CINNAMON
NETWORK

EQUIPPING CHURCHES TO ENGAGE COMMUNITIES

ANNUAL REPORT APRIL 2022 – MARCH 2023

cinnamonconnect.co.uk

CONTENTS

Welcome 3

Cinnamon Network 4

Context 6

Case Study: Bridge Community Church in Bury St Edmunds 7

Supporting church leaders, activists and volunteers 8

Case Study: Gainsborough Social Action Audit 10

Supporting Social Action Projects 12

Case Study: Street Storage 14

Case Study: Purple Shoots 15

Financial Review 16

Reserves Policy 17

Risk Management 18

Structure, Governance and Management 20

Independent Examiner's Report 22

Financial Statements 25

WELCOME

Dear Friends,

Change, as we know, is often life's only certainty. Once again, our nation has faced a myriad of challenges. The current cost of living crisis continues to deepen inequality across the country and we're seeing its impact on the mental health and wellbeing of our communities.

The Church has consistently stepped up to the challenges in their communities. These bodies of believers are rich in compassion, but often lack the resources and the know-how to respond effectively.

This is where the Cinnamon Network has been an invaluable resource. Over the past year, we've continued to be the catalyst which has enabled small Christian charities, churches and individual activists to respond quickly and with great professionalism to the challenges in their communities.

As an organisation, we have continued to be agile in our approach, adding the Cinnamon Connect Academy nine-month course to help individuals gain a breadth of expertise in faith-based social action. We've also completed successful pilots of our updated Cinnamon Social Action Audits.

Finally, this year we celebrated our 10 years of the Cinnamon Incubator Programme. Over this 10 year period we have incubated 53 projects, 44 in the UK and nine outside. 39 are still in operation and of these 32 UK projects recently shared their data with us.

These projects have gone on to replicate in 1,038 locations across the UK, supported by 24,000 volunteers who on average give 3 ½ hours a week. The value of this volunteer time is worth more than £30 million. But the most important finding was that these projects have reached out and helped 160,000 individual beneficiaries.

I would like to express my thanks to our supporters who have enabled us to encourage so many and reach out in a practical and relevant way to those in need of support in our communities.

Martin Warner
Chair of Trustees

CINNAMON NETWORK

We want to see communities transformed. We do that by developing Christian social action projects and helping individual church leaders and volunteers to work professionally and effectively with their communities.

798 CINNAMON CONNECT MEMBERS

27 MICRO-GRANTS GIVEN

580 WEBINAR REGISTRATIONS

25 CONNECT ACADEMY STUDENTS

182 TRAINING PARTICIPANTS

8 NEW PROJECT INCUBATEES

CINNAMON NETWORK 5

"WE REALLY APPRECIATE THE ADDED VALUE THAT CINNAMON BRINGS TO OUR STAFF AND VOLUNTEERS."

SIMON ROBINSON LEAD MINISTER, WATNALL ROAD BAPTIST

Cinnamon Network, charity number 1156985, OSCR number SC047733
Annual Report 1 April 2022 – 31 March 2023

CONTEXT

Communities across our nation are facing a myriad of challenges from mental health and debt to addiction and loneliness. Legislation and government intervention can help, but it's when communities pull together that long-term transformation takes place.

Local churches have an important role to play here, with access to premises, volunteers and a heart to serve their communities. But when it comes to practically taking part in social action, they often lack the knowledge, finances and connections to respond effectively.

This is where Cinnamon comes in. We partner with local churches, project leaders and activists to provide the support and resources they need to make a positive impact in their community now and in the future.

At the same time, we also work with small social action projects who have expertise in specific areas. We help these initiatives to grow and share their knowledge and experience for the benefit of communities across the country.

BRIDGE COMMUNITY CHURCH IN BURY ST EDMUNDS

Cinnamon has helped Bridge Community Church in Bury St Edmunds to become a hub for community transformation.

Like many churches, everything changed for Bridge Community Church in Bury St Edmunds during COVID. The church was quick to adapt and take their services online. They also started collecting prescriptions, doing shopping for those who were isolating, and running a food bank supporting around 80 people every week.

While their response was rapid, the church was really learning as they went, which is why they connected with Cinnamon. We've been providing advice, resources and contacts to help the church develop sustainable projects that make a tangible difference in their community.

> ***"Cinnamon Connect has provided us with a library of knowledge that we can use anytime," explains David Oakley, Lead Pastor at the church. "It has given our team the opportunity to develop and get support that cannot be offered through internal church."***

The church is now running 11 community projects from addiction support groups and coaching in schools to a community grocery, English language classes for Ukrainian refugees, various family support initiatives in partnership with the local council, and a HopeforAll housing initiative. They're currently supporting over 300 people every week.

> ***"Cinnamon helped us shape some of this thinking to shift away from a scatter gun approach to community engagement by becoming a community hub with a family support emphasis to build on the strong links we already work have with our community,"*** **concludes David.**

Bridge Community Church

SUPPORTING CHURCH LEADERS, ACTIVISTS AND VOLUNTEERS

Here's how we help churches to respond to the challenges in their community.

SHARING KNOWLEDGE AND RESOURCES

Churches tell us that they want to make a positive impact in their communities, but often don't know where to start. Through Cinnamon Connect, we provide them with a range of support, from webinars and training to downloadable resources and advice, to help them set up and sustain brilliant social action work.

In October 2022, we launched the Cinnamon Connect Academy, a nine-month course to give individuals the foundational skills they need to set up, lead and sustain brilliant social action work in their communities.

We're currently supporting 758 Cinnamon Connect members and many others who access the free resources. 25 Connect Academy members took part in the nine-month course.

cinnamonconnect.co.uk

Truth Be Told

PROVIDING FUNDING

Our 2022 church engagement research found that funding is one of the biggest barriers that prevents churches from getting involved in social action. One of the many ways we have been able to respond is through the distribution of micro-grants.

Thanks to our funding partners, we're able to offer micro-grants of £2,000 to help churches start proven Cinnamon Recommended Projects. Through this, we're able to reach diverse communities who are under resourced and provide wrap-around support to maximise their impact.

In the last 12 months, we've provided 27 micro-grants to help churches and church groups start Cinnamon Recommended Projects. 180 people registered for our funding webinar and 23 joined our fundraising training course.

cinnamonnetwork.co.uk/social action/micro-grants

LINKING CHURCHES WITH CINNAMON RECOMMENDED PROJECTS

Churches don't always have the expertise to address challenging issues such as addiction and mental health. Through our Cinnamon Recommended Projects, we link them with experts who have developed proven initiatives they can replicate. This enables churches to respond with professionalism when addressing complex challenges.

We've just added two more Cinnamon Recommended Projects, The Besom Network and Street Connect to bring the total to 41.

cinnamonnetwork.co.uk/cinnamon-recommended-projects

WAVE

Street Storage

CONDUCTING SOCIAL ACTION AUDITS

Coordinating community activities can be difficult when there are multiple organisations involved. Through our Cinnamon Social Action Audits, we help faith-based organisations to take a lead in surveying and measuring the impact of the work they do. This insight opens opportunities for partnerships, which helps churches work more effectively together and with others including local councils, statutory authorities and other voluntary groups.

In the last year, we've successfully completed two pilots of our new Social Action Audit platform in Cambridge and Gainsborough. The Social Action Audit run in Cambridge was funded by the Department for Levelling Up, Housing and Communities through the Faith New Deal Pilot Fund.

cinnamonnetwork.co.uk/church-support/socialactionaudits

FoodSavers

John and Judi Swannack with Cinnamon's Nick Amis

CASE STUDY

GAINSBOROUGH SOCIAL ACTION AUDIT

A Cinnamon Social Action Audit was instrumental in building unity between churches in Gainsborough and opening opportunities for partnerships beyond the faith community.

As leaders of Alive Church in Gainsborough, John and Judi Swannack were aware that faith-based organisations were spearheading much of the town's social action. However, there was little cohesion between the groups, and it was virtually impossible to access funding.

> ***"We realised that, when we met with other churches, there was a lot of cross over in community involvement," says John. "Some of those groups were duplicating their community work and sometimes to the detriment of each other."***

Unsure how to progress – the couple reached out to Cinnamon to see if running a Social Action Audit could help them get a grip on the extent of social action being carried out by faith groups. "We used it as a vehicle for collaboration between churches and as a way to pull the faith groups together in the town and build relationships," says John.

UNITING THE COMMUNITY

Church and project leaders were asked to gather information on the number and type of social action projects they are involved with. Alongside this, data on the number of people they support and the number of volunteers who give their time is also collected. The data clearly showed where there were gaps in provision, duplication and where there was little or no partnership working.

At the launch of the results, faith leaders were joined by representatives from local businesses, local authorities, the NHS and other agencies working in the town, many of whom had little or no connection with faith groups before.

> ***"We felt very powerfully that there was something that shifted, and the Audit and the process were the catalyst," confirms John. "We've had conversations with people we never would have. It's connected us with people outside of our own spheres and helped us pull together people, meetings, and opportunities, which has been wonderful."***

CHANGE IS ALREADY TAKING PLACE!

Where there was duplication, in terms of food banks, there is now unity and a pooling of resources. Where there was a lack of provision, in terms of youth work, partnerships are forming.

> ***"The launch of the Audit has raised the profile and we're working with councillors as to how we can utilise the volunteers within the town to help and support the work the council are doing."***

To boost the activity, the town has also received a £10 million grant from the government's levelling-up fund. Information gathered through the Audit will be key in determining how it's distributed.

SUPPORTING SOCIAL ACTION PROJECTS

We love connecting with social action projects that are helping churches tackle the challenges at the heart of their communities. We work with both established organisations and help fledging projects to grow and replicate.

SUPPORTING CINNAMON RECOMMENDED PROJECTS

We have a strong network of 41 Cinnamon Recommended Projects and have recently added The Besom Network and Street Connect to our family. Through our annual retreat, leaders from these organisations have an opportunity to come together to learn, exchange ideas and reflect.

The Besom Network enables churches to work together to share their gifts of time, skills and resources with those who could benefit from them in their community.

Street Connect equips local churches to support adults in their recovery from addiction and associated issues.

Churches looking to respond quickly and professionally to a particular issue can draw from the experience of our Cinnamon Recommended Projects. Representatives from these organisations regularly contribute to our webinars and blog posts to share their expertise with a wider audience.

THE CINNAMON INCUBATOR PROGRAMME

The Cinnamon Incubator Programme is a two-year teaching and coaching programme for church-led social action projects. It helps small organisations develop strong governance, robust leadership and the knowledge and expertise they need to replicate their work.

Projects addressing emerging needs in our communities pitched their initiatives at the final of the Cinnamon Incubator Competition in London.

Restored, a domestic abuse charity, was the overall winner receiving a development grant of £25,000 and a place on the Incubator. In addition, seven other organisations were awarded a place on the Incubator Programme.

Initiatives currently on the Cinnamon Incubator Programme

The Haven is a wellbeing project which aims to strengthen young people's mental resilience.

Restored equips the church to stand against domestic abuse and support survivors of domestic abuse.

The Waiting Room is a virtual support community for women (open to men) who are trying to conceive and have experienced baby loss.

Wellspring is a counselling and training charity seeking to restore hope, develop resilience and facilitate positive change in the lives of adults and young people.

Widows Breakfast helps those who have lost a spouse to form a community where they share stories and support one another on their journey.

Tripart Care delivers bite-sized mental health education relevant to Black and Church communities.

Spurgeon's Family Hubs supports local families in need of a little extra help.

Symphony Schools educates, equips and empowers young, gifted Black boys by providing free core subject extra tuition classes in line with the National GCSE curriculum.

2022 Finalists

IMPACT OF THE INCUBATOR PROGRAMME

Previous winners of the Cinnamon Incubator Competition have been able to put the skills learnt on the Incubator Programme to good use, seeing benefits within the first 12 months.

CASE STUDY

STREET STORAGE

Street Storage provides free, safe, and accessible storage to people experiencing homelessness along with one-to-one advocacy, street outreach and emergency response. Since winning the 2021 Cinnamon Incubator Final, the organisation has undergone incredible growth.

> *"We have tripled our income and our staff team in six months and are working in partnership with national organisations like Crisis and St Mungo's. We have gone from a start-up organisation to a scale-up organisation and are now prioritising professionalising the service across all aspects of the charity before beginning our planned UK replication,"* says founder, **Rachel Woolfe**.

Since winning the Incubator final Street Storage have

- Tripled their income and the number of staff members
- Developed new partnerships with Crisis and St Mungo's
- Started operating three new services

Rachel Woolfe

CASE STUDY

14

CASE STUDY

15

PURPLE SHOOTS

Purple Shoots provides business advice and small, ethical loans to help individuals to start businesses. They also set up and facilitate self-reliant groups, where individuals share skills, set up savings and take positive steps forward on their journeys. Through advice given on the Incubator programme, the organisation has made some significant changes to the way they operate.

> *"So far it has changed some of our thinking and the way we have planned and presented ourselves to potential partner churches. It has helped us to take more of an outsider's view, which I hope has meant that our offering is clearer and easier for churches to engage with,"* says founder, **Karen Davies**.

Since winning the Incubator final Purple Shoots have

- Opened a new centre for Yorkshire in Sheffield
- Been inundated with requests for partnerships
- Developed a partnership with Church Action on Poverty in Manchester

The team at Purple Shoots

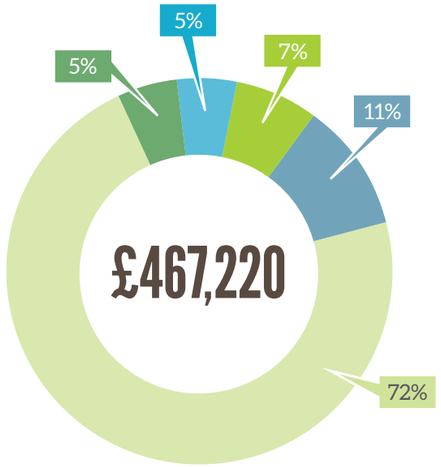
CASE STUDY

Cinnamon Network, charity number 1156985, OSCR number SC047733
Annual Report 1 April 2022 – 31 March 2023

FINANCE REVIEW

Income

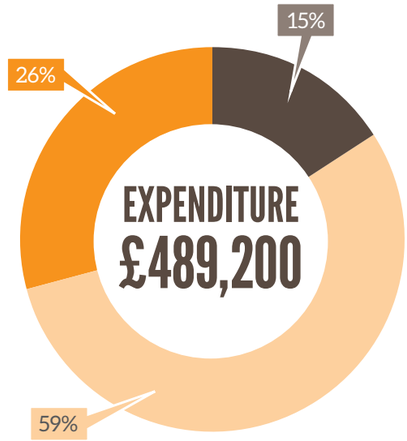
Regular giving	£31,241
One-off donations	£50,625
Trusts & foundations	£334,904
Legacies	£26,992
Other	£23,458



Income by source

Expenditure

Raising funds	£76,796
Church & societal engagement	£270,793
Project innovation & support	£141,611



Expenditure by initiative

Cinnamon have recently finished a period of strategic realignment and reorganisation as we seek to work more efficiently for the benefit of those we serve. We've worked closely with donors to develop our model to incorporate new and innovative approaches, whilst reducing our expenditure.

RESERVES POLICY

The trustees will aim to hold unrestricted free reserves of around 3 to 6 months total expenditure to allow for an orderly close down in the event of a drop in funding. Based on budgeted expenditure of £500k, this would equate to a lower limit of £125k and an upper limit of £250k. The charity's free reserves, excluding fixed assets, at the year-end were £132,000.

RISK MANAGEMENT

The risk management process takes account of a number of factors including internal issues such as team expertise, cash and donation levels and the current commitments. External factors, including competition within the sector, changing trends and changes in legislation are also considered.

Major risks identified by the Cinnamon Leadership Team at the end of the reporting period were **as follows:**

Risk	Progress made in 2022/23	Further mitigating activities in 2023/24
Cinnamon needs to build a reserve in line with the approved reserves policy.	Management accounts now provide a breakdown of restricted and unrestricted reserves on a quarterly basis. The reserves policy was revised to make it more realistic and set an upper and lower limit. These boundaries change with team size and length of service.	The year end results demonstrate that we are now building unrestricted reserves. Our focus remains on long term fundraising and tight cost control.
Churches no longer needing our core services.	We have mitigated against this by conducting research and launching new initiatives such as Connect and Academy, which ensures are ongoing relevance and evolution of resources.	We will continue to look to build relationships with a wider network of partners who would benefit from Cinnamon's support and services.
Increased competition for access to funds.	This remains true. We continue to work closely with funders to develop productive working partnerships. We have also mitigated this by the planned reduction of the core team. By focussing on setting realistic targets and becoming more agile in our working practice, we are delivering more activities despite this reduction.	We regularly review our team and expenditure to make sure we remain effective. We have started work on a long-term strategy to move to a more mixed income model.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Cinnamon Network operates as a charity registered with both the Charity Commission in England and Wales and the OSCR in Scotland and is governed in line with its Constitution. It was registered as a charity in England in June 2014 and Scotland in September 2017.

Leadership Team

During 2022/23 the Cinnamon Leadership Team comprised of Chief Executive Amanda Bindon, Paul Garratt Director for Church Engagement and Business Development and Associate Director Mark Kitson.

Cinnamon Financial Oversight

Throughout the year, one of the trustees, Darren Mitchell continued to have financial oversight and review Cinnamon's Management Accounts prior to their recommendation to the Board of Trustees. These recommendations included any further action that was required. We continue to see the benefits of our fully integrated financial systems.

Board of Trustees

The Board of Trustees now consists of a Chair and three other Trustees. The Constitution states that there must be a minimum of three trustees, but puts no cap on the maximum number of trustees or the maximum length of service.

Every trustee must be appointed by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment as charity trustees, the charity trustees must have the skills, knowledge and experience needed for the effective administration of the Charitable Incorporated Organisation (CIO) and are encouraged to seek ongoing training on governance and charity matters following appointment. Prospective trustees attend a meeting as a guest.

The trustees will make available to each new trustee, on or before their first appointment:

1. a copy of the constitution and any amendments made to it; and
2. a copy of the CIO's latest trustees' annual report and financial statements.

The trustees are responsible for the governance of the charity, ensuring it meets its statutory responsibilities as well as determining overall strategy, policies and direction with the expert guidance of the Cinnamon Leadership Team.

The trustees delegate day to day management of the charity to the Chief Executive and Directors.

Public Benefit

The trustees confirm that they have referred to the information contained in the Charity Commission's guidance on public benefit including PB2 (Public Benefit: running a charity) and that they have complied with section 17 of the Charities Act 2011 to have due regard to this area.

The vision of the charity is to build a better society by bringing together the people most in need in communities with the people and resources from local churches. We do that by making it as easy as possible for local churches to set up social action projects. Our approach is faith-based but not faith biased. We are motivated by Jesus to serve people of all faiths and none.

Remuneration Policy

The remuneration of the Cinnamon Team is currently set by the trustees with reference to similar roles within the sector. The charity aims to attract the best talent it can and so tends to pay within the top quartile of similar roles. Since April 2017, when the team moved from contractors to salaried team members, there have been no pay rises. This is being reviewed in 2023/24 to recognise that future sustainability cannot be at the cost of not recognising the worth of the team – especially given the current cost of living crisis. To recognise this there was a one-off cost of living payment made in Q3.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Statement of Board of Trustees' Responsibility

The trustees are responsible for preparing the trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the excess of income over expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the trustees confirm that they are happy that the content of the annual review and legal and administrative details meet the requirements of the trustees' Annual Report under charity law.

They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report was approved and authorised for issue by the board of trustees on 17 November 2023.

signed on its behalf by:

Martin Warner
Chair of the Board of Trustees

Cinnamon Network, charity number 1156985, OSCR number SC047733
Annual Report 1 April 2022 – 31 March 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE CINNAMON NETWORK ('THE CHARITY')

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 March 2023.

Responsibilities and basis of report

As the trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 (the '2005 Act'), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 ('the 2011 Act'). You are satisfied that your charity is not required by charity law to be audited and have chosen instead to have an independent examination.

I report in respect of my examination of the Charity's accounts as carried out under section 44 (1)(c) of the 2005 Act and section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charity has prepared its accounts on an accruals basis and is also registered in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies. I have completed my examination. I confirm that no matters have come to my attention giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 44 (1)(a) of the 2005 Act and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and section 130 of the 2011 Act; or

2. the accounts do not accord with those records; or

3. the accounts do not comply with the accounting requirements Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities. (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

Haines Watts

Bianca Permal FCA
Haines Watts (Berkhamsted) Limited
4 Claridge Court
Lower Kings Road
Berkhamsted
HP4 2AF

FINANCIAL STATEMENTS

The Cinnamon Network – Statement of Financial Activities
For the year ended 31 March 2023

	Notes	Unrestricted funds Year ended 31 Mar 2022 £	Restricted funds Year ended 31 Mar 2023 £	**Total funds Year ended 31 Mar 2023 £**	*Total funds Year ended 31 Mar 2022 £*
Income from					
Donations	*2*	164,830	281,833	**446,663**	*562,487*
Charitable activities	*3*	15,596	-	**15,596**	*19,590*
Investments		4,961	-	**4,961**	*356*
Total income		185,387	281,833	**467,220**	*582,433*
Expenditure on:					
Raising funds	*4 & 5*	20,986	55,810	**76,796**	*97,456*
Charitable activities					
Church & societal engagement	*4 & 6*	53,932	216,861	**270,793**	*390,759*
Project support & incubation	*4 & 6*	35,031	106,580	**141,611**	*170,242*
Total charitable activities		*88,963*	*323,441*	***412,404***	*561,001*
Total expenditure		109,949	379,251	**489,200**	*658,457*
Net income/(expenditure)		*75,438*	*(97,418)*	***(21,980)***	*(76,024)*
Reconciliation of funds:					
Total funds brought forward	*11 & 12*	56,635	148,096	**204,731**	*280,755*
Total funds carried forward	*11 & 12*	*132,073*	*50,678*	***182,751***	*204,731*

The notes on pages 28 to 41 form part of the financial statements.

Cinnamon Network, charity number 1156985, OSCR number SC047733
Annual Report 1 April 2022 – 31 March 2023

The Cinnamon Network – Balance Sheet
As at 31 March 2023

	Notes	£	**Total Funds As at 31 Mar 2023 £**	*Total Funds As at 31 Mar 2022 £*
Current assets				
Debtors	*8*	**18,522**		*36,935*
Cash at bank and in hand		**266,224**		*311,493*
		284,746		*348,428*
Liabilities				
Creditors: amounts falling due in less than one year	*9*	**(92,620)**		*(124,947)*
Net current assets/(liabilities)			**192,126**	*223,481*
Creditors: amounts falling due in greater than one year	*10*		**(9,375)**	*(18,750)*
Net assets/(liabilities)			**182,751**	*204,731*
The funds of the charity:				
Restricted funds	*11 & 12*		**50,678**	*148,096*
Unrestricted funds	*11 & 12*		**132,073**	*56,635*
Total charity funds			**182,751**	*204,731*

The notes on pages 28 to 41 form part of the financial statements.

These financial statements were approved and authorised for issue by the Board of Trustees on 17 November 2023 and signed on their behalf by:

Martin Warner

Chair of the Board of Trustees

1. ACCOUNTING POLICIES

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with 'Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition (effective 1 January 2019)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The effect of any event relating to the year ended 31 March 2023, which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 March 2023 and the results for the year ended on that date.

The functional currency of the charity is sterling. The amounts in the financial statements are rounded to the nearest pound.

Using the exemption available to smaller charities the Board of Trustees has chosen not to include a Statement of Cash Flows within the financial statements.

Legal status

The Cinnamon Network is a Charitable Incorporated Organisation registered in England & Wales and meets the definition of a public benefit entity. In the event of the Charity being wound up, the trustees/members of the Charity hold no liability. The registered address is c/o Andy Nash Accounting & Consultancy, Units 24 & 25, Goodsheds Container Village, Hood Road, Barry, CF62 5QU.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 11 of the financial statements.

Income

Income is recognised when the charity has entitlement to the funds, any performance indicators 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.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift aid receivable is included when claimable.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a future period, in which case it is deferred.

Income from charitable activities is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless it relates to a specific future period or event, in which case it is deferred.

Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated proportionate to total direct costs allocated to each project area, as outlined in note 4 of the financial statements.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Grants payable

Grants payable are recognised as expenditure when there is a legal or constructive obligation to make the grant. With micro-grants this is usually immediately prior to a payment being made, however with incubation grants this is at the start of the programme when the successful recipients are informed and terms of reference are signed.

Pensions

The charity operates a defined contribution pension scheme. Pension contributions are charged to the Statement of Financial Activities when due and payable. These contributions are invested separately from the charity's assets through The Peoples Pension.

The Cinnamon Network – Notes to the Financial Statements
For the year ended 31 March 2023

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised unless purchased with restricted funds.

There are no assets over this level and purchased by unrestricted funds held by the Charity currently.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount is applied. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

Critical estimates and judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Financial instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

Going concern

The financial statements have been prepared on the going concern basis as the Board of Trustees is confident that future reserves and future income is more than sufficient to meet current commitments. There are no material uncertainties that impact this assessment, and the ongoing financial impact of the current economic environment and other external events has had no material impact on this assessment.

Cinnamon Network, charity number 1156985, OSCR number SC047733
Annual Report 1 April 2022 – 31 March 2023

2. INCOME FROM DONATIONS

	Unrestricted funds Year ended 31 Mar 2023 £	Restricted funds Year ended 31 Mar 2023 £	**Total funds Year ended 31 Mar 2023 £**
Trusts & foundations	77,150	257,754	**334,904**
One-off donations	26,546	24,079	**50,625**
Regular giving	31,241	-	**31,241**
Other donations	2,901	-	**2,901**
Legacies	26,992	-	**26,992**
	164,830	281,833	**446,663**

	Unrestricted funds Year ended 31 Mar 2022 £	Restricted funds Year ended 31 Mar 2022 £	*Total funds Year ended 31 Mar 2022 £*
Trusts & foundations	75,800	366,886	*442,686*
One-off donations	62,240	5,113	*67,353*
Regular giving	34,427	-	*34,427*
Coronavirus Job Retention Scheme & CSSP	18,021	-	*18,021*
	190,488	371,999	*562,487*

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds Year ended 31 Mar 2023 £	Restricted funds Year ended 31 Mar 2023 £	**Total funds Year ended 31 Mar 2023 £**
Income from provision of training and other resources	15,596	-	**15,596**
	15,596	-	**15,596**

	Unrestricted funds Year ended 31 Mar 2022 £	Restricted funds Year ended 31 Mar 2022 £	*Total funds Year ended 31 Mar 2022 £*
Income from provision of training and other resources	19,590	-	*19,590*
	19,590	-	***19,590***

4. TOTAL EXPENDITURE

	Grants to institutions Year ended 31 Mar 2023 £	Direct staff costs Year ended 31 Mar 2023 £	Direct other costs Year ended 31 Mar 2023 £	Indirect costs Year ended 31 Mar 2023 £	**Total funds Year ended 31 Mar 2023 £**
Raising funds	-	51,455	5,195	20,146	**76,796**
Charitable activities					
Church & societal engagement	52,450	84,591	62,714	71,038	**270,793**
Programme innovation & support	32,115	9,692	62,655	37,149	**141,611**
	84,565	145,738	130,564	128,333	**489,200**

	Grants to institutions Year ended 31 Mar 2022 £	*Direct staff costs Year ended 31 Mar 2022 £*	*Direct costs Year ended 31 Mar 2022 £*	*Indirect costs Year ended 31 Mar 2022 £*	*Total funds Year ended 31 Mar 2022 £*
Raising funds	-	59,609	7,988	29,859	*97,456*
Charitable activities					
Church & societal engagement	72,000	137,865	61,172	119,722	*390,759*
Programme innovation & support	56,191	-	61,892	52,159	*170,242*
	128,191	197,474	131,052	201,740	*658,457*

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated proportionate to total direct costs allocated to each project area.

An analysis of costs of raising funds split between restricted and unrestricted funds can be found in note 5.

An analysis of charitable activities split between restricted and unrestricted funds can be found in note 6.

More details on the breakdown of grants to institutions is available on request from the Charity and reflected in note 10.

The Cinnamon Network – Notes to the Financial Statements
For the year ended 31 March 2023

4. TOTAL EXPENDITURE (continued from previous page)

Indirect costs can be split as follows:

	Total funds Year ended 31 Mar 2023 £	*Total funds Year ended 31 Mar 2022 £*
Organisational leadership	**57,918**	*111,057*
Finance and administration	**40,606**	*52,201*
Communications	**20,167**	*22,672*
IT support	**6,961**	*8,344*
Governance	**2,681**	*7,466*
	128,333	*201,740*

Within indirect costs in the current period there are £81,718 of staff costs (2022: £127,536).

Governance costs consists of:

	Total funds Year ended 31 Mar 2023 £	*Total funds Year ended 31 Mar 2022 £*
Statutory audit	**-**	*4,800*
Independent examination	**2,040**	-
Legal costs	**-**	*1,867*
Other costs	**641**	*799*
	2,681	*7,466*

Cinnamon Network, charity number 1156985, OSCR number SC047733
Annual Report 1 April 2022 – 31 March 2023

5. COSTS OF RAISING FUNDS

	Unrestricted funds Year ended 31 Mar 2023 £	Restricted funds Year ended 31 Mar 2023 £	Total funds Year ended 31 Mar 2023 £
Direct staff costs	12,356	39,099	**51,455**
Direct other costs	5,195	-	**5,195**
Indirect costs	3,435	16,711	**20,146**
	20,986	55,810	**76,796**

	Unrestricted funds Year ended 31 Mar 2022 £	Restricted funds Year ended 31 Mar 2022 £	*Total funds Year ended 31 Mar 2022 £*
Direct staff costs	59,609	-	*59,609*
Direct other costs	7,988	-	*7,988*
Indirect costs	2,077	27,782	*29,859*
	69,674	27,782	*97,456*

FINANCIAL STATEMENTS

The Cinnamon Networks – Notes to the Financial Statements
For the year ended 31 March 2023

6. CHARITABLE ACTIVITIES

	Unrestricted funds Year ended 31 Mar 2023 £	Restricted funds Year ended 31 Mar 2023 £	**Total funds Year ended 31 Mar 2023 £**
Church & societal engagement			
Grants to institutions	(1,550)	54,000	**52,450**
Direct staff costs	21,137	63,454	**84,591**
Direct other costs	22,233	40,481	**62,714**
Indirect costs	12,112	58,926	**71,038**
Church & societal engagement	53,932	216,861	**270,793**
Programme innovation & support			
Grants to institutions	25,000	7,115	**32,115**
Direct staff costs	2,921	6,771	**9,692**
Direct other costs	776	61,879	**62,655**
Indirect costs	6,334	30,815	**37,149**
Programme innovation & support	35,031	106,580	**141,611**
Total charitable activities	88,963	323,441	**412,404**

	Unrestricted funds Year ended 31 Mar 2022 £	Restricted funds Year ended 31 Mar 2022 £	*Total funds Year ended 31 Mar 2022*
Church & societal engagement			
Grants to institutions	-	72,000	*72,000*
Direct staff costs	34,870	102,995	*137,865*
Direct other costs	13,659	47,513	*61,172*
Indirect costs	8,327	111,395	*119,722*
Church & societal engagement	56,856	333,903	*390,759*
Programme innovation & support			
Grants to institutions	-	56,191	*56,191*
Direct other costs	5,171	56,721	*61,892*
Indirect costs	3,628	48,531	*52,159*
Programme innovation & support	8,799	161,443	*170,242*
Total charitable activities	65,655	495,346	*561,001*

Cinnamon Network, charity number 1156985, OSCR number SC047733
Annual Report 1 April 2022 – 31 March 2023

7. STAFF COSTS

	Total Year ended 31 Mar 2023	*Total Year ended 31 Mar 2022*
	£	*£*
Gross salaries	**208,487**	*310,535*
Employer's NIC	**13,145**	*23,230*
Employer's pension	**5,824**	*8,478*
	227,456	*342,243*

The average headcount during the period was 10 persons (2022: 12 persons).

No employees received employee benefits in excess of £60,000 (2022: Nil).

The total remuneration paid to key management personnel during the year was £57,457 (2022: £107,660).

8. DEBTORS

	Total Year ended 31 Mar 2023	*Total Year ended 31 Mar 2022*
	£	*£*
Accounts receivable	**964**	*2,235*
Accrued gift aid	**16,958**	*16,579*
Accrued income	**-**	*17,500*
Prepayments	**600**	*621*
	18,522	*36,935*

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Total funds Year ended 31 Mar 2023	*Total funds Year ended 31 Mar 2022*
	£	*£*
Accounts and staff expenses payable	**21,315**	*8,136*
Accruals	**4,890**	*11,499*
Grants payable in less than one year (see note 10)	**31,250**	*39,000*
PAYE control account	**4,502**	*4,371*
Pension control account	**1,072**	*1,093*
Deferred revenue	**29,591**	*60,848*
	92,620	*124,947*

Deferred revenue consists of grant income for the incubation programme for the period April 2023 to December 2023 (2022: April 2022 to December 2022).

10. GRANTS PAYABLE

	Total funds Year ended 31 Mar 2023 £	**Total funds Year ended 31 Mar 2023 £**	Total funds Year ended 31 Mar 2022 £	*Total funds Year ended 31 Mar 2022 £*
Brought forward on 1 April 2022		**57,750**		*54,000*
Micro-grants awarded in year	**54,000**		*76,000*	
Micro-grants returned in year	**(1,550)**		*(4,000)*	
		52,450		*72,000*
Project incubation grants from Project Lab donations	**7,115**		*6,191*	
Project incubation grant – Restored Beacons	**25,000**		-	
Project incubation grant – Street Storage	-		*25,000*	
Project incubation grant – Purple Shoots	-		*25,000*	
		32,115		*56,191*
Paid in year		**(101,690)**		*(124,441)*
Carried forward on 31 March 2023		**40,625**		*57,750*

Grants payable are due:

	Total funds Year ended 31 Mar 2023 £	*Total funds Year ended 31 Mar 2022 £*
Payable in less than one year	**31,250**	*39,000*
Payable in greater than one year	**9,375**	*18,750*
	40,625	*57,750*

More details on the breakdown of micro-grants awarded in the year is available on request from the Charity.

11. ANALYSIS OF CHARITY FUNDS

	Balance brought forward Year ended 31 Mar 2023 £	Income for the Year ended 31 Mar 2023 £	Expenditure in the Year ended 31 Mar 2023 £	Transfers between funds Year ended 31 Mar 2023 £	**Balance carried forward Year ended 31 Mar 2023 £**
Unrestricted funds	56,635	185,387	(109,949)	-	**132,073**
Restricted funds					
Community Transformation					
National Lottery Community Fund	35,186	-	(35,186)	-	**-**
United Kingdom	12,000	50,000	(44,000)	-	**18,000**
England	16,106	52,500	(60,606)	-	**8,000**
Cambridgeshire	2,000	5,850	(1,374)	-	**6,476**
West Berkshire	8,000	-	(2,000)	-	**6,000**
Faith New Deal	-	51,693	(51,693)	-	**-**
Partnership development	47,691	-	(47,691)	-	**-**
Project Support & Incubation	14,911	121,790	(136,701)	-	**-**
Christian Funders Forum	12,202	-	-	-	**12,202**
Restricted funds	148,096	281,833	(379,251)	-	**50,678**
Total funds	204,731	467,220	(489,200)	-	**182,751**

Community transformation funds are for the work in the relevant geographical areas with both church and civic group engagement, including micro-grants to projects.

Faith New Deal funds are funds to support a nationwide project that ran until March 2023.

Partnership development funds are for developing the work with local police forces and other statutory services.

Project Support & Incubation funds are for use with this area of the Charity's work.

Christian Funders' Forum is for the work the Charity does to facilitate this group including the annual awards ceremony.

11. ANALYSIS OF CHARITY FUNDS (continued from previous page)

	Balance brought forward Year ended 31 Mar 2022 £	Income for the period Year ended 31 Mar 2022 £	Expenditure in the period Year ended 31 Mar 2022 £	Transfers between funds Year ended 31 Mar 2022 £	*Balance carried forward Year ended 31 Mar 2022* £
Unrestricted funds	*(18,470)*	*210,434*	*(135,329)*	-	*56,635*
Restricted funds					
Community Transformation National Lottery Community Fund	106,244	76,313	(147,371)	-	*35,186*
United Kingdom	-	51,500	(39,500)	-	*12,000*
England	32,106	70,000	(86,000)	-	*16,106*
Cambridgeshire	8,000	-	(6,000)	-	*2,000*
Northern Ireland	-	2,000	(2,000)	-	-
West Berkshire	10,000	-	(2,000)	-	*8,000*
West Midlands	-	1,000	(1,000)	-	-
Cinnamon Faith Action Audits	9,600	-	(9,600)	-	-
Partnership development	36,132	44,342	(32,783)	-	*47,691*
Project Support & Incubation	84,813	126,844	(196,746)	-	*14,911*
Christian Funders Forum	12,330	-	(128)	-	*12,202*
Restricted funds	299,225	371,999	(523,128)	-	*148,096*
Total funds	280,755	582,433	(658,457)	-	*204,731*

Cinnamon Faith Action Audit funds are for developing online tools to enable local communities to carry out their own faith action audits. These tools went live in the first quarter of 2021-2022.

The Cinnamon Network – Notes to the Financial Statements
For the year ended 31 March 2023

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds Year ended 31 Mar 2023 £	Restricted funds Year ended 31 Mar 2023 £	**Total funds Year ended 31 Mar 2023 £**
Current assets	184,068	100,678	**284,746**
Current liabilites	(42,620)	(50,000)	**(92,620)**
Non-current liabilities	(9,375)	-	**(9,375)**
	132,073	50,678	**182,751**

	Unrestricted funds Year ended 31 Mar 2022 £	Restricted funds Year ended 31 Mar 2022 £	*Total funds Year ended 31 Mar 2022 £*
Current assets	162,582	185,846	*348,428*
Current liabilites	(105,947)	(19,000)	*(124,947)*
Non-current liabilites	-	(18,750)	*(18,750)*
	56,635	148,096	*204,731*

13. TRUSTEE REMUNERATION

No trustee received remuneration nor reimbursement of expenses in the year (2022: £Nil).

14. RELATED PARTY TRANSACTIONS

During the current and prior period the following related party transactions were carried out:

Unrestricted donations
During the period, total donations from the trustees amounted to £8,000 (2022: £40,071).

15. GUARANTEES AND SECURED CHARGES

As of at 31 March 2023 the Charity did not have any outstanding guarantees to third partners nor any debts secured against assets of the Charity (2022: £NIL).

The Cinnamon Network:

Charity Number 1156985
Scottish Charity Registration no. SC047733
Registered in England and Wales on 8 May 2014
Registered in Scotland on 14 September 2017

Bankers:

Santander
Sunderland
SR43 4ET

Financial Accountant:

Andy Nash Accounting and Consulting
Units 24 & 25, Goodsheds Container Village
Hood Road
Barry
CF62 5QU

Independent Auditor:

Bianca Permal (FCA)
Haines Watts (Berkhamsted) Limited
4 Claridge Court
Lower Kings Road
Berkhamsted
HP4 2AF

Trustees:

Martin Warner
Darren Mitchell
Sharon Prentis
Rev Colin Marsh

Cinnamon Leadership Team during 2022/2023:

Amanda Bindon
Mark Kitson
Paul Garratt

CINNAMON
NETWORK

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