

# **NORTH WEST NETWORK**

## **FINANCIAL STATEMENTS**

AS AT

**31 DECEMBER 2007**

**Company Registration Number 2837260**

**Charity Number 1024636**

### **WHITNALLS**

Chartered Certified Accountants & Registered Auditors  
44a Liverpool Road  
Lydiate  
Merseyside  
L31 2LZ



# **NORTH WEST NETWORK**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

<b>CONTENTS</b>	<b>PAGE</b>
Administrative information	<b>1</b>
Trustees Annual Report	<b>2 - 12</b>
Independent Auditors' report to the members	<b>13 - 14</b>
Statement of financial activities	<b>15</b>
Balance sheet	<b>16</b>
Notes to the Financial Statements	<b>17 - 24</b>
 <b>The following pages do not form part of the Financial Statements</b>	
Detailed income and expenditure account	<b>26</b>

# **NORTH WEST NETWORK**

## **ADMINISTRATIVE INFORMATION**

<b>The Members of the Committee</b>	M Naeem A C Bennett A E Chaba Z M Sheikh J A Yacoub A M Wrigley S Egan (Resigned - 27 April 2008) D Walton (Resigned - 9 January 2007)
<b>Company Secretary</b>	D S Lambert
<b>Principal Address</b>	2nd Floor Albert House 17 Bloom Street Manchester M1 3HZ
<b>Registered Office</b>	2nd Floor Albert House 17 Bloom Street Manchester M1 3HZ
<b>Auditors</b>	Whitnalls Chartered Certified Accountants & Registered Auditors 44a Liverpool Road Lydiate Merseyside L31 2LZ
<b>Bankers and Other Financial Advisors</b>	Barclays Bank Plc 876 Stockport Road Levenshulme Manchester M19 3BP
<b>Solicitors</b>	Hague Lambert Artillery House 15 Byrom Street Manchester M3 4PF

# **NORTH WEST NETWORK**

## **TRUSTEES ANNUAL REPORT**

### **YEAR ENDED 31 DECEMBER 2007**

The Trustees present their report and the Financial Statements of the charity for the year ended 31 December 2007

The Financial Statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 1993 and the Statement of Recommended Practice Accounting and Reporting by Charities 2005

The details shown on page 1, administrative information, form part of this report

#### **Structure Governance and Management**

##### **Governing Document**

North West Network is a company limited by guarantee governed by its Memorandum and Articles of Association dated 5th August 1993 and amended by Special Resolution passed 14th July 1994. It is a registered charity with the Charity Commission. Full membership of the Company shall be open to charities and friendly societies, industrial and provident societies, companies limited by guarantee and not having a share capital, local enterprise agencies and voluntary organisations in the area of benefit (North West of England) which support the aims and objectives of the Company.

##### **Appointment of Trustees**

As set out in the Articles of Association, the board of trustees may appoint any full member of the Charity to join the board, provided it does not exceed the capacity of 16. Any member so appointed shall remain until the AGM where they will be eligible for re-election.

At the AGM, one third of the trustees who have served the longest since their last election shall retire with the opportunity to be re-elected.

##### **Trustee Induction and Training**

New trustees are provided with an information pack to brief them about their legal obligations under current charity and company law, the content of the Memorandum and Articles of Association, the business plan and recent financial performance. Trustees are encouraged to participate in appropriate training events, which facilitate the understanding of their role.

#### **ORGANISATION**

The board of trustees, which can have up to 16 members, administers the Charity. The board meets every three months to review the finances, human resources, development and delivery of activities that contribute to the charitable objective. A Chief Executive is appointed by the trustees to manage the day to day operation of the Charity. To facilitate operation, the Chief Executive has delegated authority for operational matters including finance, employment and delivery by the Charity. The objectives of North West Network are -

- Maintaining voluntary sector confidence to access European Structural Funds

## **NORTH WEST NETWORK**

### **TRUSTEES ANNUAL REPORT** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2007**

- Support for emerging networks
- Expansion of volunteer management and development services.
- Development of wider funding and grant support services
- Development of wider intelligence and information dissemination on European affairs

#### **Reserves Policy and Risk Management**

It is policy of the Charity to maintain unrestricted funds, which are free reserves of the Charity, at a level which equates to a minimum of six months core expenditure. This fund is required to enable the Charity to meet potential liabilities. The management team has in place its own procedure for reviewing and reducing the major risks to which the Charity is exposed. Internal risks are minimised by procedures for authorisation of all transactions and projects and to ensure consistent delivery of all aspects of the company.

#### **Aims and Objectives**

The objectives of the Charity are, to improve the efficiency of the administration of charities in direct pursuit of their objects and to further any charitable purpose in the present counties of Lancashire, Merseyside, Cheshire, Cumbria and Greater Manchester, by the provision of advice, training and information of educational value and in particular (but no so as to limit the generality of the foregoing) concerning the nature and assistance provided for charities by the institutions of the European Community.

#### **Activity Overview**

##### **THE EUROPEAN TEAM**

##### **Practical Support to the Sector**

The European Team continued to provide practical support to the Voluntary and Community Sector (VCS) on European funding. We did this through a wide range of activities delivered across the four sub-regions of Greater Manchester, Cheshire, Lancashire and Cumbria.

120 organisations were supported through a combination of training seminars, briefing sessions, advice surgeries and one to one support sessions.

Some examples of these training events and briefing sessions from 2007 are:

3 training events in March to support organisations with the ESF tendering round by the Learning and Skills Council (LSC). One was held in Manchester for the LSC invitations to tender covering Greater Manchester and the North West. Another one was on the Cheshire and Warrington LSC and North West LSC invitations to tender. This event was held in Chester. The third event was on the Lancashire LSC invitations to tender. The event was held at Preston.

4 LSC PQQ (Pre-Qualification Questionnaire) training events were held in September (one in each sub-region of Greater Manchester, Lancashire, Cheshire and Cumbria) and an application process event in Manchester in December for the new ESF programme. It is worth noting that these were the first time that we have used live access to the internet as part of a presentation. The PQQ is an online application and we went live on line to demonstrate how to act but something we will be incorporating into training events regularly in the months to come.

We also sent out 11 email bulletins and 4 newsletters which went to over 1200 organisations per issue.

## **NORTH WEST NETWORK**

### **TRUSTEES ANNUAL REPORT** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2007**

In November 2007 NWN commissioned independent research into what our members and the wider VCS felt about the Technical Assistance we provide in relation to the European funding programmes. The conclusion of the research was a long and detailed report which in summary said that most people valued the support we provide and found it helpful and relevant.

#### **Highlights and Review of the Year**

Much of this year has been spent with a view to the future European programmes which are due to come on line in 2008. We have continued to be involved in representing the sector at various levels of the current European programme's governance structures but we have also become involved in the planning and preparations for the new programme to ensure that the VCS is at the heart of the new funds. So as well as attendance at the various Programme Management Regional Committees and ERDF and ESF Advisory groups for the current programme we have also attended a number of meetings and working groups for the new programme. We have been particularly involved in the development of the cross cutting themes for the new programme.

To this end NWN continued its membership of the European Policy Group which consists of Mersey Network for Europe and Voluntary Sector North West. Evidence of our increasing close working with our colleagues on Merseyside in preparation for the new European programmes can be seen by our attendance at a number of Merseyside events this year including an ESF consultation in Liverpool in February.

We have played a role at national level through our membership of Third Sector European Network (TSEN) which is recognised by the UK government and the European Commission as the national voice of the VCS with regard to European funding and policy. NWN is a founder member and John Hacking is a board member of TSEN. NWN attended an important TSEN conference in November where senior members of the LSC and DWP came along to hear the view of the VCS about the way the new ESF programme is being "rolled out". Thanks to a number of consultations we have held through out the year seeking views of our members and the wider VCS we were in a position to tell them what the VCS thinks.

To the same end, at a regional level, we have established good working relationships with the LSC and JCP/DWP and have worked closely with them introducing the new ESF programme.

A similarly good relationship has been established with the NWDA who are responsible for the implementation of the new ERDF programme in the North West.

We have increased our work with social enterprises over the year and a highlight was our attendance at the Voice 2007 'Doing More, Doing Better' UK Conference for Social Enterprise in January.

## **NORTH WEST NETWORK**

### **TRUSTEES ANNUAL REPORT** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2007**

We have continued to work with a range of organisation with regard to the ESF North West and a particular highlight was a showcase of organisations supported through Global Grants in Lancashire which was held in Preston in April. Working with smaller organisations is just as important for us as working with large regional charities. To this end we attend events where we can which focus on support for smaller organisations. One such event attended by NWN in 2007 was the Can Do conference in Manchester in November organised by the Scarman Trust.

As part of a broader European theme 2007 saw our continued involvement in the European Information Association (EIA) of which NWN staff member Angeliki Stogia is National Secretary and board member. Members of the European Team attended the EIA AGM in 2007.

We have continued to maintain a VCS voice in Brussels through continued working with the North West Brussels Office headed up so ably by Suzy Sumner. Members of NWN's European Team had a series of meeting in Brussels in June with both Suzy and her colleagues and also the Association of Voluntary Service Organisations which is a "pan" European network of VCS organisations. Members of the AVSO visited the North West during the year.

We also met with Arlene McCarthy MEP whilst in Brussels and briefed her about the views of the VCS with regard to European funds.

As part of our staff development programme Angeliki Stogia from the NWN European Team was seconded to Arlene McCarthy's Brussels office for two weeks in June 2007. Angeliki had the opportunity to attend various parliamentary meetings. At the time of the visit the most important issues for the Internal Market and Consumer Protection Committee which Arlene McCarthy chairs were the ban of the trade of cat and dog fur in the EU, the roaming charges regulation, the transposition and implementation of public procurement legislation and its relation to the Lisbon agenda, the control of the acquisition and possession of weapons and finally the beginning of the process of reviewing the "Internal Market Package for Goods".

Amongst others Angeliki wrote a report for Arlene on the new programming period of European funding in the North West, a report on the SMEs and women entrepreneurs in the North West and briefs on the meetings she attended on the first week. Angeliki is grateful for having been given the opportunity for being exposed to how the European Parliament really works and the hectic lifestyle of a member of the European Parliament. Angeliki also had the opportunity to make contact with other EU bureaucrats that work for the European Parliament and feels that the experience has greatly enhanced her professional and personal development and is looking forward to use the valuable contacts made on behalf of North West Network.

#### **VOLUNTEER MANAGEMENT TEAM**

NWN was successful in obtaining the 3 years funding from the Big Lottery Fund, in February 2006. The project, called The Big Coaching Project, started in March 2006 and will run until March 2009.

The Big Coaching Project has been delivered in rounds at a sub-regional level delivering the third. The project has the following main three activities:

## **NORTH WEST NETWORK**

### **TRUSTEES ANNUAL REPORT** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2007**

We have delivered two out of five rounds to date and are in the middle of

- Coaching for Volunteer Managers – assisting volunteer managers to develop their skills and knowledge in managing volunteers in a series of one to one sessions
- SAM Volunteer Management Cascade Training – to train individuals within volunteering infrastructure organisations on how to get the best use of SAM Volunteer Management when supporting volunteer managers in developing their volunteer programmes
- Outcome Focused Training – training volunteer involving organisations in outcomes focussed organisational planning

2007 was a busy time for the team as we continued

- To build relationships with volunteering infrastructure and volunteer managers – especially in Lancashire, Cheshire
- To deliver round two of the Big Coaching Project which included cascade training, outcome training and coaching
- To look for funding to run diploma accredited training in Neuro-Linguistic Programming (NLP) To be involved within volunteering networks at a local, sub regional and regional level

#### **Highlights of 2007**

- Eleven volunteer managers have received coaching over a total of 54 coaching sessions
- Ten volunteering infrastructure organisations were trained as NWN approved SAM Volunteer Management Practitioners in Lancashire
- SAM Volunteer Management has been used within twenty projects during the training
- We have recruited nine volunteering infrastructure organisations for the Cheshire cascade training which will take place in the New Year
- We now have nineteen SAM Volunteer Management Practitioners covering Greater Manchester and Lancashire
- Seven organisations have received Outcomes Focused Training
- We have developed an exciting partnership with Oldham Council to deliver SAM Volunteer Management training to staff and three voluntary sector groups in the New Year
- We continued to develop our skills and knowledge by attending an Open College Network accredited train the trainer course and gained certificates in stress management coaching and performance coaching at the Centre for Coaching in London

#### **Project Outcomes**

##### **Coaching**

Year two of this project has continued to demonstrate how coaching can be a high impact method of supporting volunteer managers to perform at their best. In the short term, coaching has empowered individuals to make powerful changes (to their own and others behaviour, systems and attitude) in order to become more effective in their role of managing volunteers.

NWN is using follow up meetings with volunteer managers to assess the longer term impact of coaching.

##### **SAM VM Training**

In 2007 we have carried out SAM Volunteer Management training to 10 infrastructure workers in Lancashire and have recruited 9 infrastructure workers from Cheshire for training to begin in January 2008. By the end of year 2 of the Big Coaching Project will have up to 26 SAM Volunteer Management Practitioners.



## **NORTH WEST NETWORK**

### **TRUSTEES ANNUAL REPORT** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2007**

In 2007 we carried out two follow up meetings with the previous 2006 SAM Volunteer Management Greater Manchester Practitioners. This was an opportunity to recap on the benefits of SAM Volunteer Management and to share their experience and good practice.

Greater Manchester SAM Volunteer Management Practitioners have gone on to use SAM Volunteer Management in the local areas to run successful group training, one to one support or are planning to do so. It is anticipated that follow ups will continue in 2008.

#### **Partnership and developments**

2007 has been an exciting year for new developments and partnership work.

##### **Manchester Volunteering Community Network (VCN)**

We have continued to attend and support the VCN in 2007. We successfully ran two sessions for the VCN regarding collaboration of volunteering infrastructure organisations in Manchester. This resulted in the production of a document outlining the next steps organisations have agreed to take in improving some areas in volunteering infrastructure in Manchester.

##### **Oldham Council**

We are running SAM Volunteer Management training to the council staff and three voluntary sector organisation staff early in the New Year. This will act as a case study to see if we can replicate this in other local authorities' areas.

##### **The Scarman Trust**

We facilitated two workshops at the highly attended 'Join the Dots, Can Do' Scarman Trust event on volunteering issues. The discussion was informative and allowed people to increase their own support networks.

##### **England Volunteering Development Council**

We have been attending the EVDC over the past year. Chief Executive, Emile Pinel became Chair of the council and subsequently secured funding to develop a three year regional volunteering infrastructure strategy which will be completed in 2008.

#### **Future development 2008**

We will be delivering the last three rounds of the big coaching firstly in Cheshire then Cumbria and Merseyside.

We will continue to submit funding bids in order to run NLP Diploma for the participants of the Big coaching Project.

The Volunteer Management Team will search for appropriate training in order to gain knowledge and skills to assist in their role as coaches and trainers.

We will evaluate our training with Oldham Council and use this as a good practice case study of how voluntary sector and statutory sector can benefit from working together.

## **NORTH WEST NETWORK**

### **TRUSTEES ANNUAL REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2007**

#### **ONE NORTH WEST**

One North West is the Regional Infrastructure Network for Black and Minority Ethnic (BME) Voluntary and Community Sector (VCS) Organisations in the North West. We are funded by Office of the Third Sector Regional Infrastructure Programme to provide "voice" for the BME VCS and to influence strategy and policy makers in the region. We have a membership of 280 Voluntary Sector organisations that are either specifically BME VCS, support BME VCS or are VCS organisations that provide services to BME Communities.

Our vision is Strong and vibrant black and minority ethnic (BME) communities fully engaged in the decisions which affect their growth and development.

Our aims are

- To unlock further funds for the BME sector at regional level
- To increase the effectiveness of the BME sector through capacity building
- To develop effective links and communication mechanisms within the BME sector and externally
- To promote the active participation of the BME sector in the development of policy at regional levels

#### **Project Outputs and Outcomes**

The One North West Advisory Board was set up in December 2006 to help the Project Director by informing strategic direction of the network and influencing the message relayed to regional public sector agencies on the behalf of the sector.

At the close of play in 2006, One North West had 205 member organisations from across the North West, which was principally comprised of organisations located in Greater Manchester, Merseyside and Lancashire. During 2007 targeted work was done to increase membership across the region. One North West now has 319 members including national and regional level organisations, this demonstrates an overall increase in membership of 55%. Sub-regional analysis of membership follows, including the percentage increase in membership since the 2006 Annual Review figures.

We have made joint responses to Government through the National BME Partnership, Voice4 Change England, these included the

- Response to the Cabinet Office Consultation on 'Effective Consultation' (September 2007)
- Response to the Department for Communities and Local Government (DCLG) Consultation on its Third Sector Strategy (September 2007)
- Consultation Response on a Third Sector Research Centre (November 2007)

We have made interventions to the North West Development Agency (NWDA) through our involvement with the Review and Scrutiny process (North West Regional Assembly) including

- Scrutiny of Skills and Education and People and Jobs Themes of the Regional Economic Strategy (RES)
- Scrutiny Inquiry into the Relationship between the NWDA and Sub-Regional Partnerships in the North West
- Shaping the focus of the Equality and Diversity and Sustainable Development Inquiry (taking place between January and March 2008)

The Project Director was elected Vice-Chair of the North West VCS RES Strategy Group

## **NORTH WEST NETWORK**

### **TRUSTEES ANNUAL REPORT** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2007**

This places One North West in a central and more influential position to delivery against the Regional Economic Strategy (RES) actions 108 and 109. These actions relate to promoting the role of the sector in tackling social exclusion and community cohesion, and also capacity building the sector to deliver quality public services

To help inform BME VCS directly about work we are doing, One North West has published fifteen articles in a quarterly newsletter that goes out to over 1200 organisations across the North West. These related to our principle areas of activity and included

- The Regional Economic Strategy from a variety of perspectives including the NWDA and the Voluntary Sector (three articles)
- Equality and Diversity in the North West (two articles)
- An introduction to the Commission for Equality and Human Rights
- Our Shared Future Report from the Commission on Integration and Cohesion
- An introduction to Voice4Change England and the partnership's response to Government on Single Group Funding (two articles)

We made membership and activity related presentations to the North West Forum of Faiths (to 12 North West Faith Representatives), Manchester BME Network (to thirty-nine people at the event) and also at a regional briefing event on Improving Reach 2008-2011 (to 77 delegates).

During 2007 One North West sent out a total of 62 e-bulletins to all members on issues varying from funding opportunities to consultations and questionnaires. We also use two websites to relay important information to our members ([www.onenorthwest.org.uk](http://www.onenorthwest.org.uk), [www.nwnetwork.org.uk](http://www.nwnetwork.org.uk))

Recommendations to the Advisory Board were to

- 1 Find resources to engage sub-regionally and more locally (we are working on a Procurement Support Service to address some of these issues)
- 2 Develop Board members as champions across specific sectors
- 3 Enhance advocacy and future strategic roles of One North West Advisory Board members
- 4 Increase geographical spread of Advisory Board
- 5 Ensure that information put out addresses priorities such as funding advice and support as well as regional policy and developments

We will be picking up these recommendations during 2008

#### **Partnership Development**

One North West during the course of 2007 was a member of the following partnerships in order to support delivery of our role as "Voice" of the BME VCS in the North West and to exert strategic influence at a region level on behalf of the sector

- North West Regional Assembly
- Social Economic Environmental Partners (SEEP)
- North West Equality and Diversity Group
- Review and Scrutiny Group (of the NWDA)
- Regional Economic Strategy (RES) Advisory Group (for the NWDA)
- North West Voluntary and Community Sector RES Strategy Group

## NORTH WEST NETWORK

### TRUSTEES ANNUAL REPORT *(continued)*

#### YEAR ENDED 31 DECEMBER 2007

- North West Regional Infrastructure Partnership
- North West Migrant Workers Steering Group
- North West Regional Strategic Migration Partnership
- Programme Monitoring Regional Committee
- North West Together We Can Partnership Board
- Regional BME Panel Working Group (GONW)
- Greater Manchester Forum
- VSS Consortium (Greater Manchester ChangeUp) Diversity Steering Group
- Voice4ChangeEngland (National BME Partnership)

#### Future Development

- Development of a three year strategy, vision, values with outcomes focused planning
- Pick up the recommendations flowing from the customer satisfaction exercise
- Conduct research to scope a procurement support service for BME VCS in the North West
- Scope a specification for research into the State of the BME VCS in the North West

#### OPERATIONS

##### Membership 2007

Full Membership breakdown by county within 5 regions are as follows

Gtr Manchester = 37.2%

Lancashire = 37.2%

Cheshire = 14.6%

Cumbria = 8%

Gtr Merseyside = 3%

Associate Membership breakdown by county are as follows

Gtr Manchester = 30%

Lancashire = 30%

Cheshire = 30%

Gtr Merseyside = 10%

##### Staff Members

NAME	POSITION	DATE SERVED
Emile Pinel	Chief Executive	01 01 2007 – 31 12 2007
James Hadleigh	Director of Development	01 01 2007 – 31 12 2007
Jane Stanistreet	Operations Manager	01 01 2007 – 31 12 2007
Ernie Edwards	Finance Manager	01 01 2007 – 31 12 2007
Denise Marriott	Communications Officer	01 01 2007 – 31 12 2007
Karina Ponsaing	Administrator	01 01 2007 – 27 07 2007
Hema Bradley	Administrator	25 06 2007 – 31 12 2007
Carol Savage	Project Manager	01 01 2007 – 31 12 2007
Dan Farley	Development Officer	01 01 2007 – 31 12 2007
John Hacking	Senior European Officer	01 01 2007 – 31 12 2007
Angeliki Stogia	European Officer	01 01 2007 – 31 12 2007
Paul Harris	Project Director	01 01 2007 – 31 12 2007
Catherine Jackson	Policy & Development Manager#1	01 01 2007 – 31 12 2007
Siddika Ahmed	#2	12 11 2007 – 31 12 2007
# 1 – Seconded to Oldham Metropolitan Borough Council		
# 2 – Seconded to Government Office for the North West		

## **NORTH WEST NETWORK**

### **TRUSTEES ANNUAL REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2007**

#### **INVESTMENT POWERS AND RESTRICTIONS**

According to the Memorandum and Articles of Association, the Trustees are allowed to invest monies not immediately required for its purpose

#### **Financial Controls**

Expenditure incurred by the charity is overseen by the Chief Executive and the Board of Trustees. The day to day management of the accounts is undertaken by the Finance Manager. Mandates are in place to the effect that all cheques are signed by at least one Trustee and the Chief Executive. The Finance Manager is responsible for preparing monthly management accounts, budgets and forecasts for the approval of Trustees.

#### **RESULTS**

The results for the year, and the charity's financial position at the end of the year are shown in the attached Financial Statements.

#### **THE TRUSTEES**

The Trustees serving during the period and since the period end were as follows:

M Naeem  
A C Bennett  
A E Chaba  
Z M Sheikh  
J A Yacoub  
S Egan  
R B Allen  
D Walton

#### **RESPONSIBILITIES OF THE TRUSTEES**

Company law requires the Trustees to prepare Financial Statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year.

## NORTH WEST NETWORK

### TRUSTEES ANNUAL REPORT *(continued)*

#### YEAR ENDED 31 DECEMBER 2007

In preparing those Financial Statements, the Trustees are required to -

select suitable accounting policies, as described on pages 17 to 18, and then apply them consistently

make judgements and estimates that are prudent and reasonable

state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 in operation

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the Financial Statements comply with the Companies Act 1985. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In accordance with company law, as the charity's trustees, we certify that -

so far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and

we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information

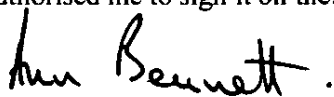
#### AUDITORS

A resolution to re-appoint Whitnalls as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

Registered office  
2nd Floor  
Albert House  
17 Bloom Street  
Manchester  
M1 3HZ

Declaration I declare, in my capacity as charity trustee, that the trustees have approved the report above, and authorised me to sign it on their behalf

Signature



Full Name

ANN BENNETT

Date

14 November 2008

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH WEST NETWORK**

### **YEAR ENDED 31 DECEMBER 2007**

We have audited the Financial Statements on pages 15 to 24 which have been prepared under the historical cost convention and the accounting policies set out on pages 17 to 18

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF THE MEMBERS OF THE COMMITTEE AND THE AUDITORS**

As described on pages 11 to 12, the members of the committee (who also act as Trustees for the charitable activities of the company) are responsible for the preparation of the Trustees Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you on whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether the information given in the Trustees Report is consistent with the financial statements.

In addition, we report to you, if in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law, regarding remuneration of the trustees and other transactions, is not disclosed.

We read the Trustees Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH WEST NETWORK (CONTINUED)**

**YEAR ENDED 31 DECEMBER 2007**

**BASIS OF OPINION**

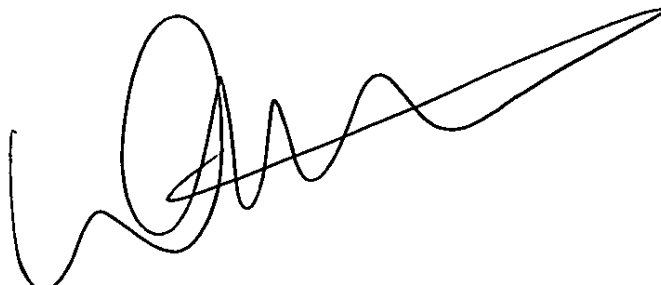
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

**OPINION**

In our opinion

- the Financial Statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 December 2007 and of its incoming resources and application of resources, including its income and expenditure for the year then ended,
- the Financial Statements have been properly prepared in accordance with the Companies Act 1985 and
- the information given in the Trustees Report is consistent with the Financial Statements



44a Liverpool Road  
Lydiate  
Merseyside  
L31 2LZ

**WHITNALLS**  
Chartered Certified Accountants  
& Registered Auditors

Date 14.11.08



**NORTH WEST NETWORK**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2007**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds:-</b>					
Voluntary income	2	-	158,473	158,473	181,710
Investment income	3	2,710	-	2,710	1,176
<b>Incoming resources from charitable activities</b>	<b>4</b>	<b>-</b>	<b>356,516</b>	<b>356,516</b>	<b>345,905</b>
<b>Other incoming resources</b>	<b>5</b>	<b>3,123</b>	<b>66,479</b>	<b>69,602</b>	<b>97,117</b>
<b>TOTAL INCOMING RESOURCES</b>		<b>5,833</b>	<b>581,468</b>	<b>587,301</b>	<b>625,908</b>
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds:-</b>					
<b>Charitable expenditure -</b>					
<b>Charitable activities</b>	<b>6</b>	<b>-</b>	<b>444,307</b>	<b>444,307</b>	<b>465,298</b>
<b>Governance costs</b>	<b>7</b>	<b>1,133</b>	<b>147,701</b>	<b>148,834</b>	<b>160,945</b>
<b>TOTAL RESOURCES EXPENDED</b>	<b>8</b>	<b>1,133</b>	<b>592,008</b>	<b>593,141</b>	<b>626,243</b>
<b>NET INCOMING/OUTGOING RESOURCES FOR THE YEAR</b>		<b>4,700</b>	<b>(10,540)</b>	<b>(5,840)</b>	<b>(335)</b>
Total funds brought forward		117,716	33,841	151,557	151,892
Total funds carried forward		122,416	23,301	145,717	151,557

The charitable company has no recognised gains or losses other than the results for the year as set out above

All of the activities of the charitable company are classed as continuing

**NORTH WEST NETWORK**  
**BALANCE SHEET**  
**31 DECEMBER 2007**

	Note	2007 £	2006 £
<b>FIXED ASSETS</b>			
Tangible assets	9	6,670	9,763
Investments	3	<u>1</u>	<u>1</u>
		6,671	9,764
<b>CURRENT ASSETS</b>			
Debtors	10	122,796	75,222
Cash at bank and in hand		<u>49,283</u>	<u>105,877</u>
		172,079	181,099
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>(33,033)</u>	<u>(39,306)</u>
<b>NET CURRENT ASSETS</b>		139,046	141,793
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>145,717</u>	<u>151,557</u>
<b>FUNDS</b>			
Unrestricted		122,416	117,716
Restricted	13	<u>23,301</u>	<u>33,841</u>
		<u>145,717</u>	<u>151,557</u>

These Financial Statements were approved by the members of the committee on the  
14-11-08 and are signed on their behalf by

*Ann Bennett.*

Trustee

member of the committee

  
Trustee

**NORTH WEST NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2007**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The Financial Statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK accounting standards and the Companies Act 1985

The directors do not consider the cost of preparing consolidated accounts justifiable and note 9 provides adequate details relating to the nature of the trading subsidiary

**Cash flow statement**

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the Financial Statements on the grounds that the charitable company is small

**Incoming Resources**

**Charitable trading activities**

Income from affiliation fees is included in incoming resources for the year to which the relevant subscriptions relates

**Grants receivable**

All grants receivable are for particular restricted purposes which do not amount to pre-conditions regarding entitlement. This income is included in incoming resources of restricted funds in the accounting period to which it relates

**Interest receivable**

Interest is included when receivable by the charity

**Netting off of income and expenditure**

All incoming resources are shown gross Expenditure on fundraising is disclosed separately, only if this is not practicable the expenditure can be offset against income

# **NORTH WEST NETWORK**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **YEAR ENDED 31 DECEMBER 2007**

#### **1. ACCOUNTING POLICIES *(continued)***

##### **Fund accounting**

Funds held by the charity are either

\* Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees

\* Restricted funds - these are funds which can only be used for particular purpose within the objects of the charity. Restrictions arise when funds applied for are for a particular restricted purpose

##### **Tangible fixed assets**

All fixed assets bought during the year are capitalised at cost

##### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of the asset as follows.

Office Equipment	-33% straight line basis
Computer Equipment	-33% straight line basis

##### **Resources expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any vat which cannot be recovered

Certain expenditure is directly attributable to specific activities and has been included in those categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of the time spent by staff on those activities

##### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income as incurred

##### **Pension costs**

The charity has arranged to make pension contributions on behalf of qualifying employees. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the year

**NORTH WEST NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2007**

**2. VOLUNTARY INCOME**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Grants -				
Public match funding	-	158,473	158,473	181,710

**3. INVESTMENT INCOME**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Bank interest receivable	2,710	-	2,710	1,176

**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
European social fund	-	131,267	131,267	145,418
European regional development fund	-	67,241	67,241	33,773
Office of the Third Sector	-	59,500	59,500	74,125
Big Lottery	-	96,008	96,008	92,589
Capacity builders	-	2,500	2,500	-
	-	356,516	356,516	345,905

**5. OTHER INCOMING RESOURCES**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Other income	3,123	66,479	66,479	94,309
Affiliation fees	-		3,123	2,808
	3,123	66,479	69,602	97,117

## NORTH WEST NETWORK

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

## 6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Staff salaries and wages	-	339,342	339,342	320,174
Employers NIC	-	35,972	35,972	34,348
Staff pension costs	-	27,120	27,120	24,407
Staff recruitment costs	-	-	-	924
Advertising and publicity	-	17,560	17,560	25,062
Consultancy and sub-contract	-	6,300	6,300	36,222
Equipment hire	-	6,325	6,325	6,140
Staff travel and training	-	6,690	6,690	11,548
Volunteer expenses	-	-	-	43
Depreciation of fixed assets	-	4,998	4,998	6,430
	<u>-</u>	<u>444,307</u>	<u>444,307</u>	<u>465,298</u>

## 7. GOVERNANCE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Salaries	-	61,268	61,268	56,101
Office costs	1,118	80,480	81,598	97,538
Audit fees	-	3,180	3,180	2,900
Legal and professional	15	2,773	2,788	4,406
	<u>1,133</u>	<u>147,701</u>	<u>148,834</u>	<u>160,945</u>

## 8. TOTAL RESOURCES EXPENDED

	Staff costs £	Other costs £	Total Funds 2007 £	Total Funds 2006 £
Charitable activities	402,434	41,873	444,307	465,298
Governance	61,268	87,566	148,834	160,945
	<u>463,702</u>	<u>129,439</u>	<u>593,141</u>	<u>626,243</u>

**NORTH WEST NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2007**

**8. TOTAL RESOURCES EXPENDED** *(continued)*

The aggregate payroll costs were:

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Wages and salaries	452,967	426,462
Social security costs	4,798	4,798
Other pension costs	5,937	3,770
	<u>463,702</u>	<u>435,030</u>

**Particulars of employees:**

The average number of staff employed by the charity during the financial year amounted to

	<b>2007</b>	<b>2006</b>
	<b>No</b>	<b>No</b>
Number of project staff	11	11
Number of administrative staff	2	2
	<u>13</u>	<u>13</u>

There were no employees earning over £50,000, during the year

No remuneration has been paid to any of the trustees during the year

**NORTH WEST NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2007**

**8. TOTAL RESOURCES EXPENDED** *(continued)*

**Analysis of other resources expended:**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Staff recruitment costs	-	924
Advertising and publicity	17,560	25,062
Consultancy and sub-contract	6,300	36,222
Equipment hire	6,325	6,140
Staff travel and training	6,690	11,548
Volunteer expenses	-	43
Depreciation of fixed assets	4,998	6,430
Rent	33,614	33,502
Rates & water	3,623	1,820
Light & heat	1,196	1,273
Insurance	3,069	5,107
Repairs & maintenance	516	1,142
Telephone	9,662	9,827
Printing, postage and stationery	7,969	5,964
Information technology costs	3,443	16,100
Publications	6,248	8,721
Sundry and staff expenses	12,258	14,082
Legal fees	2,788	4,406
Audit fees	3,180	2,900
	<u>129,438</u>	<u>191,213</u>



**NORTH WEST NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2007**

**9. TANGIBLE FIXED ASSETS**

	<b>Equipment</b>	<b>Computer Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST</b>			
At 1 January 2007	10,612	36,384	46,996
Additions		1,904	1,904
<b>At 31 December 2007</b>	<u>10,612</u>	<u>38,288</u>	<u>48,900</u>
<b>DEPRECIATION</b>			
At 1 January 2007	6,153	31,080	37,233
Charge for the year	1,532	3,465	4,997
<b>At 31 December 2007</b>	<u>7,685</u>	<u>34,545</u>	<u>42,230</u>
<b>NET BOOK VALUE</b>			
<b>At 31 December 2007</b>	<u>2,927</u>	<u>3,743</u>	<u>6,670</u>
At 31 December 2006	<u>4,459</u>	<u>5,304</u>	<u>9,763</u>

**10. DEBTORS**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Trade debtors	106,054	61,179
Other debtors	4,974	6,244
Prepayments	11,768	7,799
	<u>122,796</u>	<u>75,222</u>

**11. CREDITORS: Amounts falling due within one year**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	8,631	-
Trade creditors	5,959	31,655
Amounts owed to group undertakings	1	1
Other creditors	-	4,501
Accruals	18,442	3,149
	<u>33,033</u>	<u>39,306</u>

**NORTH WEST NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2007**

**12. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2007 the charitable company had annual commitments under non-cancellable operating leases as set out below

	<b>Land and buildings</b>	
	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>Operating leases which expire:</b>		
Within 2 to 5 years	<u>22,975</u>	<u>22,975</u>

**13. RESTRICTED FUNDS**

	<b>Balance at 1 January 2007</b>	<b>Movement in resources Incoming</b>	<b>Outgoing</b>	<b>Balance at 31 December 2007</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Restricted Fund	<u>33,841</u>	<u>581,468</u>	<u>(592,008)</u>	<u>23,301</u>

**14. ANALYSIS OF NET ASSETS BETWEEN RESTRICTED AND UNRESTRICTED FUNDS**

	<b>Tangible fixed assets</b>	<b>Investments</b>	<b>Other net assets</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Restricted Fund	-	-	23,301	23,301
Unrestricted funds	<u>6,670</u>	<u>1</u>	<u>115,745</u>	<u>122,416</u>
	<u>6,670</u>	<u>1</u>	<u>139,046</u>	<u>145,717</u>

**15. COMPANY LIMITED BY GUARANTEE**

The company has no share capital and is limited by guarantee. The maximum payable by members in the event of winding up is limited to £1