

Statutory Report & Accounts

Year ended: 31 March 2018

Charity Number: 1081182

Company Number: 3990460



**SPURGEONS
STATUTORY REPORT & ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2018**

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Reference and Administrative Information

Trustees, officers and professional advisors for the year ended 31 March 2018.

Chair of Trustees

Stuart Cornwell OBE (resigned as chair 1 Dec. 2017)
Andrew Caplen (elected 1 Dec. 2017)

Trustees and Directors

Andrew Caplen (elected to board 28 September 2017)
Stuart Cornwell (retired as trustee 31 March 2018)
Simon Beresford
Natalie Cronin
Timothy Elgar (resigned 28 September 17)
Robert Groves CBE (resigned 28 September 17)
Philip Inch (resigned 28 September 17)
Sarah Powley
Safron Rose
Carol Russell (resigned 28 September 17)
Justyn Singlehurst (resigned 28 September 17)
Romaine Thompson
Helen Watson
Ruth Vincent (resigned 31 May 18)

Executive Team

Ross Hendry – Chief Executive
Paul Ringer – Deputy Chief Executive
Sue Gillespie – Chief Operating Officer

Independent Auditor

haysmacintyre
10 Queen Street Place
London EC4R 1AG

Investment Managers

Epworth Investment Management Limited
9 Bonhill Street
London EC2A 4PE

Registered Office

74 Wellingborough Road
Rushden
Northamptonshire
NN10 9TY

Bankers

Barclays Bank PLC
4 Waterside Way
Bedford Road
Northamptonshire NN4 7XD

Property Managers

Hindwoods
Chartered Surveyors
1 Charlton Road
Blackheath London SE3 7EY

Solicitors

Wilson Browne
Kettering Parkway South
Kettering NN15 6WN

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham B3 2ES

Our History: a practical response to a heartfelt mission

In 1867 Baptist preacher Charles Haddon Spurgeon, motivated by his faith, reached out with compassion and hope to the most vulnerable and marginalised in society. In his own account of our founding, just at the time he received this calling, he was approached by the other key person in our story.

Anne Hillyard read an article on Jesus' life and teaching by Spurgeon, who was recognised as one of the greatest figures of nineteenth century Britain. The article was about the Christian call to tackle social needs, and immediately Anne told a close friend of her intention to respond.

Within weeks, Anne had pledged a £20,000 legacy (around £2.5 million today) to Charles Spurgeon for the very specific purpose of helping improve the lives of desperately vulnerable children in Victorian England.

It was thanks to this gift, that Spurgeon and a group of supporters opened an orphanage in Stockwell (South London) to care for boys living on the streets or whose parents could not look after them. Ten years later, it opened to girls and by the time the girls' dormitories were complete, over 500 children lived there.

From this beginning, through to relocating to Kent in the 1940s, and onto developing 'foster' style homes in the 1980s, our Christian faith has always guided our mission, values and hope for children and families.

150-years on, we are still very much at the heart of communities, delivering intervention and support services to improve the lives of vulnerable children and families. Today, we work in partnership with local authorities; community groups and churches to continue our mission to give every child the opportunity and hope of a better life.

Legal status

Spurgeons is a company limited by guarantee registered in England under number 3990460 and with a registered charity number 1081182. The financial statements set out on pages 26-41 include the results of the unincorporated charity, Spurgeon's Child Care. The unincorporated charity retains the permanent endowment. The unincorporated charity (no. 307560) is treated as forming part of the incorporated charity (no. 1081182) for the purposes of Part II (registration) and Part VI (accounting) of the Charities Act 2011 following the issue of a uniting direction for accountancy and legal purposes, which was issued on 7 April 2005. The two charities are accordingly registered under a common registration number (no. 1081182) and the Trustees prepare a single set of financial statements for the whole entity, within which the individual parts may be reported separately.

Spurgeons Charity Object (as set out in our Articles of Association)

Spurgeons charitable object, which is carried out in the context of the charity's Christian foundation and history and is for the public benefit, is to advance in life and help children and young people, their families and carers who are in need of care and protection, in particular but not exclusively, by the provision of education, support services, social care, maintenance, vocational training and financial assistance.

Chairman's Welcome

The coming year 2018/19 is an exciting time for Spurgeons Children's Charity, as we continue to make great strides towards achieving our vision to give every child a hope-filled life.

Last year saw us celebrate our 150th anniversary - a great tribute to our founder, Charles Haddon Spurgeon, and also the many staff and board members who have done their bit to steward us throughout the years.

The 2017/18 financial year was a further pivotal time for us as a charity, as we also looked to review and refine our central functions and processes to ensure they are fit to continue meeting the needs of the vulnerable children and families for generations to come.

We were awarded a number of exciting new contracts, expanding our geographical reach further across England. These include the launch of a ground breaking 'early years health and well being' partnership with other charities and providers in Birmingham; the roll out of our Separated Parents Information Programme (SPIP); and our appointment to deliver family support services in 12 UK prisons.

All of this marks an important moment in time for the charity as we continue to ensure our services meet the needs of the families and children we're here to support.

In founding this Christian children's charity in 1867, C. H. Spurgeon vision was a direct response to his personal faith. As Jesus instructed in John 15:12 "My command is this: Love each other as I have loved you". Spurgeon demonstrated this through the opening of our first orphanage, giving 'hope to the hopeless' and supporting the plight of 'fatherless boys' in Victorian London.

Though the face of our work has, of course, changed dramatically since then, but the motivation behind doing so has not.

As we look to embark upon the next chapter of our 150 year story, it is vital that we ensure the safeguarding of our legacy for the years to come. Key to this is keeping our Christian faith at the heart of all that we do and ensuring we live out our values of Hope, Compassion and Inclusion at all times.

I thank all of you who have joined us in the successful delivery of our mission this year. Without you, our supporters, and our dedicated team of staff, volunteers and trustees, it would not be possible.

Blessings always,

Andrew Caplen
Chair of Spurgeons' Trustees Board

Chief Executive's Review

Show me the businessman or institution not guided by sentiment and service; by the idea that "he profits most who serves best" and I will show you a man or an outfit that is dead or dying."

C.H. Spurgeon

In 2017 Spurgeon celebrated its 150th anniversary. Across these generations, we have sought to remain faithful to our mission of providing a better present and more hope-filled future to vulnerable children. We do this by using our expertise and living our values that are rooted in the bible and that would be familiar to our founder, Charles Spurgeon.

In challenging times we believe that this is at the heart of what makes us successful in transforming the lives of thousands of children and families across England. It's a legacy worthy of the Prince of Preachers.

The last four years have been some of the most successful in our history, in the number of families we have contacted; the number of children protected from harm; and the diversity and complexity of work undertaken. And finally, but not insignificantly in today's climate, in the way our financial responsibility has provided a firm foundation for the season ahead.

Our founder once wrote "it is not well to make great changes when you are older." If that is the case then we at Spurgeons still consider ourselves young because over the past year we undertook a significant restructure of our central functions and upgraded many of our systems and infrastructure. We did this to ensure we continue to provide excellent and efficient support for our projects and services now and for many years to come. I thank all the staff who have worked tirelessly to ensure these changes provide the results we expect.

This significant year has also seen great success in extending our reach. In May we were part of a successful partnership that now delivers early years and health services across Birmingham. This is the largest value piece of work we have ever undertaken. This year also saw us extend our work with families impacted by imprisonment, (almost doubling our footprint to now work in 12 prisons), and deliver more work on behalf of Cafcass with separated parents, so that they better understand the impact of separation on their children.

We also embarked and invested in new partnerships with organisations like the Mothers Union that share our values and want to work with us to help vulnerable families. Churches continue to play a special and important role in our work and we extended our Together for Families project to cover more areas and work with more churches to reach isolated families.

It is also a year when we wanted to tell others about our work, and to speak up on behalf of those who use our services. In October we hosted our first ever Parliamentary reception, which followed the publication of our first Parent's Report, and greater integration of campaign work between our communications and fundraising teams. These are just some of the many activities that brought us to the attention of many more people in the last year, and demonstrate the ongoing importance of our work. After 150 years many of the needs we meet remain the same, as does our commitment to live our values through the mission to transform children and young people's lives.

Yours faithfully,

Ross Hendry, Chief Executive

Strategic Report

Activities – Who we are and what we do

We are a Christian children’s charity. Our work is inspired and motivated by the Christian faith and our ethos is core to who we are. **This inspires our mission to provide support for children, young people and families who are experiencing difficulties or challenges so that they can have a better present and a hopeful future.**

Spurgeons is committed to delivering its mission by working with children, young people and families who:

1. are disadvantaged or struggling to cope with their difficulties;
2. carry emotional burdens and heavy responsibility; and,
3. have been, or are, at significant risk of being harmed or exploited.

Through the delivery of support and intervention services and by speaking up on behalf of those who need us most, we give vulnerable and disadvantaged children and families the chance they need for a better present and more hope-filled future. Over the last year we have reached over 23,000 children and young people and over 57,000 adults, working in partnership with local communities across the country.

“You were there for me when I was sad.”

Achievements and performance – making a difference

With a history spanning 150 years, we are committed to giving hope to every child. We support the most vulnerable in what can often be difficult and traumatic times in their lives. In the last year alone, we have taken action 366 times to protect over 554 children and young people (including siblings) from neglect, harm or abuse. We were also awarded a number of key grants that will see us deliver life changing work for young people who have been sexually exploited; those who are self-harming and girls who are trying to escape gangs.

- **We delivered 64 services** across England – including early help; children centres; young carers; Together4Famillies; CSE; Self Harm & DVA.
- **Over 96%** said **we made a difference** in their lives ('Good' or better).
- **97%** of those we supported rated the way **we treated them as 'good' or better.**

In November 2017, we were recognised for our Youth Participation work after one of our young carers won the Children and Young People Now Awards Children’s Achievement accolade; and were highly commended for their Charity of the Year Award. We also achieved our ISO 9001:2015 accreditation, which demonstrates and recognises the

robustness of our quality management systems and the standards that we apply across the charity.

Spurgeons Vision is to see all children and young people equipped, empowered and inspired in ways that enable them to realise the fullness of their potential.

“Spurgeons has a dynamic, solution focused attitude. They have a strong desire to improve outcomes for all of the children and families. Systems have been revised to achieve very good results and partnerships are exemplary”. Lucy-Anne Bryant, Wiltshire Council’s Lead Commissioner

Fundraising

Thanks to our compassionate donors and grant partners, we raised £1,242,472 towards our work with the UK’s most vulnerable children and families. We take pride in our fundraising standards and practice and continue our commitment to being accountable to our partners and supporters. We currently have a wide range of fundraising activity across Spurgeons Children’s Charity. The majority of our income comes from our grant funding partners, from whom we’ve raised £797,472 in institutional grants. We have also received £34,162 in restricted individual donations.

In 2017 we increased our fundraising to include event participants, community fundraisers and groups. These people not only fundraise, but also generously give their time in support of our work. We are extremely grateful for the support our individual donors who have kindly given us a total of £254,422 over the course of the year. We are grateful for the generous legacy and in memory donations of £156,747.

Included in our work are a number of churches and trusts and foundations, who gave generously in the support of our work with other organisations to design and produce some of our fundraising material. We carefully select and monitor our partners to ensure our ethical standards, values, practices and policies are upheld.

We regularly monitor our campaigns, through taking telephone calls, delivering face to face events and speaking regularly with our supporters for feedback. We then work with any of our partners involved in the campaign to continually improve our service.

All of our policies and procedures are informed by the Code of Fundraising Practice and our compliance is ensured against recommended best practice as well as legal practice.

We undertook a project to re-write a number of our policies that form the basis of our Fundraising activities – In light of GDPR changes and the Fundraising Regulators guidance, including those around, donations acceptance and refusal, responding to complaints, managing refunds, storage and provision of data, use of our website cookies. Our Fundraising Compliance Pack comprises of all of these policies. We keep this pack under regular review and ensure it is shared with the whole team and any partners as an ongoing resource.

We are committed to open and honest communication with our supporters and members of the public in a way that they are comfortable with and welcome. We will always update our ways of communicating based on feedback and research.

A total of 16 complaints were received about our direct mail fundraising activity in the year. We worked with each complainant to understand their concerns, updated them on any actions we’d taken as a result and made changes where we needed to as a result.

We are able to build on the work we have done across 2017 in 2018. We have developed new areas of fundraising that have brought new supporters on board and we look forward to continuing the

journey with a commitment to great fundraising in 2018/19. This coming year is going to be a year of incredible change across the sector, and we feel prepared to ensure that we uphold the highest possible standards of fundraising.

We continue to remain wholly committed to work that transforms the lives of disadvantaged children in the UK, and their families.

Our work with churches

One of the main expressions of our partnership with churches is through Spurgeons Together for Families programme. This programme is now successfully running in Peterborough, Northamptonshire and Wiltshire and will soon to start in Birmingham. Its objective is to link Spurgeons services with local churches and communities in order to run groups and activities for families affected by social and geographic isolation.

Working with our children's centre teams and services in these areas, our Together for Families staff have delivered sessions, groups and training to 27 churches over the past year, with contact with a further 27 who are looking at what work can be done in 2018-19. This is helping extending the reach of Spurgeons support across these communities.

Alongside our work with children and families affected by imprisonment, we are building stronger connections with HM prisons chaplaincy teams and local churches, using the Prisons Week of Prayer as a joint focus for generating awareness, prayer and involvement on both the inside and the outside of the prison walls. Last year we delivered work with 6 different chaplaincies and were integral to delivering Prisons Week that represents 19 different Christian organisations working in prisons.

In addition many of our services work with churches at a local level through providing space where we can deliver our work, volunteers who work alongside our staff and donate financial support locally and nationally.

Our volunteers

Volunteers play a vital role in helping us to deliver services across the country. As well as ongoing training and development opportunities, all our volunteers work closely with a lead mentor, who is responsible for their day to day support. In the last year, 194 people volunteered their time with us, helping to support vulnerable children and families. Roles undertaken include family support and play work in prison projects, as well as family and administration support in our children's centres. As well as providing support directly to our children's services, we also opened up new volunteer positions, recruiting both Fundraising and Public Speaker Volunteers. Our Volunteering programme received a Highly Commended at the 2017 Third Sector Awards.

Raising our profile

Our brand profile continued to increase in 2017/18, with the ongoing development of media opportunities and success with securing coverage. In April 2017 we launched the Parent Report, having undertaken a survey amongst 2,000 parents with children aged 18 and under, looking at their fears, hopes and aspirations for the future. Key findings showed parents' top concerns are low self-esteem and unhappiness; and that they felt there was a lack of support available to them. The Parent Report highlighted the key findings and showcased our work in this area. Fourteen pieces of

coverage were achieved – including an online piece in the Guardian Society online; a number of radio pieces and key blogs.

We also raised extension awareness of the mental health crisis affecting children, reporting the rise of mental health admissions. This followed a freedom of information (FOI) request, which revealed 60% of children denied mental health treatment. We had over 20 hits in the national media, with features appearing in the Guardian, Independent and main sector and Christian media titles.

Our Work in Stories & Numbers

Our work in numbers

- **23,752** children and young people and 57,210 adults came into contact with us over the 12 months to 31 March 2018.
- **2890** children and adults received a **personalised casework service**.
- **15 different evidence based programmes** have been delivered through our **64 high quality** services.
- We employed an average of **322 members of staff** over the year.
- **57%** of service users self reported improved boundaries or behaviour.

Speaking out against domestic abuse

Sarah, who lives with her three children and military husband, felt isolated in her community and was frustrated with living the “army life”. Struggling with depression and anxiety, she felt trapped in an abusive relationship, the extent of which she felt unable to share with anyone. She had little support from family who were so far away and had no friends to turn to.

Around 1.9 million UK adults aged 16-59 experienced domestic abuse in the last year.

A referral to the Children’s Centre was the turning point Sarah needed to move forward and to forge a safe and secure life for her and her three children. Through the support she was given by her Family Support Worker, Sarah gained the strength she needed to demand changes that would make a better future for herself and her family.

Sarah’s Family Support Worker helped her to attend a You and Me, Mum course (a domestic abuse support course) at the Children’s Centre. The course gave her a safe haven to share her experiences with others who were in a similar situation. She began to recognize the effect the abuse was having on her and her children. As the Family Support Worker built up Sarah’s self-confidence week by week, she finally felt empowered to speak out to professionals about the extent of the abuse and demand changes.

Sarah was able to recognize the effect of the abuse on her and the children and make a stand and her husband agreed to access a local perpetrator’s course to change his behaviour. He is working to gain an understanding in how his actions affect Sarah and the children and address his behaviour. The course also helped Sarah forge new friendships, giving her a much needed support network in her local community. The Family Support Worker helped Sarah to access local Health Trainer support to help with her anxiety and low self-esteem.

Sarah's newly found confidence has seen her join a local sports club, something she never thought possible before the help of her Family Support Worker. She is also coping better with her depression, and continues to work with the Health Trainer to address her anxiety.

Getting to grips with mental health

Alcohol dependency and poor mental health often go hand in hand, with devastating effect. When KH, who had struggled for years with both illnesses, suffered a miscarriage, the grief was too much to bear and things came to a head for her family when she tried to take her own life. As part of her recovery, she was put in touch with our team at Spurgeons, in the hope that their support could help this family find its feet again.

With a two year old and five year old at home, and two older siblings no longer living with the family, KH and her partner, DM, had been working with Social Services and other support services on and off for eight years. As she tried to rebuild her life after her miscarriage, KH made the heart-breaking decision that it was better for her children if she left the family home for a time, leaving DM to cope as a single parent.

The whole family had reached crisis point. They had rent arrears stretching back over seven years, KH was unable to cope with day to day life without anti-depressants, but had no support to help her resolve the underlying causes of her depression. At just five years old, RM was showing signs that he was unable to cope with the trauma at home, with challenging behaviour and developmental issues becoming evident.

Our team could see that we were working with parents who desperately wanted to do the right thing for their children, but who were mentally exhausted and no longer able to cope alone. We quickly established a plan of action, helping the family to access services from multiple agencies, and working with the children to help them feel safe and secure. The first priority was to work with DM, helping him to bring some stability to the family home, by supporting him to adapt to life without KH. We also worked closely with RM to help dad find ways to manage his behaviour. We also supported KH to help her recover her mental health, to understand the triggers which spark her depression and alcohol abuse, and to help her build greater resilience.

DM welcomed both practical and emotional support from our team. We started with the essentials, such as helping to transfer the tenancy agreement to DM's name, clearing the rent arrears on the property from his account, arranging for a new kitchen to be installed, and planning the children's school routine. We then helped the whole family agree a way forward to enable KH to enjoy positive and fulfilling weekend visits with LM and RM. With support, DM has been able to find time for himself and look after his own mental health, as well as working with the father of LM and RM's half brother and sister to ensure the children are able to develop relationships with their siblings.

The family's openness to support has meant that we have been able to work with them towards some incredibly positive outcomes. LM is at full time school and is coping well and meeting her mile stones. She is happy and sociable, a keen reader, and has made lots of friends.

We have worked directly with RM, and coached his parents to manage his behaviour. DM has found that by creating a much more stable routine at home and at school, RM has become a happier and calmer little boy. RM has had help with developing boundaries, play and development as well as

listening and sharing. DM has worked with the team to help him identify the needs of his children, including seeking help with some speech and language concerns identified with RM.

Through learning to understand what his children need, and how to give them a loving, stable environment, DM has been able to put steps in place to allow them to thrive. Whilst KH has established a good routine of visiting the children at the weekends, as long as DM is present. She is still battling with her alcohol addiction and continues to receive support with this. We will continue to support KH for as long as she needs us.

Our five year strategic goals: what we said we would do in 2017/18

We said we would:	How did we do?
<p>1. Evidence the impact we have on the lives of those we work with, by:</p> <p>Implementing and embedding the Spurgeons' Outcomes and Impact Framework across all of our services and work. This reflects our commitment to demonstrate the difference we make to children and families.</p>	<p>The Spurgeons Outcomes & Impact Framework has been introduced to service managers who have been with Spurgeons during 2017. This has been extended into Theory of Change workshops to help service-based staff make use of the framework and link it directly with their work. This workshop has been delivered to 17 services to date, with more scheduled for 2018/19.</p>
<p>2. Be recognised for delivering innovative, high quality services, by:</p> <p>Implementing our 'Contract Plus' model across each area where we have a significant service footprint. That means we will go above and beyond simply delivering a contract or basic service and look for ways to develop, fund and sustain work that gives the vulnerable children and young people we support a better present and more hopeful future.</p>	<p>Over the last year we have continued to invest in the areas where we have a significant service footprint raising additional funds and investing our own reserves, recruiting volunteers, to do additional work consistent with our mission and existing services; recruiting volunteers; and securing local partnerships that has delivered help and support in-kind. This has led to new voluntary funded work in Birmingham, Wiltshire, Peterborough and East Northamptonshire; volunteers and in-kind help received from churches and other community groups and institutions of services in the large majority of our services. In 2018/19 we will aim to begin to quantify this contribution.</p>
<p>3. Influence change by speaking-up on behalf of those with whom we work, by:</p> <p>Using the 150 years' experience and expertise of supporting children to raise the profile of children and young people we work with by highlighting these families' concerns, challenges and aspirations.</p>	<p>We reached over 869,979 people on our social media platforms; our website received over 90,000 unique visits; 2,800 people follow us on Twitter; 2,280 people follow us on Facebook; and we received over 382 mentions in the media. We also achieved 289 press cuttings, with noteworthy mentions in the Guardian, Independent and on BBC's Songs of Praise. Moving forward, we will be looking to further develop our digital platforms and campaigning to build on</p>

	this work and ensure we can be a voice for the children and families we are here to support.
<p>4. Achieve financial sustainability that enables maximum resources to be used directly on realising our mission:</p> <p>By implementing a change programme that both renews some of our central systems and processes and refreshes how we organise our central support groups of staff so that we are better able to efficiently meet the needs of children and families.</p>	<p>We achieved our ambition through a major re-organisation of our central office functions. This has reduced our core central costs running costs by approximately 15%. To further increase efficiency we implemented a new electronic case recording system for our services and a new finance system to make managing our money easier and more efficient. We will continue to look for efficiencies and introduce more efficient processes and systems to other areas of work in 2018/19. All these changes ensure we keep focusing our resources on work that transforms lives.</p>

Our Ambitions for 2018/19

We remain committed to our mission in the year ahead and recognise that in an increasingly challenging environment we need to be absolutely clear about what we are trying to achieve. Our theme across all of staff and volunteers for the coming year is “doing our job well and living our values.” Far from being elementary this is the foundation of the excellence we strive for.

To give clarity over how we will make progress in realising our strategic objectives we have published Spurgeons Key Performance Indicators in the form of a Scorecard for 2018/19 that has been shared with every member of staff. The indicators are designed to inform us of how well we are doing against our mission – not just as a whole charity, but at the level of each project, team and individual.

These ambitions are part of that scorecard and reflect some of our more important strategic targets over the next year, which are to:

1. **Evidence the impact we have on the lives of those we work with by**
 - being able to evidence improved outcomes for majority of users (having implemented the Spurgeons Outcomes and Impact Framework across our services and projects).
 - attaining service user and stakeholder satisfaction rates of at least 97% (2017 baseline) – this demonstrates the difference our service users feel we have made to their lives.
2. **Be recognised for delivering innovative, high quality services by**
 - living our commitment to ‘Contract+’ that means being able to demonstrate that Spurgeons has added at least 10% added value to each contract area of work; and
 - improving organisational effectiveness through up to date policies, simplified processes and improved cross-functional working.
3. **Influence change by speaking-up on behalf of those with whom we work by**
 - developing partnerships that amplify our impact, voice and reach on behalf of vulnerable children;
 - over 80% of our staff and volunteers feeling engaged and stating they believe Spurgeons lives its values; meaning our staff and volunteers become our best advocates.

4. **Achieve financial sustainability that enables maximum resources to be used directly on realising our mission by**
 - Our delivery projects (services) working within agreed budgets; and increasing efficiency and effectiveness across all the central support teams in order to deliver financial sustainability;
 - achieving a turnover of over £13 million based on new income, diversification of income, and partnerships.

Governance and Management

Governance

The main Board meets quarterly, with Sub-Committees delegated to oversee specific aspects of our work and to ensure effective governance. The Sub-Committee structure is as follows:

- External Communications and Fundraising - to maximise communication and fundraising opportunities. This Committee was suspended in December 2017 with the approval of the Board. The essential business covered by the Committee is now addressed directly by the Board.
- Finance - to oversee all financial aspects including setting and managing the internal financial controls, budget setting, management against budget, and investment policy appraisal.
- Remuneration - to review the performance and remuneration package of the Chief Executive, the Deputy Chief Executive and the Chief Operating Officer.
- Standards & Outcomes - to undertake a due diligence role to scrutinise, challenge and support our work with children and young people.

In addition, Safeguarding and Health & Safety Panels provide key forums for monitoring certain elements of our performance. There is Trustee oversight on these Panels, through the minutes and actions of these meetings being reported to the Board. This monitoring ensures that they remain subject to the Board's agenda. Trustees are invited to visit projects, and have full access to the results of participation forums including results of our annual staff survey and analysis of staff appraisals ensuring they have an accurate picture of the charity from different perspectives.

In September 2017 Spurgeons adopted new Articles of Association. These had been subject to discussion at several Board meetings and approved by the Charity Commission before being adopted by the Trustees and members. One of the key differences in the new Articles was a new charity object that is stated on page 4 above. In addition changes were made whereby only existing Trustees are members. Trustees cease to be members when they retire as trustees.

Trustees are appointed through a fair and open selection process that may be managed directly by the charity's staff or by an external agency approved by the Board. The recruitment process is approved by the Board and candidates interviewed by delegated Trustees, before being invited to attend a Board meeting as an observer. Candidates are elected on to the Board by a vote of the Trustees present, and appointed for a period of three years, after which they are eligible for re-election for one further term. This may be extended in exceptional circumstances. New Trustees receive an induction programme and are assigned a mentor from among the existing Trustees to work alongside them during their induction period. Details of the names of the Trustees at the date of this report, and changes in the year are set out on page 3.

Previously the Chair has been elected from within the Board triennially for two terms. Our new Articles of Association allow a Chair to be appointed directly onto the Board as Chair, following the same rigorous selection process as outlined for Trustees. In September 2017, following a recruitment process that involved several stages of discernment a new Chair Designate was elected by Trustees to join the Board. He took up the position of Chair in December 2017 following the planned resignation of the outgoing Chair who retired as a Trustee in March 2018. This process allowed for a smooth transition and induction to be realised.

The Board of Trustees seek to maintain the highest standards of governance. In July 2017 the Board approved the Charity Code of Governance as its benchmark and delegated two Trustees to undertake an audit of our policies, procedures and structures against the Code. This process confirmed good practice across much of our work, but suggested areas where further work would be useful. Therefore, during 2018 Trustees have begun work on refreshing sub-committee Terms of Reference and have produced clear role descriptors for Trustees, Sub-Committee Chairs and the role of Chair of Trustees.

Management

The Trustees delegate the management, development of strategy and overall leadership of the Charity to the Chief Executive, who leads an executive team that includes the Deputy Chief Executive and the Chief Operating Officer. The Chief Executive is also the Company Secretary.

A Corporate Leadership Team (CLT) has been established in order to share decision-making about the organisation's direction and management with a wider group of people and to ensure that decisions are made quickly and as close to the frontline as possible. It is formed of a group of senior managers who, together with the executive team, play a key role in shaping and leading the Charity's strategy and future development.

Christian engagement

Our Christian engagement is managed directly by the Chief Executive, linking our services with churches and faith based organisations as well as supporting churches to develop their work with children and young people. This work is integral to our ethos as a Charity founded on its Christian values. As part of this, we seek to encourage partnership working across the wide range of Christian denominations and within the local communities we deliver services. We also provide a number of bespoke resources to further engage them to support vulnerable children and families.

Equal opportunities

One of our core values is to be inclusive. This means we recognise each person as a unique individual, treating them with respect and celebrating diversity. We express this through our equality and diversity policy. This policy clearly states that we will provide equal opportunities to all job applicants and employees regardless of race, nationality, ethnic origin, marital status, religion or belief, gender, disability, sexual orientation, age or employment status.

Full details of our equal opportunities policy can be found on our website: www.spurgeons.org

Communicating with employees

Effective internal communication is essential to delivering excellent services and expressing how we value one another's contribution to providing children and young people with a better present and more hopeful future. We seek to provide regular and clear communication to all our colleagues, providing opportunities for staff to meet one another and express their views to managers and leadership.

In addition to our regularly updated Intranet, we send every member of staff a monthly Essential Briefing outlining the key developments and news from across the Charity, and managers also receive a supplementary quarterly briefing with content specifically designed for them. Our Chief Executive and executive team undertake regular visits to all services and proactively encourage a culture where all staff can discuss their work and share their expertise with their colleagues at all levels within the Charity. We also have an annual staff day that allows colleagues to get together and share best practice, as well as to network with each other and keep up-to-date with Charity wide developments.

We are proud that in our last staff survey (November 2016) 98% of respondents said we were inclusive – that is they agreed with the statement, 'My working environment is accepting of differences in cultural and ethnic backgrounds and lifestyles'. This gives us great confidence - but not complacency - that we are successfully striving to live out our core values.

Remuneration of key management personnel

Spurgeons operates a clear and transparent Senior Executive Pay policy that is approved annually by the Board of Trustees and implemented by a Remuneration Committee that meets at least twice a year.

In determining pay for all staff, Spurgeons will fully implement the recommendations and principles of NCVO guidance and adhere to the five principles of ACEVO guidance on good pay:-

- Transparency – being open about how pay is set
- Proportionality – being fair and consistent
- Performance – ensuring pay works both for the organisation and those for whom we provide services
- Recruitment and Retention – to attract and retain talented and committed staff
- Process – ensuring a clear process underpinned by appropriate policies and procedures

Staff are paid in line with NJC pay structures and pay awards to these staff are guided by the NJC advice with proposals for cost of living increases being brought to the Board following discussion and recommendations from the Finance Committee. We pay all our staff at least the hourly rate defined by the Foundation for a Living Wage.

A full copy of our remuneration policy can be found on our website: www.spurgeons.org

Investment management

Our powers of investment are governed by the provisions of the Trustee Act 2000. We operate an ethical investment policy which specifically excludes investments in companies where there is evidence of child exploitation or pornography, or where there is a substantial dealing in tobacco, gambling, alcoholic drinks, military hardware or pay-day lending. So far as is practical our Trustees seek to protect the income derived from the investment asset base because it helps fund an essential part of our charitable activity. Our non-property investments are held in Common Investment Funds under the

management of Epworth Investment Management Limited. Epworth Investment Management has a social, environmental and ethical investment policy that is consistent with the aims and objectives of the Charity.

The funds have been set up so as to retain an approximate 75:25 split between equities and fixed interest securities and corporate bonds as set out in the Charity's investment policy. The investments are reviewed quarterly by the Finance Committee. As permitted by the Charity's Memorandum and Articles of Association, our Trustees have given the investment managers discretion to manage the investment portfolio within an agreed risk profile.

A review of the terms and conditions of the investment manager appointment is made every three years and a re-tendering process will be carried out next year. The investment managers' performance is monitored against a set of benchmark total returns for the different classes of investment. The investment managers' target is to out-perform the benchmark index for total return by at least the amount of their fees.

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 are considered annually by our Trustees. A full professional valuation of the investment property portfolio was commissioned from our property managers as at 31 March 2014. The Trustees have increased the valuation of the total property portfolio this year due to indexation by a sum of £18,000. In addition, a property which became vacant after the end of a lifetime free tenancy agreement has been revalued by £110,000 to reflect market value. The Charity's non-property investments generated an unrealised loss of £23,000 on year-end valuation. At 31 March 2018 the total increase in the valuation of investments (Note 9) included in these accounts is a sum of £105,000 (2017: £811,000).

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. Clearly current political uncertainty around Brexit negotiations may impact the planning going forward. As a result of a strong cash flow and budget position there have been no property disposals during the year.

Reserves policy

Our policy on reserves is subject to an annual review 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 the year ended 31 March 2014 a designated fund was set up for central office development from the profit and revaluation of investment properties. At the year-end 31 March 2018 the value of the Central Office Development Fund was £2,614,000. We are currently reviewing our property and likely future requirements and it is expected that in the next three years this fund will be utilised to provide the appropriate infrastructure for the long-term purposes of the Charity. During the year ended 31 March 2018, £nil (2017: £nil) of this fund had been utilised.

At March 2016, a new designated Property Investment Fund was established to utilise the sums invested in property for the provision of income for charitable purposes with a sum transferred in of £4,264,000. As at 31 March 2018 the value of the Property Investment Fund was £4,042,000.

At the end of 2017 the Trustees agreed that £1,500,000 of reserves should be designated to directly develop and enhance our work with vulnerable children and families over the next three years. A Service Development Fund of £1,500,000 has been set up to reflect this.

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

- Loss of unrestricted income as a result of the closure of major pieces of work or failure to retain commissioned work on re-tender
- Failure to achieve necessary fundraising targets, including a drop in legacy income
- Fluctuations in investment income, especially with the uncertainties around Brexit negotiations
- Working capital for payments made in arrears
- Future significant project deficits
- Cash flow requirement necessary to fund the ongoing, planned operating deficits over the next three years
- An event having a major negative reputational effect on the Charity

Without a sufficient level of free reserves to cover the financial impact of factors that may be largely outside our control, our ability to safeguard the current level of charitable work would be rapidly undermined and could ultimately lead to a withdrawal of services. As a service-based Charity with long term commitments to children and young people, an appropriate level of freely available reserves is a vital requirement for stability by smoothing out ebbs and flows in fundraising and other income. The use of unrestricted reserves over the past few years, and our financial projections for the immediate future, demonstrate our commitment to continuing our work with disadvantaged children. Our intention is not to accumulate funds unnecessarily, but to use them in a prudent and efficient manner to enhance the future lives of the many children and families with whom we work.

Based on the above assessment, the Trustees have estimated that the level of free reserves required to mitigate against the identifiable risks is approximately £1.2 million at 31 March 2018. A number of contracts came to an end at 31 March 2017 although a significant portion of their value have been replaced by confirmed contract wins including the large contract with Birmingham City Council in partnership with other providers. The Trustees are also aware that, as a result of the challenging and uncertain economy, public expenditure cuts and the investment in the infrastructure of the Charity, unrestricted deficits in the region of £830,000 may be incurred over the next three years.

The level of free reserves is represented by the General Fund, which at year-end totalled £2,930,000 (2017: £3,433,000) a decrease of £503,000 (2017: £656,000 decrease) from the previous year representing approximately 11 weeks (2017: 15 weeks) of planned operating expenditure. Given the above factors the Trustees therefore anticipate that the current level of free reserves will be sufficient to cover the identifiable risks and possible future deficits.

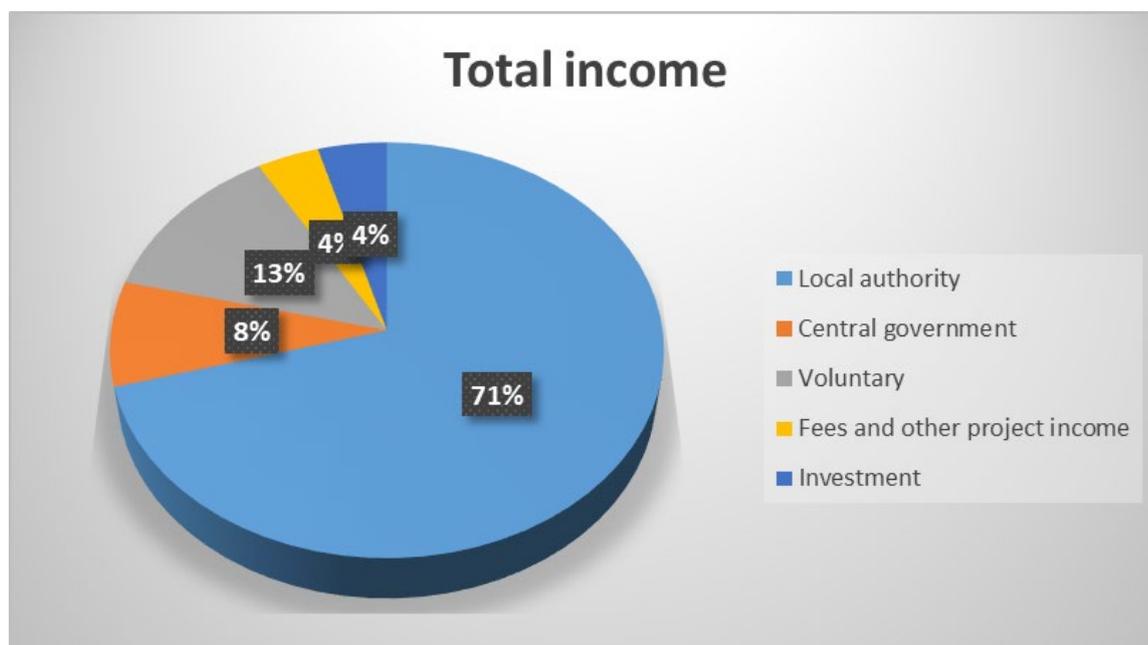
Financial Review

The Statement of Financial Activities on page 26 shows that this has been another year of financial stability for Spurgeons despite the restructure in the central support teams. The result for the year is a loss before gains on investments of £128,000 (2017: surplus £9,000). The net operating deficit of £128,000 comprises of an unrestricted deficit of £602,000 (2017: surplus £88,000) and an operating surplus on restricted funds of £474,000 (2017: £79,000 deficit). Despite the fall in total income by 22% to £10,286,000 (2017: £13,209,000), the reduction in total expenditure has again been carefully managed at £10,414,000 (2017: £13,200,000), in spite of the additional restructuring costs to achieve another strong operating result in the face of adverse economic conditions.

In addition, the net assets of the Charity have again been considerably enhanced by gains in investments. During the year the asset value of the Epworth investment portfolio fell by £23,000. In contrast, changes in property values resulted in unrealised gains on property assets of £128,000. In total this resulted in unrealised gains for the year of £105,000 (2017: £811,000).

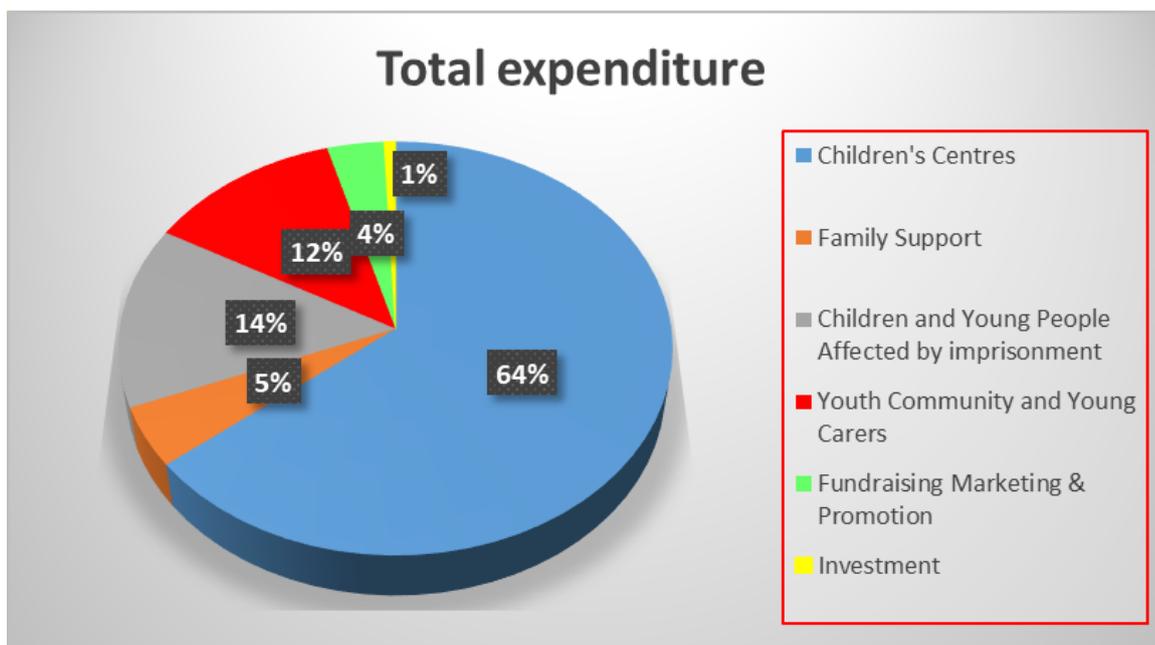
The net outcome for the year resulted in a reduction of unrestricted funds of £507,000 (2017: £626,000 increase), an increase in restricted funds of £484,000 (2017: £194,000 increase) and total funds decreasing by £23,000 (2017: £820,000 increase). The total net assets at year-end are £16,691,000 providing a strong financial base which has been developed in recent years from growth in retained assets.

Total income £10,286,000



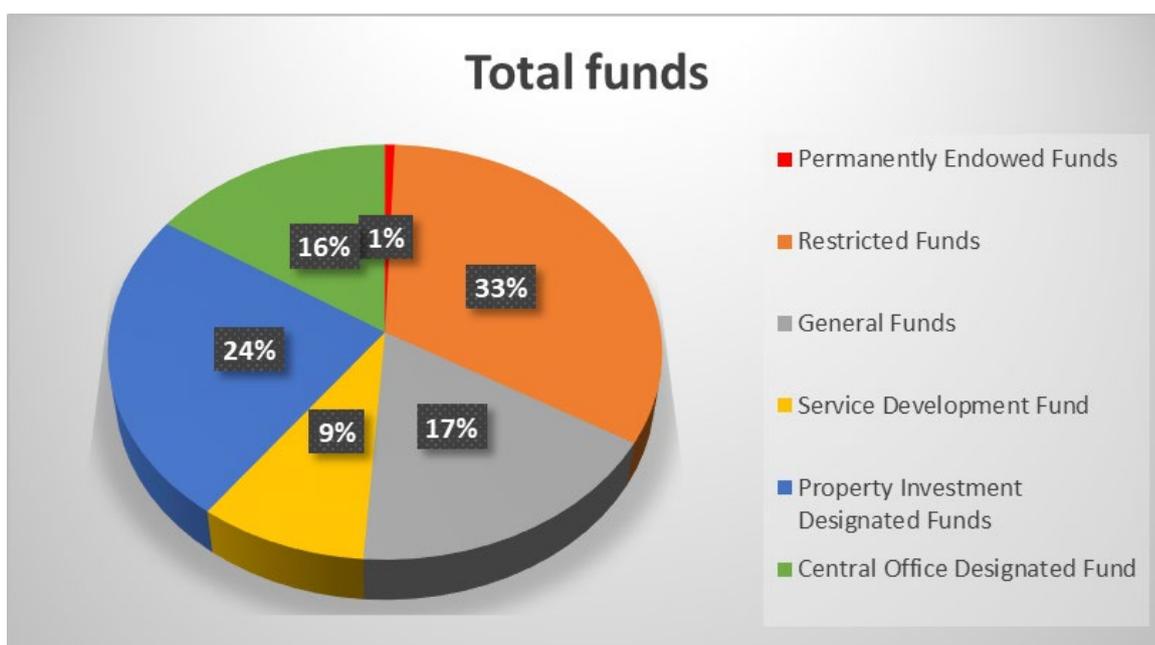
As in the previous year, the majority, 70% of our income, £7,270,000 (2017: £10,419,000) came from the statutory sector, mainly from local authorities, particularly in support of the number of early help/children's centre services we manage. We also received 8% of our income £839,000 (2017: £930,000) from central government departments through a number of contracts with Her Majesty's Prison and Probations Service to provide family support services. Virtually all external funding was given for specific services and is therefore restricted solely to that purpose and not transferable from one service to another.

Total expenditure £10,414,000



Over 94% of our expenditure was incurred in direct support of our work with children, young people and families. Our children’s centres work increased slightly this year with this aspect of our work accounting for 63% at £6,694,000 (2017: £9,189,000) of total spend, our family support work decreased to 4.9% of the total at £485,000 (2017: £648,000), with children and young people affected by imprisonment accounting for 14% of the total at £1,480,000 (2017: £1,724,000) and youth, community and young carers work accounted for 12% of the total at £1,299,000 (2017: £1,177,000). Employment costs remained by far the highest single item of expenditure at over 68%, but overall fell by 24% to £7,127,000 (2017: £9,418,000), the majority of this is in direct services support personnel.

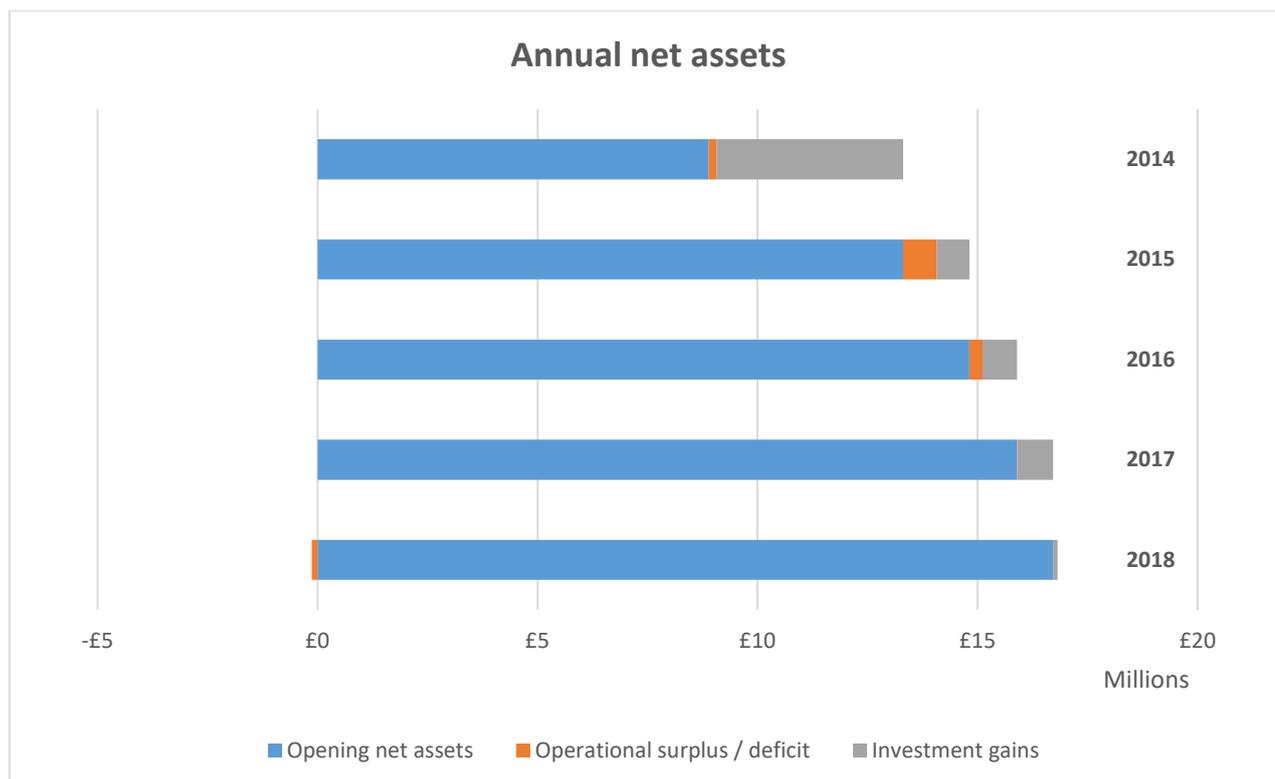
Total funds £16,691,000



At the year-end the total funds of the Charity decreased by £23,000, the equivalent of 0.1% to £16,691,000 (2017: £16,714,000). Of our total funds, £5,605,000 (2017: £5,121,000) were restricted

funds which can only be spent on the specific purpose for which the funds have been given. The permanently endowed funds which are vested in the freehold property of Spurgeons' central office in Rushden continued to depreciate to a year-end book value of £102,000 (2017: £106,000). The designated funds of £8,156,000 (2017: £8,160,000) are those set aside by the Trustees for a particular purpose and comprise the Property Investment Fund £4,042,000 (2017: £4,046,000), the Central Office Development Fund £2,614,000 (2017: £2,614,000) and the new Service Development Fund £1,500,000 (2017: £1,500,000). General Funds decreased by £503,000 to £2,930,000 (2017: £3,433,000). The balance sheet and the liquid funds position of the Charity at year-end remains strong, as a result the accounts have been prepared on a going-concern basis.

Annual net Assets



The value of net assets in future years is projected to reduce in the light of budgeted deficits. Central support teams were restructured during the year which has resulted in a deficit in unrestricted funds and we are continually looking to improve our infrastructure in order to build for the future and maintain and develop the quality of services we deliver to children and young people. It is expected that the Charity will also be in a deficit position next year as the effects of the restructure work through and as we continue to review our costs and operating model in order to bring us back to a sustainable break even position as soon as possible. Income is also under pressure and a number of contracts came to an end at 31 March 2017. However, we have been successful in winning our largest ever contract this year with Birmingham City Council in partnership with other providers and also mobilised a number of new contracts with H.M. Prison Service. Our asset base remains strong, and we will be reviewing how these assets are best deployed to enable strategic objectives to be met.

Risk Management

Managing risk is a way of being ready for events that have the potential to disrupt our charitable work and mission. Spurgeons has an Organisational Risk Register that identifies the key organisational risks we face. It is kept up-to-date by our senior managers and is co-owned by our Board of Trustees and

the Chief Executive. Each of our Board's sub-committees has responsibility for monitoring how we are managing risks relevant to their remit. Their consideration is then reported to the full Board.

As well as reviewing risks at each meeting the Board undertakes an annual in-depth review of the Risk Register to make sure we are as prepared as we can be for what lies ahead. Our Board believes the key challenges for 2018-19 will be:

1. Responding positively to a changing commissioning environment and marketplace where charities and the commercial sector are competing over less public funding.
2. Ensuring the resources (from commissioning and fundraising) and our infrastructure are robust enough to service the current and future needs of the Charity.
3. Maintaining the security, safety and professional standards across all of our work so that we continue to realise the highest standards of services and have a positive impact on the lives of vulnerable children.

The Trustees and executive team are confident that Spurgeons is in a strong position to tackle and mitigate the impact of these risks through the steps already taken and actions planned for the year ahead. These include:

1. Reviewing and implementing a clear and distinctive strategy that combines our strong ethos and values with plans to invest in services, staff and new strands of income generation that diversifies our work and secures sustainable future income streams.
2. Continuing a change programme to ensure that our infrastructure, systems and staffing structures are efficient and effective in supporting services that make a real difference in the lives of children and young people
3. Maintaining good governance arrangements, robust controls, and strong reporting mechanisms that seek to identify potential areas of weakness that can be addressed at the earliest practical time.

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 (United Kingdom 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 as Trustees 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 and 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 have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

The Trustees' Report, including the Strategic Report, has been signed on behalf of the Board of Trustees on _____ **by Andrew Caplen, Chair of Spurgeons' Trustees Board.**

Opinion

We have audited the financial statements of Spurgeons for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the 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 2018, and of its incoming resources and application of resources, including its 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 charitable company 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPURGEONS (continued)

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. 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 incorporates 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 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).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPURGEONS (continued)

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 returns adequate for our audit have not been received from branches not visited by us; 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.

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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Adam Halsey (Senior Statutory Auditor)

for and on behalf of haysmacintyre, Statutory Auditor, 10 Queen Street Place, London, EC4R 1AG.

Date:

SPURGEONS
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018			2017		
		Unrest riected Funds £000's	Restri cted Funds £000's	Total Funds £000's	Unrest riected Funds £000's	Restric ted Funds £000's	Total Funds £000's
Income from:							
Donations and legacies:							
Donations		9	8	1,092	29	56	84
Legacies		3		157	2		2
Investments:							
Rental income			0	28	124	111	25
Interest				0	6	7	8
Dividends		6		156	16		16
Charitable activities:							
Income received towards the support of children, young people & families	3	241	692	8,583	2,923	9,029	11,952
Total income		244	702	10,286	3,517	9,692	13,209
Expenditure on:							
Raising funds:							
Fundraising, marketing and promotion		0		30	29	5	24
Investment property costs				6	2	8	4
Charitable activities:							
Support of children, young people & families	4	234	704	9,958	3,178	9,688	12,866
Total expenditure	5	234	708	10,414	3,429	9,771	13,200
Net (expenditure)/ income before net gains on investments		6	4	(128)	8	(9)	5
Net gains on investments	9	0		15	87	4	81
Net (expenditure)/ income		6	4	(2)	85	(5)	80
Transfers between funds	12				(29)	29	
Net movements in funds		6	4	(2)	66	14	80
Total funds brought forward at 1 April		1158	521	16,714	10,967	4,927	15,894
Total funds carried forward at 31 March		1164	525	16,691	11,593	5,121	16,714

The net (deficit) / surplus of income over expenditure, together with details of income and expenditure required by the Companies Act, may be derived from the net movement in funds in the Statement of Financial Activities above, excluding unrealised gains in investments and movement on endowment funds which was expenditure of £4,000 (2017: £4,000).

All amounts derive from continuing activities. There were no gains or losses recognised in the year other than those shown in the Statement of Financial Activities above.

The Notes on pages 30 to 42 form part of these financial statements.

SPURGEONS
BALANCE SHEET
AS AT 31 MARCH 2018

Company Number 3990460

	Notes	2018 £000's	2017 £000's
FIXED ASSETS			
Tangible fixed assets	7	181	131
Intangible fixed assets	8	52	69
Investments	9	13,896	15,157
Total fixed assets		<u>14,129</u>	<u>15,357</u>
CURRENT ASSETS			
Stock		1	7
Debtors	10	655	788
Cash at bank and in hand		3,229	1,570
Total current assets		<u>3,885</u>	<u>2,365</u>
LIABILITIES			
Creditors: Amounts falling due within one year	11	(1,323)	(1,008)
NET CURRENT ASSETS		<u>2,562</u>	<u>1,357</u>
NET ASSETS		<u><u>16,691</u></u>	<u><u>16,714</u></u>
Represented by			
THE FUNDS OF THE CHARITY			
Endowment fund	12(a)	102	106
Restricted funds			
- D.J. Thomas fund *	12(a)	4,298	4,110
- UK projects fund	12(a)	1,205	905
Total restricted funds		<u>5,605</u>	<u>5,121</u>
Unrestricted funds:			
- Designated funds **	12(a)	8,156	8,160
- General funds ***	12(a)	2,930	3,433
Total unrestricted funds		<u>11,086</u>	<u>11,593</u>
TOTAL FUNDS		<u><u>16,691</u></u>	<u><u>16,714</u></u>

* The D.J. Thomas fund includes a revaluation reserve of £2,437,000 (2017: £2,433,000)

** Designated funds include a revaluation reserve of £3,862,000 (2017: £3,862,000)

*** General funds include a revaluation reserve of £704,000 (2017: £603,000).

Approved by the board of trustees and authorised for issue on

2018 and signed on its behalf:

Sarah Powley

Andrew Caplen

The Notes on pages 30 to 42 form part of these financial statements.

SPURGEONS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

		2018	2017
		£000's	£000's
Cash flows from operating activities:			
<i>Net cash used in operating activities</i>	(Notea)	(183)	(848)
Cash flows from investing activities:			
Rental income		398	235
Interest and dividends		166	176
Purchase of capital equipment		(70)	(69)
Sales of UK common investment funds		1,348	-
Cash reclassified as fixed asset investments		-	37
<i>Net cash provided by investing activities</i>		<u>1,842</u>	<u>379</u>
Change in cash and cash equivalents in the year		1,659	(469)
Cash and cash equivalents at beginning of year		<u>1,570</u>	<u>2,039</u>
Cash and cash equivalents at the end of the year	(Noteb)	<u><u>3,229</u></u>	<u><u>1,570</u></u>
a) RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES			
		2018	2017
		£000's	£000's
Net (expenditure)/income before net gains on investments		(128)	9
<i>Adjustments for:</i>			
Depreciation charges		33	18
Dividends, interest & rents from investments		(564)	(411)
Decrease in stocks		6	1
Decrease/(increase) in debtors		133	(69)
Increase/(decrease) in creditors		315	(421)
Decrease in pension bonds		22	25
Net cash used in by operating activities		<u><u>(183)</u></u>	<u><u>(848)</u></u>
b) ANALYSIS OF CASH AND CASH EQUIVALENTS			
		2018	2017
		£000's	£000's
Cash at bank and in hand		2,123	518
Notice deposits (less than 3 months)		1,106	1,052
		<u><u>3,229</u></u>	<u><u>1,570</u></u>

The Notes on pages 30 to 42 form part of these financial statements

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 the Statement of Recommended Practice for Charities (SORP 2015), with 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.

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

1. ACCOUNTING POLICIES (continued)

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.

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% and 25% per annum on cost
Computer equipment	- 33⅓% per annum on cost
Motor vehicles	- 25% 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 5 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.

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) **Stocks**

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

j) **Financial instruments – assets and liabilities**

Cash and cash equivalents

Cash and cash equivalents includes 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. Any losses arising from impairment are recognised in the Statement of Financial Activities.

k) **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.

1. ACCOUNTING POLICIES (continued)

Employee benefits (continued)

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 initial 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 £178,000 (2017: £225,000).

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.

l) *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 12 to the financial statements.

m) *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:

Investment property

The charity measures its investment properties at fair value in accordance with FRS 102. The fair value of these properties is estimated on the basis of application of indices considered appropriate to the location and type of properties to previous professional valuations last carried out as at 31 March 2014. The trustees consider the values stated to be an appropriate estimate of fair value for reporting purposes.

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 review such provisions on an annual basis and update 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 £45,000 (2017: £81,000).

SPURGEONS
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2018

3. ANALYSIS OF AMOUNTS RECEIVED TOWARDS THE SUPPORT OF CHILDREN, YOUNG PEOPLE AND FAMILIES

	Unrestricted Funds £000's	Restricted Funds £000's	2018 Totals £000's	2017 Total £000's
Fees and other project income	207	204	411	598
Churches and other partners	54	9	63	5
Statutory sector				
Local Authorities	1,550	5,720	7,270	10,419
NOMS	230	609	839	930
Total	<u>2,041</u>	<u>6,542</u>	<u>8,583</u>	<u>11,952</u>

4. ANALYSIS OF EXPENDITURE ON THE SUPPORT OF CHILDREN, YOUNG PEOPLE AND FAMILIES

Type of project	Unrestricted Funds £000's	Restricted Funds £000's	2018 Total £000's	2017 Total £000's
Children's Centres	1,816	4,878	6,694	9,189
Children & Young People Affected by imprisonment	625	855	1,480	1,724
Family Support	152	333	485	648
Youth, Community and Young Carers	361	938	1,299	1,177
Contact Services	-	-	-	116
Independent Visitors and Mentoring	-	-	-	12
Total	<u>2,954</u>	<u>7,004</u>	<u>9,958</u>	<u>12,866</u>

SPURGEONS
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2018

5. TOTAL EXPENDITURE

	Staff costs (Note 6) £000's	Depreciation £000's	Other costs £000's	2018 Totals £000's	2017 Total £000's
<i>Expenditure on raising funds</i>					
- Fundraising, marketing and promotion	349	-	31	380	294
- Investment property costs	-	-	76	76	40
<i>Charitable expenditure</i>					
- Project costs	6,778	33	3,147	9,958	12,866
	<u>7,127</u>	<u>33</u>	<u>3,254</u>	<u>10,414</u>	<u>13,200</u>

NET MOVEMENT IN FUNDS

	2018 £000's	2017 £000's
The net movement in funds is stated after charging:		
Depreciation	33	18
Operating lease rentals – buildings	109	180
Operating lease rentals – other	23	44
Auditor's remuneration (including VAT) - audit	14	13
	<u>179</u>	<u>255</u>

SUPPORT COSTS

Operational management	432	689
Business development	214	409
Finance, IT and corporate services	616	733
Human resources and people development	216	327
Governance	61	75
Other central support and administration	637	541
	<u>2,176</u>	<u>2,774</u>

Organisational support costs are charged as far as possible to projects in a consistent manner. Costs are apportioned on the basis of the unit cost of each support activity and the estimated number of units used by each individual project or service based on the number of employees or FTE's within that project or service. 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

	2018 £000's	2017 £000's
Audit	14	13
Trustees expenses	12	15
Other costs	29	41
Professional indemnity insurance	6	6
	<u>61</u>	<u>75</u>

SPURGEONS
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2018

6. STAFF COSTS

	2018 £000's	2017 £000's
Wages and salaries	6,450	8,449
Social security costs	487	659
Pension costs	190	310
	<u>7,127</u>	<u>9,418</u>

	2018 Number	2017 Number
Employee emoluments over £60,000		
Employees continuing in service:		
£80,001 to £90,000	1	1
£90,001 to £100,000	1	1
£100,000 to £110,000	-	-
£110,001 to £120,000	1	-

All of the above employees belonged to the charity's group personal pension plan throughout the financial year. Employer contributions in accordance with Note 1 to the accounts, were £32,211 (2017: £13,000). The Senior Leadership team consists of three people. (2017 due to staff turnover the third person did not received emoluments in excess of £60,000 during 2017.)

The key management personnel for the organisation reduced to three during 2016/2017. Their total emoluments in the year, including gross salary, employers pension contribution, employers NI Contributions, and benefits in kind, were £296,499 (2017: £300,500).

The average number of employees (including casual workers) in the year was 322 (2017: 495).

The average number of full time equivalent employees (including casual workers) was 185 (2017: 343).

The charity paid £75,277 in termination payments during the year.

	2018 FTE	2017 FTE
Analysis of full time equivalent employees:		
Central departments and regional offices	42	56
Projects and services	143	287
	<u>185</u>	<u>343</u>

SPURGEONS
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2018

7. TANGIBLE FIXED ASSETS

	Motor Vehicles £000's	Computer Equipment Fixtures & Fittings £000's	Permanent Endowment Freehold Property £000's	Total £000's
Cost				
At 1 April 2017	15	182	185	382
Additions	-	70	-	70
Disposals	(15)	-	-	(15)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2018	-	252	185	437
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated depreciation				
As at 1 April 2017	15	157	79	251
Charge for the year	-	17	3	20
Disposals	(15)	-	-	(15)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2018	-	174	82	256
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2018	-	78	103	181
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>At 31 March 2017</i>	<i>-</i>	<i>25</i>	<i>106</i>	<i>131</i>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The carrying value of freehold property is deemed cost as previously adopted under UK GAAP.

All tangible fixed assets are used for charitable purposes.

8. INTANGIBLE FIXED ASSETS

	Computer Software £000's
Cost	
At 1 April 2017	69
Additions	-
Disposals	(4)
	<hr/>
At 31 March 2018	65
	<hr/>
Accumulated depreciation	
As at 1 April 2017	-
Charge for the year	13
Disposals	-
	<hr/>
At 31 March 2018	13
	<hr/>
Net book value	
At 31 March 2018	52
	<hr/> <hr/>
<i>At 31 March 2017</i>	<i>69</i>
	<hr/> <hr/>

SPURGEONS
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2018

9. INVESTMENTS	2018	2017
	£000's	£000's
a) UK common investment funds	4,847	6,220
Investment properties	7,414	7,286
Notice deposits (less than 3 months)	1,635	1,629
Total	<u>13,896</u>	<u>15,135</u>
Pension bonds	-	22
Total investments	<u><u>13,896</u></u>	<u><u>15,157</u></u>
b) Movements in market value of investments		
Market value as at 1 April 2017	15,157	14,408
Disposal at cost UK Common investment funds	(1,344)	-
Disposal at cost: Pension bonds	(22)	(25)
Disposal at cost: Notice deposits	-	(37)
Unrealised appreciation *	105	811
Market value as at 31 March 2018	<u><u>13,896</u></u>	<u><u>15,157</u></u>
Historical cost of Common investment funds	3,632	4,976
Historical cost of Investment properties	388	388
* includes revaluation gain of £4,000 (2017: £4,000) on D. J. Thomas Fund investment property		
10. DEBTORS: Amounts falling due within one year	2018	2017
	£000's	£000's
Trade debtors	419	553
Prepayments and accrued income	229	230
Other debtors	7	5
	<u>655</u>	<u>788</u>
11. CREDITORS: Amounts falling due within one year	2018	2017
	£000's	£000's
Trade creditors	661	211
Accruals and deferred income	452	447
Taxation and social security	110	166
Pension contributions	26	46
Other creditors	74	138
	<u>1,323</u>	<u>1,008</u>

Deferred income relates to income received in advance all of which is released in the following financial year.

SPURGEONS
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2018

12. FUNDS

a) MOVEMENT IN FUNDS FOR THE YEAR ENDED 31 MARCH 2018

	Balance at 1 April 2017 £000's	Income £000's	Expenditure £000's	Investment gains £000's	Transfers £000's	Balance at 31 March 2018 £000's
RESTRICTED FUNDS						
(i) Foundation Trust						
Endowment fund	106	-	(4)	-	-	102
(ii) D. J. Thomas fund	4,110	207	(23)	4	-	4,298
(iii) UK Projects fund	905	7,375	(7,081)	-	6	1,205
	<u>5,121</u>	<u>7,582</u>	<u>(7,108)</u>	<u>4</u>	<u>6</u>	<u>5,605</u>
UNRESTRICTED FUNDS						
Designated funds						
(iv) Central office development fund	2,614	-	-	-	-	2,614
(v) Property investment fund	4,046	-	-	(4)	-	4,042
(vi) Service development fund	1,500	-	-	-	-	1,500
General funds						
(vii) General funds	3,433	2,704	(3,306)	105	(6)	2,930
	<u>11,593</u>	<u>2,704</u>	<u>(3,306)</u>	<u>101</u>	<u>(6)</u>	<u>11,086</u>
TOTAL UNRESTRICTED FUNDS	<u>11,593</u>	<u>2,704</u>	<u>(3,306)</u>	<u>101</u>	<u>(6)</u>	<u>11,086</u>
TOTAL FUNDS	<u>16,714</u>	<u>10,286</u>	<u>(10,414)</u>	<u>105</u>	<u>-</u>	<u>16,691</u>

b) MOVEMENT IN FUNDS FOR THE YEAR ENDED 31 MARCH 2017

	Balance at 1 April 2016 £000's	Income £000's	Expenditure £000's	Investment gains £000's	Transfers £000's	Balance at 31 March 2017 £000's
RESTRICTED FUNDS						
(i) Foundation Trust						
Endowment fund	110	-	(4)	-	-	106
(iii) D. J. Thomas fund	4,050	119	(63)	4	-	4,110
(ii) UK Projects	767	9,573	(9,704)	-	269	905
	<u>4,927</u>	<u>9,692</u>	<u>(9,771)</u>	<u>4</u>	<u>269</u>	<u>5,121</u>
UNRESTRICTED FUNDS						
Designated funds						
(iv) Central office development fund	2,614	-	-	-	-	2,614
(v) Property investment Fund	4,264	-	-	(33)	(185)	4,046
(vi) Service development fund	-	-	-	-	1,500	1,500
General funds						
(vii) General funds	4,089	3,517	(3,429)	840	(1,584)	3,433
	<u>10,967</u>	<u>3,517</u>	<u>(3,429)</u>	<u>807</u>	<u>(269)</u>	<u>11,593</u>
TOTAL UNRESTRICTED FUNDS	<u>10,967</u>	<u>3,517</u>	<u>(3,429)</u>	<u>807</u>	<u>(269)</u>	<u>11,593</u>
TOTAL FUNDS	<u>15,894</u>	<u>13,209</u>	<u>(13,200)</u>	<u>811</u>	<u>-</u>	<u>16,714</u>

12. 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 Childcare. A uniting direction approved by the Charity Commission in 2005 has led to Spurgeons Childcare being incorporated into Spurgeons.
- (ii) Funding which 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:
 - 1. The meeting of net deficits from general funds on restricted funded projects which are not recoverable from future funding.
 - 2. The movement of restricted funded project surpluses to general funds where either the projects have ended or no further contractual liabilities exist.
 - 3. Fundraising costs have been allocated to restricted funds within the SOFA to reflect the costs of raising restricted voluntary income. However, these costs are unrecoverable by the restricted projects so they have been transferred to the general funds accordingly.
- (iii) 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.
- (iv) The Central Office Development Fund was designated by the Trustees in the in 2014/15 for the provision of the appropriate infrastructure for the long term purposes of the charity; to provide for the future office needs of the organisation. The current fund value of £2,614,000 may be varied up to a maximum of £3.0 Million and is expected to be utilised in the next three years. £nil has been spent in this financial year on improvements to the Rushden central office (2017: £nil).
- (v) The Property Investment Fund is designated for the provision of income for the long-term benefit of children and young people from sums invested in property. The income yield will be utilised for unrestricted income. The capital value of the assets will vary according to the market values of the assets under management. The assets in the fund are valued annually. In 2018 we will be reviewing how investments are managed to maximise returns. This may lead to the disposal of some properties over the next three years.
- (vi) 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. This is expected to be utilised in the next three years.
- (vii) General Funds represents the free funds of the Charity which are not designated for particular purposes.

SPURGEONS
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2018

12. FUNDS continued

Analysis of assets between funds as at 31 March 2018

c)	ANALYSIS OF ASSETS BETWEEN FUNDS	Tangible fixed assets £000's	Intangible fixed assets £000's	Investments £000's	Net current assets £000's	Total £000's
	Unrestricted Funds - General	78	52	2,277	523	2,930
	Unrestricted Funds – Designated	-	-	7,546	610	8,156
	Restricted Funds – UK Projects	-	-	-	1,205	1,205
	Restricted Funds – D.J. Thomas	-	-	4,073	225	4,298
		<u>78</u>	<u>52</u>	<u>13,896</u>	<u>2,563</u>	<u>16,589</u>
	Endowment fund	103	-	-	(1)	102
	Total	<u>181</u>	<u>52</u>	<u>13,896</u>	<u>2,562</u>	<u>16,691</u>

Analysis of assets between funds as at 31 March 2017

d)	ANALYSIS OF ASSETS BETWEEN FUNDS	Tangible fixed assets £000's	Intangible fixed assets £000's	Investments £000's	Net current assets £000's	Total £000's
	Unrestricted Funds - General	25	69	5,476	(2,137)	3,433
	Unrestricted Funds – Designated	-	-	5,546	2,614	8,160
	Restricted Funds – UK Projects	-	-	-	905	905
	Restricted Funds – D.J. Thomas	-	-	4,135	(25)	4,110
		<u>25</u>	<u>69</u>	<u>15,157</u>	<u>1,357</u>	<u>16,608</u>
	Endowment fund	106	-	-	-	106
	Total	<u>131</u>	<u>69</u>	<u>15,157</u>	<u>1,357</u>	<u>16,714</u>

SPURGEONS
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2018

13. S.C.C TRADING LIMITED

S.C.C. Trading Limited was a wholly-owned subsidiary company which is limited by guarantee. The company became dormant with effect from 31 March 2004, and was struck off the company register on 22 November 2016.

14. TRANSACTIONS WITH TRUSTEES

During the year the Charity reimbursed expenses of £12,000 (2017: £15,000) incurred by 11 Trustees (2017: 11 Trustees) in travelling to meetings and visiting projects.

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 LEASES COMMITMENTS

At the balance sheet date the charity had the following future minimum rentals payable in respect of non- cancellable operating leases:

	2018	2018	2017	2017
	Property	Equipment	Property	Equipment
	£000's	£000's	£000's	£000's
Minimum rentals falling due:				
Not later than one year	142	29	131	20
Later than one year, not later than 5 years	377	46	382	28
Later than 5 years	20	-	116	-
	<u>539</u>	<u>75</u>	<u>629</u>	<u>48</u>
	<u><u>539</u></u>	<u><u>75</u></u>	<u><u>629</u></u>	<u><u>48</u></u>

At the balance sheet date the charity had the following operating lease rentals receivable:

	2018	2018	2017	2017
	Commercial	Residential	Commercial	Residential
	(Lease)	(Tenancy)	(Lease)	(Tenancy)
	£000's	£000's	£000's	£000's
Minimum rentals receivable within:				
Not later than one year	192	84	110	121
Later than one year, not later than 5 years	595	-	440	-
Later than 5 years	-	-	-	-
	<u>787</u>	<u>84</u>	<u>550</u>	<u>121</u>
	<u><u>787</u></u>	<u><u>84</u></u>	<u><u>550</u></u>	<u><u>121</u></u>

18. POST BALANCE SHEET EVENTS

After the balance sheet date Spurgeons were successful in winning new service tenders representing £1.5m of new income spread over 3 years

19. SPECIFIC ACKNOWLEDGEMENTS

Certain funders require a specific acknowledgement of their grant. The following grants and their related expenditure are shown under Restricted Funds in the Statement of Financial Activities.

Big Lotter Fund – Reaching Communities – Grant received for our **F.I.S.H. project** £112,829 (2017: *£nil*)

Big Lottery Fund – Reaching Communities - Grant received for our **Invisible Walls project** £145,000 (2017: £97,488), all of which was spent in the year.

Big Lottery Fund – Grant received for our **Phoenix project** £100,000, (2017: £100,000), of which £41,667 was carried forward to 2018/19

Children in Need – Grant received for our **Birmingham Young Carers Substance Abuse project** £18,750 (2017: £23,890), all of which was spent during the financial year.

Comic Relief – Grant received for our **Young Carers Healthy Lifestyle project** *£nil* (2017: £15,000), £12,460 carried forward from 2017 was spent.

Comic Relief - Grant received for our **BeLeave project** £145,118 (2017: *£nil*) of which £48,329 to be carried forward to 2018/19.

Esmee Fairbairn Foundation - Grant received for our **Phoenix project** £78,333 (2017: £78,333) all of which was spent during the financial year

Ministry of Defence Covenant fund - Grant received for our **Recovering Together project** £96,369 (2017: *£nil*) of which £11,413 to be carried forward to 2018/19

Peterborough Diocese - Grant received for our **Together for Families project** £95,902 (2017: £45,546) of which £43,000 to be carried forward to 2018/19.

THANK YOU

We are especially grateful for the support from the following organisations:

BBC Children in Need
Big Lottery Fund Reaching Communities England
Comic Relief
Kier
Miss E C Webber & Mrs E M Doidge Charitable Settlement
Northamptonshire Chamber of Commerce
Primark
Scott Bader
Stannah
Sutton Coldfield Training Ltd
Tesco
Winchester Prison Tea Bar Ltd

We have been so pleased this year to continue to provide life changing services to so many children, young people and their families across England. We are happy to have been able to work with the following Local Authorities and other organisations to be able to deliver these services:

Birmingham City Council
Buckinghamshire County Council
CAFCASS
Dudley Metropolitan Borough Council
National Offender Management Service
Peterborough City Council
Wiltshire County Council
Wolverhampton City Council
Birmingham Community Healthcare NHS Trust
Birmingham Children's Trust
Faringdon Town Council
Ministry of Defence