition of DL Moody permanent endowment	423	-	-	-	(423)	-	-
UK projects	3,969	10,414	(11,141)	-	31	-	3,273
D.J. Thomas	4,735	-	-	-	-	-	4,735
Acquisition of Fegans	31	-	-	-	(31)	-	-
Total restricted	9,246	10,414	(11,141)	-	-	-	8,519
Unrestricted funds							
Designated funds							
Strategic investment fund	2,614	-	-	-	-	-	2,614
Property investment fund	2,180	-	-	185	-	-	2,365
Service development fund	3,700	-	-	-	(250)	-	3,450
	8,494	-	-	-	(250)	-	8,429
General funds							
General funds	5,119	2,049	(3,166)	(267)	250	-	3,985
Acquisition of Fegans	-	-	-	-	-	-	-
Revaluation reserve	-	-	-	-	-	-	-
Total unrestricted	5,119	2,049	(3,166)	(82)	250	-	3,985
Total funds	22,859	12,461	(14,306)	(82)	-	-	20,933

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

b) MOVEMENT IN FUNDS FOR THE YEAR ENDED MARCH 2022

	Balance at 1 April 2021 £000's	Income £000's	Expenditure £000's	Investment Gains/ (Losses) £000's	Transfers £000's	Acquisitions £000's	Balance at 31 March 2022 £000's
Restricted funds							
Foundation trust - Permanent endowment	92	-	(4)	-	-	-	88
Acquisition of DL Moody permanent endowment	-	8	(3)	(7)	-	425	423
UK projects	3,660	9,423	(8,967)	-	(147)	-	3,969
D.J Thomas	4,727	132	(124)	-	-	-	4,735
Acquisition of Fegans	-	223	(216)	-	-	24	31
Total restricted	8,479	9,786	(9,314)	(7)	(147)	449	9,246
Unrestricted funds							
Designated funds							
Central office development fund	2,614	-	-	-	-	-	2,614
Property investment fund	1,770	-	-	410	-	-	2,180
Service investment fund	3,700	-	-	-	-	-	3,700
	8,084	-	-	410	-	-	8,494
General funds							
General funds	3,753	2,788	(2,722)	573	147	-	4,539
Acquisition of Fegans	-	658	(759)	-	-	478	377
Revaluation reserve	-	-	-	-	-	203	203
Total unrestricted	3,753	3,446	(3,481)	573	147	681	5,119
Total funds	20,316	13,232	(12,795)	976	-	1,130	22,859



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

13. FUNDS (CONTINUED)

i) The foundation trust is a permanent endowment vested in the charity's registered office freehold property in Rushden, which is held in the unincorporated charity, Spurgeons Child Care. A uniting direction approved by the Charity Commission in 2005 led to Spurgeons Child Care being incorporated into Spurgeons.

ii) The charity, known as the D L Moody Trust, was administered by the trustee, Fegans, in accordance with the Scheme of the Charity Commissioners dated 27 August 1980. The trustee, Fegans, was acquired by Spurgeons Children's Charity on the 30 June 2021. As part of the acquisition, and under guidance set out by the Charity Commission, Spurgeons has now become the trustee of the charity known as the DL Moody Trust. The capital of the trust is held in a permanent endowment fund. The trustee can apply the clear income of the Trust for either or both of the following purposes amongst the inhabitants of the London Boroughs of Croydon, Lambeth, Merton, Sutton and Wandsworth:

- For the advancement of the Christian faith.
- For the advancement of education.

iii) UK Projects Funding has been given for a particular project, and any related expenditure, has been recorded in restricted funds in the year. Transfers in the year represent the following :

- The meeting of net deficits from general funds on restricted funded projects which are not recoverable from future funding.
- The movement of restricted funded project surpluses to general funds where either the projects have ended or no further contractual liabilities exist.

iv) The assets of the D.J. Thomas Fund can be used in accordance with the objects of the charity, to provide and facilitate the provision of the education, maintenance and support of children and young adults, who have not attained the age of 25 years and who, in the opinion of the Trustees, are in need of financial assistance.

v) The strategic investment fund replaced the previously positioned Central Office Fund, originally designated by the Trustees in 2014-15 for the development of a larger head office space. Following the implementation of remote working, the fund is no longer necessary. The Strategic Investment Fund is positioned to meet the needs of strategic growth in terms of voluntary income diversification and augmented infrastructure. The current fund value is £2,614,000.

vi) The property investment fund was designated for the provision of income for the long-term benefit of children and young people from sums invested in property.

vii) The service development fund is designated for the provision of work that is new to Spurgeons that compliments existing projects or develops partnerships in new areas of work.

viii) General funds represent the free funds of the Charity which are not designated for particular purposes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

c) ANALYSIS OF ASSETS BETWEEN FUNDS AS 31 MARCH 2023

	Tangible Fixed Assets £000's	Intangible Fixed Assets £000's	Investments £000's	Net Current Assets £000's	Total £000's
Unrestricted funds	293	101	6,309	5,711	12,414
Unrestricted funds from acquisition of Fegans	-	-	-	-	-
Revaluation of fixed asset	-	-	-	-	-
Restricted funds – UK projects	-	-	-	3,273	3,273
Restricted funds – D.J. Thomas	-	-	4,470	265	4,735
	<u>293</u>	<u>101</u>	<u>10,779</u>	<u>9,249</u>	<u>20,422</u>
Foundation trust					
Permanent endowment	88	-	423	-	511
Total	<u>381</u>	<u>101</u>	<u>11,202</u>	<u>9,249</u>	<u>20,933</u>

d) ANALYSIS OF ASSETS BETWEEN FUNDS AS 31 MARCH 2022

	Tangible Fixed assets £000's	Intangible Fixed Assets £000's	Investments £000's	Net Current Assets £000's	Total £000's
Unrestricted funds	5	39	11,493	1,496	13,033
Unrestricted funds from acquisition of Fegans	97	-	-	280	377
Revaluation of fixed asset	203	-	-	-	203
Restricted funds – UK projects	-	-	-	3,969	3,969
Restricted funds – D.J. Thomas	-	-	4,470	265	4,735
Restricted funds from acquisition of Fegans	-	-	-	31	31
	<u>305</u>	<u>39</u>	<u>15,963</u>	<u>6,041</u>	<u>22,348</u>
Foundation trust					
Permanent endowment	88	-	-	-	88
Permanent endowment DL Moody	-	-	398	25	423
Total	<u>393</u>	<u>39</u>	<u>16,361</u>	<u>6,066</u>	<u>22,859</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

14. TRANSACTIONS WITH TRUSTEES

During the year the charity reimbursed expenses of £2,836 (2021-22: £1,267) incurred by four Trustees (2021-22: five Trustees) in travelling to meetings and visiting projects. None of the Trustees have been paid any remuneration or received any other benefits from employment with the charity or a related entity.

15. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current or previous year.

16. TAXATION

Spurgeons is exempt from income tax and corporation tax on income and gains derived from its charitable activities as these activities fall within various exemptions available to registered charities.

17. OPERATING LEASE COMMITMENTS

	2023 Property £000's	2023 Equipment £000's	2022 Property £000's	2022 Equipment £000's
Minimum rentals falling due:				
Not later than one year	60	5	10	14
Later than one year, not later than 5 years	96	26	104	18
Later than 5 years	16	-	-	-
	<u>172</u>	<u>31</u>	<u>114</u>	<u>32</u>
	2023 Commercial (Lease) £000's	2023 Residential (Tenancy) £000's	2022 Commercial (Lease) £000's	2022 Residential (Tenancy) £000's
Minimum rentals falling due:				
Not later than one year	26	33	105	108
Later than one year, not later than 5 years	100	48	322	281
Later than 5 years	-	-	-	-
	<u>126</u>	<u>81</u>	<u>427</u>	<u>389</u>

18. ACQUISITION OF FEGANS AND DL MOODY TRUST

In financial year 2021-22, the assets and liabilities of Fegans and DL Moody Trust were transferred to Spurgeons and reflected as other income in the Statement of Financial Activities, as well as within each asset class in the Balance Sheet.

SPECIAL ACKNOWLEDGEMENTS

We would like to acknowledge the charitable trusts, foundations and funders who have supported our work over this year, and of course those who wish to remain anonymous. Their contribution to our work is valued enormously and we couldn't do what we do without it:

- The National Lottery Community Fund, Reaching Communities – Grant received for our Invisible Walls project: £99,510 (2021-22: £140,775).
- The Maurice and Hilda Charitable Trust – Grant received for our Invisible Walls project: £10,000 (2021-22: £10,000).
- Department of Health and Social Care; VCSE Health and Wellbeing Fund – Grant received for our Birmingham Forward Steps Perinatal Mental Health Project: £8,141.
- BBC Children in Need – Grant received for Birmingham and Wolverhampton Young Carers: £10,000.
- OPCC for Hampshire – Funding towards Invisible Walls: £15,000.
- National Lottery, Awards for All – Funding for Young Carers Festival: £9,720.
- Surrey Active Communities – Funding for Elmbridge Playschemes: £12,150.
- Colyer Fergusson Charitable Trust – Grant towards a Family Hub in Whitstable: £15,000 (2021-22: £15,000).
- Trusthouse Charitable Foundation – Funded Family Hub support in Ramsgate: £33,000 (2021-22: £33,000).
- Kent County Council – Awarded Reconnect grants for counselling & parenting support in Swale, Sevenoaks, Tunbridge Wells and Maidstone districts totalling: £23,500.
- Jerusalem Trust – Grant received for supporting church hubs: £25,000 (2021-22: £25,000).
- Benefact – Grant received through Brighter Lives fund towards parenting support: £10,000.
- Save the Children – Funding awarded for Our Space project in Margate: £24,000.
- Colyer Fergusson Charitable Trust – Grant received from their Rehabilitation fund to support Behind the Walls and Beyond the Gate work in Kent: £40,000.
- Benefact - Grant received from their Transformational Grant programme towards Digital Resources and Support for Family Hubs: £130,000.
- Sevenoaks Community Fund - Grant received towards Early Bird parenting awarded: £2,500.
- Warren Meadows Trust - Grant received towards Early Years and Early Bird resources: £1,500.
- Blueberry Wellbeing - Grant awarded for parenting support work: £15,000.

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES AND DIRECTORS

Alison Collins		
Christopher James		Standards and Outcomes Committee Remuneration and Trustee Recruitment Committee
Colin Jones	Appointed 13 July 2023	Finance Committee
David Buchan		Finance Committee
Elijah Kirby	Appointed 6 October 2022	
Jennifer Emery		Remuneration and Trustee Recruitment Committee
Linda Emery	Appointed 6 October 2022	Remuneration and Trustee Recruitment Committee
Michael Rebeiro	Chair of Trustees appointed 6 October 2022	
Michelle Brissett		Finance Committee
Nicola Rayner		Standards and Outcomes Committee
Philip Green		Standards and Outcomes Committee
Safron Rose	Resigned effective 6 October 2022	
Sarah Powley	Interim Chair of Trustees until 6 October 2022	Finance Committee
Sian Wrangles	Resigned effective 13 July 2023	
Timothy Elwell-Sutton	Appointed 6 October 2022	Standards and Outcomes Committee

Senior officers

Ian Soars – Chief Executive Officer

Paul Ringer – Deputy Chief Executive Officer (resigned at 20 April 2022)

Lorraine White – Director of Commissioned Services

Annelize Mynhardt – Director of Finance, IT and Corporate Services (from 11 July 2022)

Caroline Greer – Director of Fundraising and Transformation (from 25 July 2022 until 28 February 2023)

Don Esson – Director of Partnerships and Development (from 31 October 2022)

Registration details

Registered Office

Spurgeons

74 Wellingborough Road

Rushden

Northamptonshire, NN10 9TY

Registered Charity Number: 1081182

Company Number: 3990460

Professional advisors for the year ended 31st March 2023

Investment managers

Rathbone Greenbank Investment Management

8 Finsbury Circus

London EC2M 7AZ

Financial advisers

Crowe Financial Planning UK Limited

55 Ludgate Hill,

London. EC4M 7JW

Bankers

Barclays Bank PLC

4 Waterside Way, Bedford Road,
Northamptonshire, NN4 7XD

Lloyds Bank PLC

82 Mount Pleasant Road,
Tunbridge Wells TN11 1RP

Property managers

Goodsir Commercial

9-10 Domingo Street,
London, EC1Y 0TA

Solicitors

Anthony Collins Solicitors LLP

134 Edmund Street,

Birmingham, B3 2ES

Wilson Browne

Kettering Parkway South,

Kettering, NN15 6WN

Independent auditor

Haysmacintyre LLP

10 Queen Street Place,

London, EC4R 1AG

