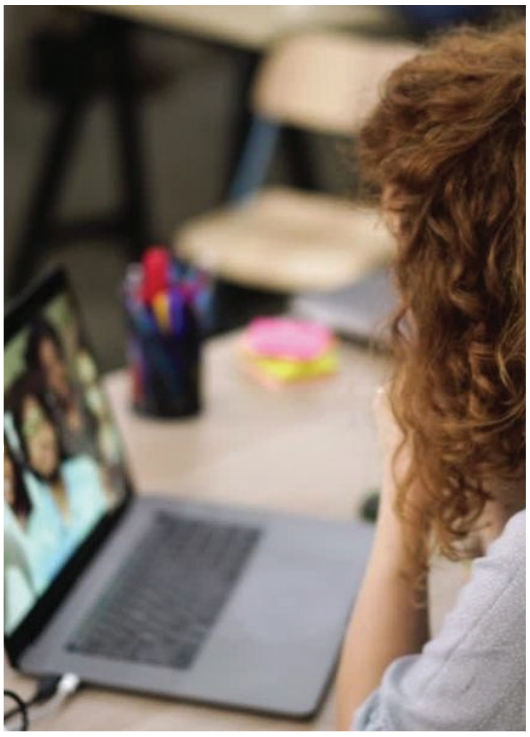
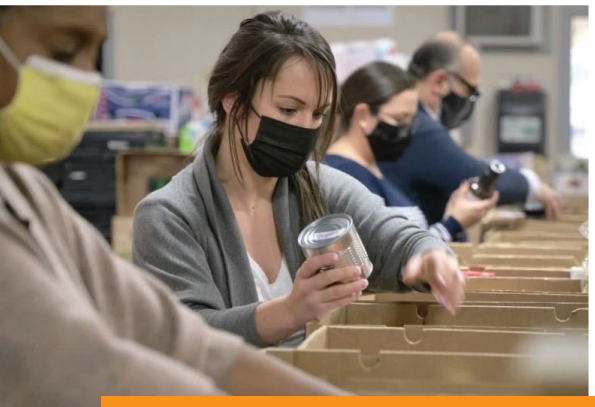
CINNAMON
NETWORK





ANNUAL REPORT APRIL 2020 – MARCH 2021

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WELCOME

Dear Friends

When we started this financial year in April 2020, we were a few weeks into the first national lockdown and only beginning to learn what the full extent of a COVID-19 global pandemic would mean. Most of us had little idea of just how much life would change, how church life would change, and that this past year would throw up so many challenges for us all.

As we come to the end of this extraordinary year, it has been so encouraging to see Cinnamon adapt and position itself to serve and equip local churches effectively, remaining true to the core focus of equipping local churches to serve those in need in our communities.

As Chairman, I have been delighted at the way in which the whole team rose to this challenge. They have re-imagined how to work most effectively with churches; how to support our Cinnamon Recommended Projects as many moved their focus online; and how to provide excellent, focussed training. Cinnamon's annual Project Lab Final (now known as the Incubator Final) was adapted to take place as a virtual event, which resulted in many more people than usual being involved. In what has been a year in which everything was disrupted, Cinnamon has delivered twice the work and impact than ever before.

Despite the challenges of the year, the number of Cinnamon Recommended Projects has actually increased, with new projects addressing many of the emerging issues of the day. In addition to the significant amount of online training that Cinnamon was able to deliver, a huge amount of work was focused on developing the new Cinnamon Connect online learning community, which launched in April 2021.

All this has only been possible with the continued generosity of those that support us financially. My thanks to them, to my fellow Trustees for their wisdom in guiding Cinnamon through this challenging year, to our Co-Chief Execs, Amanda Bindon and Mike Royal for their inspiring leadership, and indeed to the whole team for the work they do and the generous way in which they use their gifts and talents.

Martin Warner
Chair of Trustees

EQUIPPING CHURCHES TO ENGAGE COMMUNITIES

Church Engagement has always been central to Cinnamon. Our team of Advisors, spread across the UK, are tasked with encouraging and supporting local churches who are looking for ways to engage with their local communities. Those looking to start up a social action project can be pointed towards one of our brilliant Cinnamon Recommended Projects (CRPs), and thanks to our partners, including Andrews Charitable Trust, we have Cinnamon Micro-Grants to help with start-up costs.

Our Advisors support churches as they explore what needs in their community they want to address. Through the Cinnamon training programme, we help equip the core teams within churches with the necessary skills to tackle those identified needs.

During the first few weeks of 2020, much of our Church Engagement took place through face-to-face meetings. But when COVID-19 struck, it quickly became apparent that we needed to change how we delivered that important part of our charitable activity. Thanks to the skills and determination of many of the Cinnamon team, we were able to adapt and position ourselves to provide even more support to local churches across the UK. Instead of face-to-face conversations, we started to offer a wide range of on-line support and training.

10 training modules

24 webinars

700 churches

2,300 individuals

"WITHOUT HELP FROM CINNAMON NETWORK, WE WOULDN'T HAVE BEEN ABLE TO SUPPORT THE INCREASE IN DEMAND."

PAUL EDWARDS, SOUTH WOKING COMMUNITY FOODBANK

The new on-line training, webinars and forums quickly enabled us to address some of the new and emerging issues facing local churches and their communities. The schedule of webinars was as follows:

Virtual kindness, mental health, giving, funding, food banks, reaching the isolated, bereavement, employment, rethinking social action, reaching 'Generation COVID', young people, leadership, supporting families, care homes, homelessness, rural communities, domestic abuse, racial diversity, volunteering, children's wellbeing, partnerships, evangelism, young people's mental health, community health.

We have been blessed by the capability within the Cinnamon team who have so much experience themselves, as well as an extensive network of key contacts who we have been able to draw on to partner with us in delivering high quality online training.

A few banners from our webinar series

CINNAMON CONNECT

Brand new online learning community

Throughout 2020 work continued on the development of Cinnamon Connect. Cinnamon Connect is a brand-new learning community, designed to put local churches in touch with the people, resources, and knowledge that will help their church change lives. Cinnamon Connect is for anyone who wants to see Christian social action make a difference in their community.

Many years of experience, built up by Cinnamon Advisors and other community development specialists, is distilled it into practical, bite-sized, tried and tested resources that will help churches with everything from how to discern their calling and get their church on board, right through to building a fundraising strategy and managing volunteers.

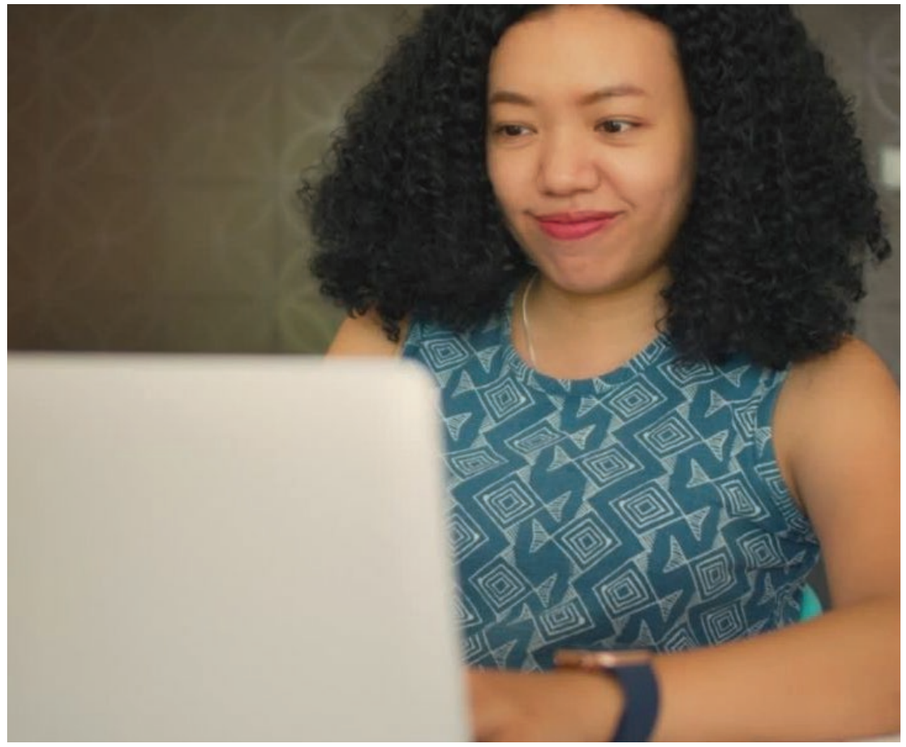
Cinnamon Connect offers churches a range of tools and activities to build their own personalised plan for supporting their community. It guides them through actions and tasks that will help them plan and get to where they want to be. The plan can then be shared with others, updated and added to as things progress.

With our library of webinars and downloadable resources covering everything from young people's mental health to building partnerships, churches can tap into a vast pool of knowledge.

An interactive mapping tool allows churches to build a complete visual picture of what's going on in the community, and, when used alongside other resources, is designed to help churches gain a fresh and clear perspective.

Access to the Cinnamon Training Series, Webinars and Forums is also available through Connect. Covering a wide range of relevant and topical subjects, they allow local churches to learn from experienced trainers and experts in their field, ask questions and hear how to put the knowledge into context and action.

"CINNAMON CONNECT OFFERS CHURCHES A RANGE OF TOOLS AND ACTIVITIES TO BUILD THEIR OWN PERSONALISED PLAN FOR SUPPORTING THEIR COMMUNITY."



CINNAMON RECOMMENDED PROJECTS

Partnerships that deliver life-changing impact

Cinnamon Recommended Projects (CRPs) remain an essential part of our toolkit for supporting local churches. It's a partnership that works four ways.

Cinnamon partners with some incredible social action projects to support local churches in serving their community. Churches can embrace proven, effective and easy to replicate projects that will help them meet the needs they have identified in their community. Every church can be confident that they will get all the support they need to deliver lasting benefits.

We also partner with several generous donors – including The Mercers' Charity and Andrews Charitable Trust – to provide funding in the form of Cinnamon Micro-Grants to local churches. It's a highly effective way to maximise the impact of the funding, as the local church must match the micro-grant funding. Together, this covers the essential start-up costs of the project, including the cost of equipment, training, resources and other essentials.

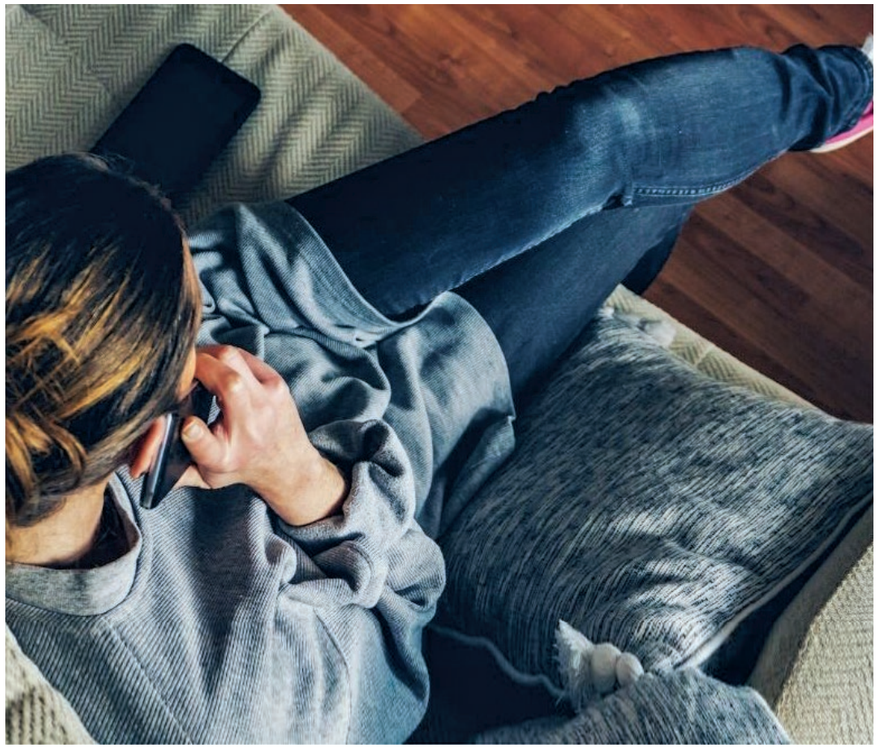
BLACK CHURCH Domestic Abuse FORUM

In 2020, the Black Church Domestic Abuse Forum joined the list of Cinnamon Recommended Projects, making a total of 40 for churches to choose from. Thanks to the Cinnamon Incubator Programme, we look forward to exciting new projects being added to the list each year.

Many church-led social action projects had to adapt in 2020 to meet the new challenges brought about by the pandemic. West Auckland church project 'The Well' had to re-focus and adapt during lockdown but found that new opportunities opened up as a result.

Instead of running a community café, ACTS 435 and other projects, the team from West Auckland Vineyard focussed on providing essential food parcels to people living in the village and surrounding area. And when travel restrictions made even that service difficult, they discovered they had a new opportunity to encourage and pray for the support workers from various organisations who came to The Well to collect the food parcels for their clients. Andy Mitchell from The Well remembers lockdown as "a process of learning and understanding for us to continue serving West Auckland and the surrounding area."

"IT IS SO ENCOURAGING WHEN GOD'S PEOPLE WORK TOGETHER."



Partners like Andrews Charitable Trust, Mercers and other bodies who support projects in particular areas of the UK, trust us to disburse grants of £2,000 to approved churches launching a new Cinnamon Recommended Project. These grants must be matched with funding raised by the church from elsewhere.

In 2020, several Cinnamon Micro-Grants were focussed on setting up projects such as Make Lunch and CAP Debt, to support churches' specific response to the impact of COVID-19, addressing very practical needs where people were struggling to provide food and manage their finances.

Rachel Maclure from St John's Isleworth, who received a Cinnamon Micro-Grant to start a Kids Matter programme said, "We are so thankful that we can now be hospitable to families in our community who need an extra helping hand and support at this time. Thank you for your generosity and for partnering with churches around the country in this way. It is so encouraging when God's people work together for the good of the land!"

CINNAMON INCUBATOR

Incubator Final – where the journey towards becoming a CRP begins.

It takes time and commitment to take an idea and turn it into a great social action project that can be replicated by other churches to serve local communities. One of the most exciting events in Cinnamon's year is the Incubator Final (previously known as Project Lab Final), when five innovative projects get to make their pitch at the Incubator Final. The winner gets a development grant, but all five projects aim to secure a place on the coveted two-year Cinnamon Incubator Programme and may receive additional funds from our invited audience.

In 2020, the Incubator competition focussed on homelessness and one of our partners was the Archbishops' Commission on Housing. Homelessness resonated with so many of us – as the pandemic forced us back into the safety of our homes, it inevitably made us question what happens to those without suitable homes, or those for whom home is not a place of safety and refuge. The pandemic highlighted the inequalities in our society as those who live in unsafe and crowded homes have disproportionately been affected by COVID-19.

Previously the Incubator Final has been held in Mercers' Hall in London (thanks to our official partner The Mercers' Company). But in 2020, the Final went virtual. One big advantage of the virtual event was the capacity for many more to join us, and more than 230 logged in to watch the Final on the night.

The winning projects, **Radiant Cleaners** and **Hope4All**, each received a development grant of £30,000 – one of which was generously funded by The Mercers' Company. In addition, an incredible £60,000 was raised on the night in donations from those who attended the event, and this will fund the other finalist projects through the Incubator Programme over the next two years.

230 GUESTS JOINED US ONLINE FOR THE 2020 PROJECT LAB FINAL

MORE THAN £60,000 WAS DONATED TO SUPPORT THE DEVELOPMENT OF PROJECT LAB FINALISTS

INCUBATOR COMPETITION

Cinnamon Incubator Competition Finalists

ENCOURAGING CHURCH-LED SOCIAL ACTION PROJECTS TO REPLICATE

The Incubator Final is not the end but the start of the journey. The two-year Incubator Programme that follows it is designed specifically to help church-led social action projects develop strong governance, robust leadership and the knowledge and expertise they need to become replication ready.

The programme has both a practical and spiritual element, and the project leaders are equipped with all the skills they need to take their social action project to the next level. As well as one-to-one coaching, the programme addresses impact, finance, marketing, fundraising, personal action planning and in 2020 – perhaps inevitably – responding to the changing face of the church. Incubatees are encouraged to look carefully at their business model and consider in depth each key aspect of developing their project to ensure that they are suitable for other churches to replicate as easily as possible.

INCUBATOR PROGRAMME
13

"THE INCUBATOR HAS BEEN INVALUABLE. I CANNOT EVEN DESCRIBE IT! SINCE NOVEMBER, AFTER THE TRAINING, OUR ORGANISATION HAS SEEN MASSIVE GROWTH AND INCREASE. WE NOW HAVE AN OFFICE, WHICH WE HAVEN'T HAD IN TWO YEARS, AND WE'VE BEEN ABLE TO REPLICATE IN TWO LOCATIONS."

ADEOLA OGUNADE, FOUNDER OF HOPE4ALL AND WINNER OF THE 2020 CINNAMON INCUBATOR COMPETITION

Recognising that unemployment and training are high priority needs across the UK, the 2021 Incubator Competition will focus on finding suitable projects that address either or both of these areas in some way. We look forward to discovering some of the very best new ideas at the 2021 Incubator Final in November, which will be a hybrid virtual and in-person event.

Cinnamon Network, charity no. 1156985
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SUPPORTING THE INCREDIBLE DIVERSITY OF THE CHURCH IN THE UK

Cinnamon aims to support as many churches as possible, reflecting the diversity of UK churches, and reaching across the geographical spread of the entire country. We want to serve the whole body of Christ, regardless of denomination, ethnicity or social background.

While we have always known from anecdotal feedback that we had a wide sphere of influence, it is only recently that we have been able to verify the diversity and spread of the churches we support.

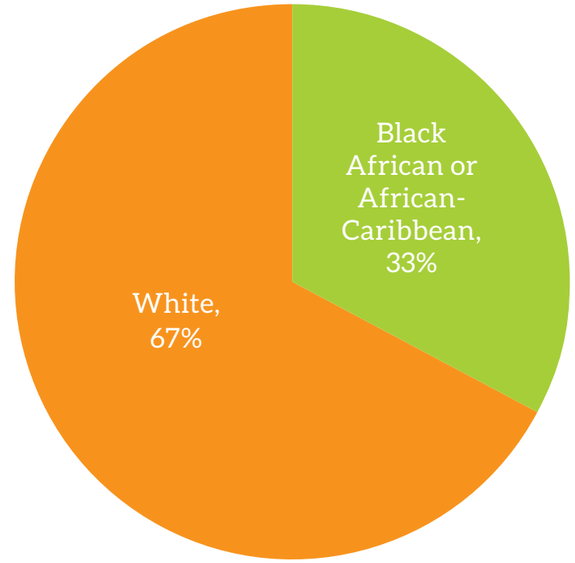
Our online training presence has provided us with new ways of monitoring and capturing the facts about those we serve. In 2020, 695 people registered with us for online training, and this has allowed us to learn a lot about the individuals and churches that come to us for support.

- Over 75% of churches involved with our training represented urban areas or small towns, but we also had a significant number of inner-city churches, and rural and coastal communities represented.
- Taking the size of church congregations into account, over 50% were mid-sized (51-300 members) 30% were smaller churches (1-50 members) and 16% large churches of over 300 members.
- 27% represented majority African and African-Caribbean churches, and 55% majority white churches.
- Churches of all sizes, all ethnic backgrounds and all types of communities were keen to benefit from the expertise and experience that Cinnamon has to offer.

- Most participants came from churches in England, with 6% from Scotland, 2% from Wales and Northern Ireland respectively. We have a wide denominational reach with C of E, Baptist, Pentecostal, and Community Churches making up almost 60%. We also connected with New Frontiers churches, Roman Catholics, Presbyterians, Church of Scotland, Church of Wales, Salvation Army, Elim, Apostolic, URC, RCCG, Quakers and Church of the Nazarene.

It is pleasing to note that 60% of individuals who registered for a webinar were new to Cinnamon, and a third of these had heard about us through word of mouth.

Ethnic Breakdown of Participating Churches in Cinnamon Training 2020-21



Based on church populations 70% or over

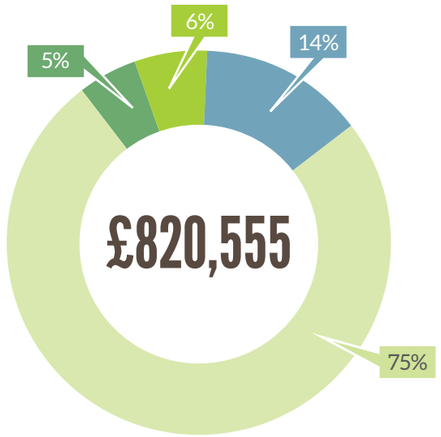
"THE CINNAMON TEAM HAS REALLY HELPED US SHAPE OUR SOCIAL ACTION WORK AND DEVELOP PROJECTS TO SUPPORT THOSE MOST IN NEED THROUGHOUT THE PANDEMIC."

PASTOR RASAQ IBRAHIM, RCCG ERDINGTON, BIRMINGHAM

FINANCIAL INCOME & EXPENDITURE FOR 20/21

Income

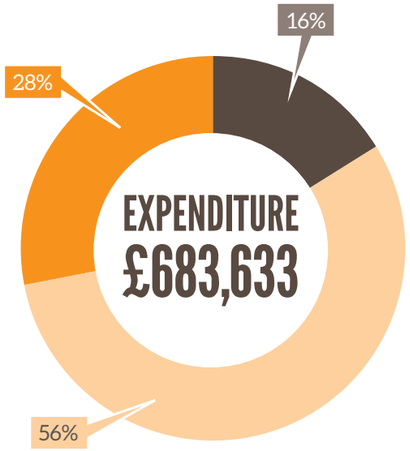
Regular giving	£40,239
One-off donations	£116,481
Trusts & foundations	£615,045
Other	£48,790



Income by source

Expenditure

Raising funds	£110,333
Church & societal engagement	£381,847
Project innovation & support	£191,453



Expenditure by initiative

FINANCIAL REVIEW

The commentary below reflects what is said in the full audit report at the end of this Annual Report for the financial year 2020/2021. It also explains what has happened since the end of the last financial year; how that's impacted on our finances moving forward; and what that's likely to mean for our position at the end of the financial year 2021/2022.

As of the 31 March 2021 the Charity had negative unrestricted reserves of (£18,470.) This is a significant reduction from the deficit at the end of the previous financial year of negative (£174,472) on unrestricted funds. This has been due to a collective effort on the part of the entire team and Board of Trustees. We are conservatively forecasting that in the forthcoming year we will move into a positive balance and begin the journey to a healthy reserve position.

As noted in our previous accounts, during the year ended 31 March 2019, the Trustees took the decision that it was no longer appropriate to continue to fund international work as part of Cinnamon Network, due to its impact on the ongoing financial stability of UK operations.

There was little direct funding for the international work and, consequently, it required subsidies totalling £296,656 from unrestricted reserves during the period 1 April 2017 to 31 March 2019. It was therefore deemed necessary and prudent for this work to separate into an unconnected charity, in which it can hopefully develop and attract funding from other sources.

During the past two financial years (19/20 and 20/21) the Business Development team have worked hard with new and existing funders to secure funds to ensure that Cinnamon can deliver its objectives as has been set out earlier in this report.

The Trustees are now confident that the unrestricted reserves will be positive by the end of 2021-2022. Notwithstanding, the Trustees have also identified several areas where discretionary expenditure can be reduced in the short term, should anticipated income streams fall below target, to ensure the ongoing viability of the Charity.

The Trustees have reviewed the charity's reserves policy in the light of our commitments to the team and our programme of activities. So, as of the start of the new financial year 21/22, our reserves policy is to hold reserves sufficient to allow for an orderly close down of the organisation in the case of a significant and prolonged drop in income. The level has been based on the current redundancy liabilities and notice periods and allowing sufficient time to transfer projects to other providers and is currently estimated to be between £90,000 and £125,000.

The Trustees have continued to be open and transparent with restricted funders about the current position and have continued to secure additional funding. Clearly, funders are confident that the strong leadership, diligent governance and improving financial situation will enable the Charity to continue in the long term.

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. Each risk is then given a rating based on the level of impact it might have on the operations of the charity against the likelihood of any negative impact occurring.

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

Risk	Progress made in 2019/20	Further mitigating activities in 2021/22
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 focus remains on long term fundraising and tight monitoring of cost control.
The Senior Executive team comprise the two Co-Chief Executives	During the course of the year there has been development of a senior leadership team made up of all the key senior leaders and team leaders which meets monthly.	This team will continue to meet regularly and grow its experience and role.
Increased competition for access to funds.	The development of a KPI monitoring system will help track outcomes to report to funders.	Implementation of the system across Cinnamon.

Adeola Ogunade Hope4All Winner of the Project Incubator Competition 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Cinnamon Network operates as a charity registered with the Charity Commission in England and Wales and is governed in line with its Memorandum and Articles of Association. It was registered as a charity in June 2014.

Leadership Team

During 2020/21 the Cinnamon Leadership Team comprised of the two Co-Chief Executives Amanda Bindon and Mike Royal.

Cinnamon Financial Oversight

Throughout the year, Darren Mitchell continued to have financial oversight and review Cinnamon's Management Accounts prior to their recommendation to the Board of Trustees. These recommendations may include further action that is required. This year we have seen the benefits of our fully integrated financial systems.

Board of Trustees

The Board of Trustees now consists of a Chair and two other trustees plus a co-opted member. The Memorandum and Articles of Association state there must be a minimum of three board members, but currently put no caps 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 regard to 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 charity trustees will make available to each new charity trustee, on or before his or her 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 Co-Chief Executives.

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.

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 accounts 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 published on 16 July 2014.

This report was approved and authorised for issue by the board of trustees on 10 November 2021 and signed on its behalf by:

Martin Warner
Chair of the Board of Trustees

Cinnamon Network, charity no. 1156985
Annual Report 1 April 2020 – 31 March 2021

EXAMPLE AUDITOR'S UNQUALIFIED OPINION (unincorporated charity or CIO in England and Wales preparing accounts on the accruals basis)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CINNAMON NETWORK CHARITY

Opinion

We have audited the financial statements of The Cinnamon Network Charity (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *the Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021, and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 20], the trustees are responsible for the preparation of financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud and error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Charity and the sector in which it operates. We determined that the following laws and regulations were most significant: The Charities Act 2011 , UK GAAP, Occupational Health and Safety regulations, the Data Protection Act.
- sufficient accounting records have not been kept; or
- We obtained an understanding of how the Charity are complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies where appropriate.
- We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:
  - Identifying and assessing the controls management has in place to prevent and detect fraud;
  - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
  - Challenging assumptions and judgments made by management in its significant accounting estimates and judgments;
  - Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
  - Assessing the extent of compliance with the relevant laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Shaun Brownsmith FCA
Haines Watts
Milton House
Gatehouse Road
Aylesbury
HP19 8EA

Date: 10 November 2021

Mike Royal spoke about Cinnamon on both UCB and Premier Radio throughout the year.

(PHOTO TAKEN IN 2019)

FINANCIAL STATEMENTS

The Cinnamon Network – Statement of Financial Activities
For the period ended 31 March 2021

	Notes	Unrestricted funds Year ended 31 Mar 2021 £	Restricted funds Year ended 31 Mar 2021 £	**Total funds Year ended 31 Mar 2021 £**	*Total funds Year ended 31 Mar 2020 £*
Income from					
Donations	*2*	314,547	511,679	**826,226**	*738,043*
Charitable activities	*3*	2,922	(9,000)	**(6,078)**	*76,423*
Investments		407	-	**407**	*739*
Total income		317,876	502,679	**820,555**	*815,205*
Expenditure on:					
Raising funds	*4 & 5*	85,981	24,352	**110,333**	*95,133*
Charitable activities					
Church & societal engagement	*4 & 6*	23,540	358,307	**381,847**	*443,247*
Project support & incubation	*4 & 6*	52,353	139,100	**191,453**	*239,021*
Total charitable activities		*75,893*	*497,407*	***573,300***	*682,268*
Total expenditure		161,874	521,759	**683,633**	*777,401*
Net income/(expenditure)		*156,002*	*(19,080)*	***136,922***	*37,804*
Reconciliation of funds:					
Total funds brought forward	*11 & 12*	(174,472)	318,305	**143,833**	*106,029*
Total funds carried forward	*11 & 12*	*(18,470)*	*299,225*	***280,755***	*143,833*

The notes on pages 28 to 39 form part of the financial statements.

The Cinnamon Network – Balance Sheet
As at 31 March 2021

	Notes	£	Total Funds 31 Mar 2021 £	£	Total Funds 31 Mar 2020 £
Current assets					
Debtors	8	**31,264**		*21,149*	
Cash at bank and in hand		**378,120**		*203,697*	
		409,384		*224,846*	
Liabilities					
Creditors: amounts falling due in less than one year	9	**(118,629)**		*(81,013)*	
Net current assets/(liabilities)			**290,755**		*143,833*
Creditors: amounts falling due in greater than one year	10		**(10,000)**		–
Net assets/(liabilities)			**280,755**		*143,833*
The funds of the charity:					
Restricted funds	11 & 12		**299,225**		*318,305*
Unrestricted funds	11 & 12		**(18,470)**		*(174,472)*
Total charity funds			**280,755**		*143,833*

The notes on pages 28 to 39 form part of the financial statements.

These financial statements were approved and authorised for issue by the Board of Trustees on 10 November 2021 and signed on their behalf by:

Martin Warner
Chair of the Board of Trustees

The Cinnamon Network – Statement of Cash Flows
For the year ended 31 March 2021

		Total Funds Year ended 31 Mar 2021 £		Total Funds Year ended 31 Mar 2020 £
Cash flows from operating activities				
Net income/(expenditure) for period (as per SOFA)			**136,922**	*37,804*
Adjustments for:				
(Increase)/decrease in trade receivables		**15,510**		*19,640*
(Increase)/decrease in accrued gift aid		**(5,257)**		*7,891*
(Increase)/decrease in accrued income		**(21,086)**		*-*
(Increase)/decrease in prepayments		**778**		*(538)*
(Increase)/decrease in other debtors		**(60)**		*-*
Increase/(decrease) in accounts & staff expenses payable		**(9,377)**		*(6,473)*
Increase/(decrease) in grants payable		**10,000**		*3,000*
Increase/(decrease) in accruals		**7,743**		*(6,232)*
Increase/(decrease) in net salaries payable		**-**		*(5,103)*
Increase/(decrease) in HMRC payable		**(1,174)**		*(2,605)*
Increase/(decrease) in pension payable		**(254)**		*412*
Increase/(decrease) in credit card		**-**		*(1,170)*
Increase/(decrease) in deferred revenue		**40,678**		*-*
			37,501	*8,822*
Net cash used in operating activities			**174,423**	*46,626*
Net cash used in investing activities			**-**	*-*
Net cash used in financing activities			**-**	*-*
Change in cash and cash equivalent in period			**174,423**	*46,626*
Cash and cash equivalents at the beginning of the period			**203,697**	*157,071*
Cash and cash equivalents at the end of the period			**378,120**	*203,697*

The notes on pages 28 to 39 form part of the financial statements.

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 period ended 31 March 2021, 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 2021 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.

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 5 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 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

Since 1 April 2019 and roles being transitioned onto payroll, The Cinnamon Network has operated 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.

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.

The Cinnamon Network – Notes to the Financial Statements
For the period ended 31 March 2020

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. The annual depreciation charge for property, plant and equipment is sensitive to changes in useful economic lives and residual values of assets. These are reassessed annually.

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

In addition, cash levels have been continued to improve and the Charity has continued to be able to meet its liabilities as and when they have fallen due.

As noted in the prior year accounts, the accumulated deficit was a direct result of having subsidised the international operations to the value of £296,656 from unrestricted reserves during the period 1 April 2017 to 31 March 2019. In 2019 it was therefore deemed necessary and prudent for this work to separate into an unconnected charity.

Whilst for many charities the COVID-19 pandemic has had a negative impact on their ability to continue as a going concern, the pandemic, whilst challenging from an operation and programmatic perspective has provided the Charity with the opportunity to raise just under £90,000 unrestricted income through a COVID-19 related matched funding appeal, as well as benefitting from the Coronavirus Job Retention Scheme as several roles were unable to continue during the pandemic and achieving further savings due to a lack of travel during the year. As a result the pandemic has had no negative impact on the Charity's ability to continue as a going concern.

This continual improvement in the unrestricted reserves is projected to continue throughout the next period, with a conservative forecast showing an in-year surplus on unrestricted reserves of at least £100,000, resulting in a positive unrestricted reserve of c. £50,000 by 31 March 2022.

The Trustees have continued to be open and transparent with restricted funders about the current position and, as noted above, have continued to secure additional funding. Clearly, funders are confident that the strong leadership, diligent governance and improving financial situation will enable to Charity to continue in the long term.

2. INCOME FROM DONATIONS

	Unrestricted funds Year ended 31 Mar 2021 £	Restricted funds Year ended 31 Mar 2021 £	**Total funds Year ended 31 Mar 2021 £**
Trusts & foundations	124,800	490,245	**615,045**
One-off donations	95,047	21,434	**116,481**
Regular giving	40,239	-	**40,239**
Coronavirus Job Retention Scheme & CSSP	54,461	-	**54,461**
	314,547	511,679	**826,226**

	Unrestricted funds Year ended 31 Mar 2020 £	Restricted funds Year ended 31 Mar 2020 £	*Total funds Year ended 31 Mar 2020 £*
Trusts & foundations	87,100	443,750	*530,850*
One-off donations	111,400	45,427	*156,827*
Regular giving	43,997	1,669	*45,666*
Other donations	4,700	-	*4,700*
	247,197	490,846	*738,043*

Previously, income from strategic partners, which consisted of a mix of one-off donations and donations through trusts was recognised separately. This has now been subsumed back into the relevant income source type, and the prior year figures represented to reflect this. Total income from donations remains unchanged.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds Year ended 31 Mar 2021 £	Restricted funds Year ended 31 Mar 2021 £	**Total funds Year ended 31 Mar 2021 £**
Income from other charitable activities	4,992	-	**4,992**
Return of historic partnership agreement	(2,070)	-	**(2,070)**
Christian Funder's Forum - cancellation of 2020 event	-	(9,000)	**(9,000)**
	2,922	(9,000)	**(6,078)**

	Unrestricted funds Year ended 31 Mar 2020 £	Restricted funds Year ended 31 Mar 2020 £	*Total funds Year ended 31 Mar 2020 £*
Partnership agreements	-	30,676	*30,676*
Christian Funders' Forum	-	21,000	*21,000*
Cinnamon Faith Action Audit contributions	19,576	-	*19,576*
Training contributions	5,171	-	*5,171*
	24,747	51,676	*76,423*

4. TOTAL EXPENDITURE

	Grants to institutions Year ended 31 Mar 2021 £	Direct staff costs Year ended 31 Mar 2021 £	Direct other costs Year ended 31 Mar 2021 £	Indirect costs Year ended 31 Mar 2021 £	Total funds Year ended 31 Mar 2021 £
Raising funds	-	49,166	26,521	34,646	110,333
Charitable activities					
Church & societal engagement	46,605	134,236	81,102	119,904	381,847
Programme innovation & support	83,325	1,817	46,193	60,118	191,453
	129,930	185,219	153,816	214,668	683,633

	Grants to institutions Year ended 31 Mar 2020 £	*Direct staff costs Year ended 31 Mar 2020 £*	*Direct costs Year ended 31 Mar 2020 £*	*Indirect costs Year ended 31 Mar 2020 £*	*Total funds Year ended 31 Mar 2020 £*
Raising funds	-	*51,181*	*18,439*	*25,513*	*95,133*
Charitable activities					
Church & societal engagement	*66,800*	*181,123*	*76,453*	*118,871*	*443,247*
Programme innovation & support	*77,737*	*3,277*	*93,906*	*64,101*	*239,021*
	144,537	*235,581*	*188,798*	*208,485*	*777,401*

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.

Following a review of the presentation of the activities undertaken by the charity, micro-grants and volunteer leadership training have been subsumed into church & societal engagement. The prior year figures have been represented to reflect this. Total expenditure remains unchanged.

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 period ended 31 March 2021

4. TOTAL EXPENDITURE (continued from previous page)

Indirect costs can be split as follows:

	Total funds Year ended 31 Mar 2021 £	*Total funds Year ended 31 Mar 2020 £*
Organisational leadership	99,783	*109,112*
Finance and administration	52,062	*40,993*
Communications	48,736	*40,214*
IT support	6,903	*9,211*
Governance	7,184	*8,955*
	214,668	*208,485*

Within indirect costs in the current period there are £131,670 of staff costs (2020: £111,994)

Governance costs consists of:

	Total funds Year ended 31 Mar 2021 £	*Total funds Year ended 31 Mar 2020 £*
Statutory audit	6,120	*5,000*
Legal costs	306	*2,781*
Other costs	758	*1,174*
	7,184	*8,955*

5. COSTS OF RAISING FUNDS

	Unrestricted funds Year ended 31 Mar 2021 £	**Restricted funds Year ended 31 Mar 2021 £**	**Total funds Year ended 31 Mar 20 £**
Direct staff costs	49,166	-	**49,166**
Direct other costs	8,951	17,570	**26,521**
Indirect costs	27,864	6,782	**34,646**
	85,981	24,352	**110,333**

	Unrestricted funds Year ended 31 Mar 2020 £	Restricted funds Year ended 31 Mar 2020 £	*Total funds Year ended 31 Mar 2020 £*
Direct costs	51,181	-	*51,181*
Indirect costs	18,439	-	*18,439*
Indirect costs	25,513	-	*25,513*
	95,133	-	*95,133*

The Cinnamon Networks – Notes to the Financial Statements
For the period ended 31 March 2021

6. CHARITABLE ACTIVITIES

	Unrestricted funds Year ended 31 Mar 2021 £	Restricted funds Year ended 31 Mar 2021 £	**Total funds Year ended 31 Mar 2021 £**
Church & societal engagement			
Grants to institutions	(3,289)	49,894	**46,605**
Direct staff costs	-	134,236	**134,236**
Direct other costs	6,717	74,385	**81,102**
Indirect costs	20,112	99,792	**119,904**
Church & societal engagement	23,540	358,307	**381,847**
Programme innovation & support			
Grants to institutions	30,000	53,325	**83,325**
Direct staff costs	-	1,817	**1,817**
Direct other costs	976	45,217	**46,193**
Indirect costs	21,377	38,741	**60,118**
Staff	52,353	139,100	**191,453**
Total charitable activities	75,893	497,407	**573,300**

	Unrestricted funds Year ended 31 Mar 2020 £	Restricted funds Year ended 31 Mar 2020 £	*Total funds Year ended 31 Mar 2020 £*
Church & societal engagement			
Grants to institutions	-	66,800	*66,800*
Direct staff costs	52,274	128,849	*181,123*
Direct other costs	17,137	59,316	*76,453*
Indirect costs	80,194	38,677	*118,871*
Church & societal engagement	149,605	293,642	*443,247*
Programme innovation & support			
Grants to institutions	-	77,737	*77,737*
Direct staff costs	2,302	975	*3,277*
Direct other costs	41,268	52,638	*93,906*
Indirect costs	45,024	19,077	*64,101*
Programme innovation & support	88,594	150,427	*239,021*
Total charitable activities	238,199	444,069	**682,268**

Following a review of the presentation of the activities undertaken by the charity, micro-grants and volunteer leadership training have been subsumed into church & societal engagement. The prior year figures have been represented to reflect this. Total expenditure remains unchanged.

7. STAFF COSTS

	Total Year ended 31 Mar 2021	*Total Year ended 31 Mar 2020*
	£	*£*
Gross salaries	**287,740**	*315,291*
Employer's NIC	**20,516**	*22,942*
Employer's pension	**8,633**	*9,342*
	316,889	*347,575*

The average headcount during the period was 14 persons (2020: 15 persons).

No employees received employee benefits between £60,000 & £69,999 (2020: Nil).

The total remuneration paid to key management personnel during the year was £95,687 (2020: £96,697).

8. DEBTORS

	Total Year ended 31 Mar 2021	*Total Year ended 31 Mar 2020*
	£	*£*
Accounts receivable	**60**	*15,570*
Accrued gift aid	**9,149**	*3,892*
Accrued income	**21,086**	-
Prepayments	**909**	*1,687*
Other debtors	**60**	-
	31,264	*21,149*

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Total funds Year ended 31 Mar 2021	*Total funds Year ended 31 Mar 2020*
	£	*£*
Accounts and staff expenses payable	**9,601**	*18,978*
Accruals	**17,010**	*9,267*
Grants payable in less than one year	**44,000**	*44,000*
PAYE control account	**5,760**	*6,934*
Pension control account	**1,580**	*1,834*
Deferred revenue	**40,678**	-
	118,629	*81,013*

Deferred revenue consists of grant income for the incubation programme for the period April 2021 to September 2021.

10. GRANTS PAYABLE

	Total funds Year ended 31 Mar 2021 £	**Total funds Year ended 31 Mar 2021 £**	Total funds Year ended 31 Mar 2020 £	*Total funds Year ended 31 Mar 2020 £*
Brought forward on 1 April 2020		**44,000**		*41,000*
Micro-grants awarded in year	**49,894**		*68,000*	
Micro-grants returned in year	**(3,289)**	**-**	*(1,200)*	
		46,605		*66,800*
Project incubation grants from Project Lab donations	**23,325**		*17,737*	
Project incubation grant – Radiant Cleaners	**30,000**		-	
Project incubation grant – Hope4All Housing Surgery	**30,000**		-	
Project incubation grant – Emerge Advocacy	-		*30,000*	
Project incubation grant – Truth be Told	-		*30,000*	
		83,325		*77,737*
Paid in year		**(119,930)**		*(141,537)*
Carried forward on 31 March 2021		**54,000**		*44,000*

Grants payable are due:

	Total funds Year ended 31 Mar 2021 £	*Total funds Year ended 31 Mar 2020 £*
Payable in less than one year	**44,000**	*44,000*
Payable in greater than one year	**10,000**	-
	54,000	*44,000*

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 2021 £	**Income for the Year ended 31 Mar 2021 £**	**Expenditure in the Year ended 31 Mar 2021 £**	**Transfers between funds Year ended 31 Mar 2021 £**	**Balance carried forward Year ended 31 Mar 2021 £**
Unrestricted funds	**(174,472)**	**317,876**	**(161,874)**	**-**	**(18,470)**
Restricted funds					
Community Transformation					
National Lottery Community Fund	**123,346**	**149,070**	**(166,172)**	**-**	**106,244**
United Kingdom	**-**	**51,000**	**(51,000)**	**-**	**-**
England	**22,000**	**70,000**	**(59,894)**	**-**	**32,106**
Cambridgeshire	**10,340**	**-**	**(2,340)**	**-**	**8,000**
Cheshire	**4,000**	**-**	**(4,000)**	**-**	**-**
Hampshire	**4,000**	**-**	**(4,000)**	**-**	**-**
London	**7,500**	**-**	**(7,500)**	**-**	**-**
West Berkshire	**20,338**	**-**	**(10,338)**	**-**	**10,000**
Cinnamon Faith Action Audits	**10,000**	**-**	**(400)**	**-**	**9,600**
COVID-19 support	**-**	**74,086**	**(74,086)**	**-**	**-**
Partnership development	**21,081**	**43,532**	**(28,481)**	**-**	**36,132**
Project Support & Incubation	**74,370**	**123,991**	**(113,548)**	**-**	**84,813**
Christian Funders Forum	**21,330**	**(9,000)**	**-**	**-**	**12,330**
Restricted funds	**318,305**	**502,679**	**(521,759)**	**-**	**299,225**
Total funds	**143,833**	**820,555**	**(683,633)**	**-**	**280,755**

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

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

COVID-19 funds were additional funds received from the National Lottery Community Fund to support the Charity's response to the COVID-19 pandemic.

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

Programme incubation & support 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 2020 £	*Income for the period Year ended 31 Mar 2020 £*	*Expenditure in the period Year ended 31 Mar 2020 £*	*Transfers between funds Year ended 31 Mar 2020 £*	*Balance carried forward Year ended 31 Mar 2020 £*
Unrestricted funds	*(113,023)*	*272,683*	*(333,332)*	*(800)*	*(174,472)*
Restricted funds					
Community Transformation					
National Lottery Community Fund	-	*222,091*	*(98,745)*	-	*123,346*
United Kingdom	*2,000*	*3,000*	*(5,000)*	-	-
England & Wales	*10,000*	-	*(10,000)*	-	-
England	*6,000*	*70,000*	*(54,000)*	-	*22,000*
Ireland	-	*7,836*	*(7,836)*	-	-
Wales	-	*2,000*	*(2,000)*	-	-
Cambridgeshire	*27,020*	-	*(16,680)*	-	*10,340*
Cheshire	*20,164*	-	*(16,164)*	-	*4,000*
Cumbria	-	-	*(800)*	*800*	-
Hampshire	*8,000*	-	*(4000)*	-	*4,000*
London	*15,018*	*10,000*	*(17,518)*	-	*7,500*
Thames Valley	*6,725*	-	*(6,725)*	-	-
West Berkshire	-	*30,676*	*(10,338)*	-	*20,338*
Cinnamon Faith Action Audits	-	*10,000*	-	-	*10,000*
Partnership development	*20,651*	*42,163*	*(41,733)*	-	*21,081*
Project Support & Incubation	*102,710*	*122,087*	*(150,427)*	-	*74,370*
Cinnamon International	-	*1,669*	*(1,669)*	-	-
Christian Funders Forum	*764*	*21,000*	*434*	-	*21,330*
Restricted funds	*219,052*	*542,522*	*(444,069)*	*800*	*318,305*
Total funds	*106,029*	*815,205*	*(777,401)*	-	*143,833*

The Cinnamon Network – Notes to the Financial Statements
For the period ended 31 March 2021

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds Year ended 31 Mar 2021 **£**	Restricted funds Year ended 31 Mar 2021 **£**	**Total funds Year ended 31 Mar 2021 £**
Current assets	**81,159**	**328,225**	**409,384**
Current liabilites	**(94,629)**	**(24,000)**	**(118,629)**
Non-current liabilities	**(5,000)**	**(5,000)**	**(10,000)**
	(18,470)	**299,225**	**280,755**

	Unrestricted funds Year ended 31 Mar 2020 £	Restricted funds Year ended 31 Mar 2020 £	*Total funds Year ended 31 Mar 2020 £*
Current assets	*(133,459)*	*358,305*	*224,846*
Current liabilites	*(41,013)*	*(40,000)*	*(81,013)*
	(174,472)	*318,305*	*143,833*

13. TRUSTEE REMUNERATION

No trustee received remuneration nor reimbursement of expenses in the year (2020: £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 £17,800 (2020 – £32,804).

15. GUARANTEES AND SECURED CHARGES

As of at 31 March 2021 the Charity did not have any outstanding guarantees to third partners nor any debts secured against assets of the Charity (2020: £NIL).

The Cinnamon Network:

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

Bankers:

Barclays
2 Victoria Street
London
SW1H 0ND

Financial Accountant:

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

Independent Auditor:

Haines Watts
Milton House
Gatehouse Road
Aylesbury
HP19 8EA

Trustees:

Martin Warner
Darren Mitchell
Belinda Smith

Cinnamon Leadership Team during 2020/2021:

Mike Royal
Amanda Bindon

CINNAMON
NETWORK

Units 24 & 25 Goodsheds
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TO SERVE THE NATION

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Registered Charity no. 1156985