

Company Number 3016170
Registered Charity Number 1052817

COMMUNITY HEALTH EDUCATION
AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

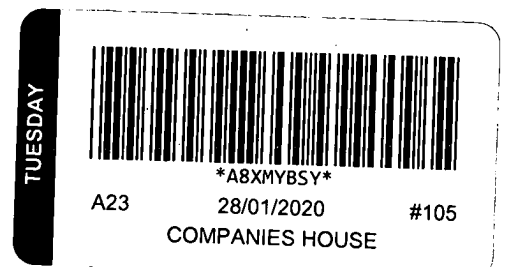
REPORT AND

UNAUDITED

FINANCIAL STATEMENTS

for the YEAR ended 30th APRIL 2019

Percy Westhead & Company
Chartered Accountants
Greg's Buildings
1 Booth Street
Manchester
M2 4AD



COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

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COMPANY INFORMATION
for the YEAR ended 30th APRIL 2019

STATUS	The organisation is a charitable company limited by guarantee, incorporated on 31 January 1995 and registered as a charity on 12 February 1996.
NAME(S)	Community Health Education And Reconstruction Training also known as Community H.E.A.R.T.
CHARITY NUMBER	1052817
COMPANY NUMBER	3016170
REGISTERED OFFICE	Community H.E.A.R.T. 34 Watts Street Manchester M19 2TR
PRESIDENT	Professor Denis Goldberg
VICE PRESIDENT	Brian Filling
SECRETARY	Isobel McVicar
BANKERS	Unity Trust Bank 4 Brindley Place Birmingham Willenhall B1 2JB
INDEPENDENT EXAMINER	T A R Elston BA FCA Percy Westhead & Company Chartered Accountants Greg's Buildings 1 Booth Street Manchester M2 4AD

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COUNCIL MEMBERS REPORT for the YEAR ended 30th APRIL 2019

The Community H.E.A.R.T. Council are pleased to present their report and financial statements of the charity for the year ended 30th April 2019.

The Directors (Council Members)

Directors, who are also trustees under charity law, who served during the year and up to the date of this report were as follows:

Mr R Bruce	
Mr I I Perez	
Mr J McFadden	
Mr J McGhee	
Mr M Malik	(retired 30 th April 2019 and was duly nominated and re-elected)
Ms M Tladi-Small	(retired 25 th October 2018)
Ms J Sawyer	(retired 30 th April 2019 and was duly nominated and re-elected)
Ms M Dunn	(retired 30 th April 2019 and was duly nominated and re-elected) Chair
Mr D Kenvyn	
Ms G Bruce	

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated in 1995 and registered as a charity on 12th of February 1996. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Appointment of Trustees

As set out in the Articles of Association the Council will comprise not less than 4 and not more than 10 members. Members of the Council are elected at the Annual General Meeting (AGM), nominations having been called for prior to the meeting. Casual vacancies can be filled by the Council between AGM's but must be ratified at the next AGM. Under point 35 of the Articles of Association, one third of the Council must retire at the AGM. The members of the Council to retire will be those who have been longest in office. A retiring member shall be eligible for re-election. The Convenor (Chair) and two Vice Convenors (Vice Chair) are elected at the AGM. The Council agreed to have two Vice Convenors at the meeting on the 18th February 2014 but in the meeting of the 16th of March 2018 it was decided to leave the second Vice Convenor position vacant.

Trustee Induction and Training

New members are given copies of the Articles of Association and encouraged to visit our website to review past and on-going work. All trustees receive regular financial updates. During the financial year 2018/19 the Council held a Strategy Meeting on the 24th January 2019 to review the work and discuss future strategy of the organisation. The meeting agreed a number of aims and objectives for the future detailed below under Objectives and Activities. It was agreed that progress on these aims and objectives will be reported and reviewed at each future council meeting.

Organisation

The board of trustees is made up of 10 members and is responsible for the administration of the charity. The board meets at least 4 times a year. A director, appointed by the trustees, manages the day to day activity of the charity. All major decisions on new work undertaken are taken by the trustees.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 30th April 2019 was nine.

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The directors have no beneficial interest in the charitable company.

Responsibilities of Trustees

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements that give a true and fair view, the directors should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare financial statements on the going concern basis unless it is appropriate to assume that the company will continue on that basis

The directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the charitable company and hence for taking any reasonable steps for the prevention and detection of fraud and other irregularities.

Risk Management

The trustees have agreed to review risks to the charity on an annual basis and implement any procedures which may be necessary to minimise risks to the organisation.

The trustees have identified the risk to the work is our limited amount of regular funding and the risk of regular funding drying up. The trustees have agreed to plan fund raising and building up a regular funding base and diversification of funding streams. Internal controls of authorisation of financial transactions minimises risk to the funds. Two authorised signatures are required for all financial transactions. The organisation also has a reserves policy to ensure we can meet our financial commitments.

This year we embraced on-line banking at Unity Trust Bank and to minimise any risk the signatories have access to view the bank account and have access to either the processing of transactions or authorising transactions, so no signatory has access to all levels. This ensures that all transactions must have the same mandate at the bank as the cheque process.

Objectives and Activities

The object of the organisation is to preserve and protect the mental and physical health and assist with the education of people in what used to be called the Front-Line States of Southern Africa to help with the alleviation of poverty in those countries. Effectively, at this moment we are helping to overcome the legacy of deprivation in the aftermath of apartheid in South Africa.

The main objectives for the year

- to look at our structure and the need to consider the age profile of the organisation as a priority
- developing relationships in the UK that help secure our overall objectives
- access grants for organisations we support in South Africa
- developing current relationships and investigating new relationships with organisations in South Africa to help us secure our objectives

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- supporting through small grants a number of organisations in South Africa that will allow us to fulfil our objectives
- developing current funding streams and new ones

Strategies for achieving objectives

To achieve our objectives, we have formed relationships with organisations in South Africa that carry out such activities. We have decided that we shall not open an office in South Africa but give support to selected organisations there and thus save the enormous overheads involved. We ask organisations receiving funds to report on their activities related to the funding on at least a yearly basis. We shall carry out or commission evaluations of projects where necessary.

In January 2019 a Strategy Meeting was held to review our strategies and objectives, especially in the current financial situation in the UK and around the world. The following strategic objectives were agreed and have continued:

- restore financial reserves to around £20,000 by developing current funding streams and new ones
- review our fundraising strategy to adapt it to the changing environment
- review our overheads and assess if these can be further minimised
- develop strategic relationships and partnerships with organisations within the UK, South Africa and Europe to help us secure our objectives
- develop our communications with our supporters and the general public
- develop further trade union support to include a wider range of trade unions and attending conferences to encourage local branches to support us through Trade Union Friends of Community H.E.A.R.T.

Details of Projects and Programme Activities during 2018/19

Book and 10 Pence & Mother-tongue books

This campaign was set up to provide children's books for school libraries in South Africa. The organisation has tried to continue this project through relationships with organisations, schools, local authorities and others in the UK to help us access children's books and with organisations in South Africa able to distribute books to the schools. However, at the strategy meeting in January 2019 it was agreed to wind up the Book and 10 Pence campaign. Due to austerity policies in the UK the donation of children's books has slowed as many of the schools that would have donated books in the past from their own school libraries can no longer do so as they have no funds to replenish their libraries. This has meant it has been far longer to get a container load together making the campaign not cost-effective.

The strategy meeting agreed to concentrate on the Mother-tongue books project after joint research by the University of Stellenbosch and the University of Reading showed that pre-school learners with access mother-tongue books to read are better prepared to learn English which is the language of education at schools. The strategy meeting agreed that we should look at organisations that we already support and are trusted partners to help us deliver this project. This will ensure that we will get the feedback that we need to assess how the project is working and whether any adjustments need to be made. These partners will be given funds to purchase children's mother-tongue books and will have local contact with the pre-schools in their area that they have supported. We hope to work with Ikamva Labantu which has heavily invested in supporting the start-up of pre-schools.

Large Grants

There were no large grants in this financial year. It should be noted the current financial situation in the UK is still affecting the ability of small charities like Community H.E.A.R.T. to access large grants. Community H.E.A.R.T. will continue to search for large grant funders to support our projects and the work we do.

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Small Grants

There were no small grants in this financial year.

Large Donation

Towards the end of the financial year we received a large donation of £37,500 for The Denis Goldberg Foundation House of Hope.

Developing Current Relationships and New Relationships

In order to advance our aims and objectives we look to develop new relationships with organisations in South Africa as well as continuing to develop long standing ones. This is particularly important because we do not have offices or staff in the region. This ensures the projects we support are developed by local people shaping their own future. We continue to work with longstanding partners in South Africa.

We also work with several organisations in the UK including ACTSA, ACTSA Scotland, ACTSA Richmond, UNISON, UCU and World of Books (our relationship with World of Books ended in June as we no longer collect second hand books).

Developing funding streams

Community H.E.A.R.T. continued during this period to look at ways to develop funding streams. These can be covered broadly under five headings

- Regular donations
- One-off donations
- Grants
- Corporate
- Use of social enterprise sites

Achievements and Performance

Book and 10 Pence

The campaign involved collecting children's books to set up school libraries in South Africa. In this financial year we have not sent any containers of books. In the last year ACTSA Scotland stopped being involved in the book campaign. This was due to less books being donated and storage space being no longer available. It was decided at the strategy meeting in January 2019 that we would also wind up the campaign with the cost of storage increasing making the campaign unsustainable and less books being donated. It was agreed that the 10,000s of books that we had in the storage space should nevertheless be sent to South Africa. A container of books was sent in June 2019 after the end of this financial year and the storage space was closed.

Alan Anderson (a retired FBU officer) had supported the campaign and volunteered for it helping with picking up books and sorting and packing books and loading containers. Alan is happy to continue supporting Community H.E.A.R.T. in whatever way he can after the book campaign winds down. FBU in the North West has been very supportive over many years.

Brian Stangoe, a volunteer for the book campaign for over 14 years, who was employed part-time since August 2011 retired on the 1st of December 2018. He has continued to support us and was invaluable in the wind-up process.

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The campaign would also not have been possible without all those who have donated books and 10 ps. Many tens of thousands of individuals have donated books and a number of organisations have shown unstinting support. Local ACTSA organisations were collecting books for the campaign for many years and gave tens of thousands of books, also the schools that made regular contributions to the campaign. Many Local Authorities had supported the campaign. ACTSA Scotland, in past years, organised the packing, sorting and funding of the books collected in Scotland but as stated earlier this ended in the last financial year.

Amba Forwarding, our shipping agent in the UK, has been invaluable to the campaign. There have been problems with changes in the South African Department of Trade and Industry. The help and support of Kris Shah and Kirti Patel and the team of Amba Forwarding has ensured the shipping aspect of the campaign goes smoothly.

Others have also given freely their time and energy including many of the UNISON North West staff and activists who have helped with deliveries of books, driving vans and loading containers.

As said earlier in the report the support of volunteers from the Manchester Fire Service and North West FBU have been invaluable for the Book and 10 Pence campaign.

Many people have given their time and energy to support Community H.E.A.R.T. not least the teachers, parents, staff and members in schools, the churches, young peoples' organisations and others who have collected books. Our thanks go to all those who have helped the campaign send over 3 million children's books to South Africa to set up school libraries.

Large Grants

There were no large grants.

Small grants

Our account in South Africa has continued to allow us to reduce bank international transfer fees and get the best rate of exchange. Small transfers incur relatively large fees and very poor exchange rates. We can now transfer a combined amount of grants therefore benefiting the projects we support. We also are able to take advantage of the fact that interest rates are paid on balances in South African banks.

Abadala - Ikamva Labantu

We have continued our work with Abadala. The Friends of Abadala are a group of supporters that make donations to Community H.E.A.R.T. specifically for the Seniors' Programme of Ikamva Labantu. Their donations support Seniors' Clubs in Cape Town townships. The Seniors Clubs provide a number of activities and services. The clubs provide nutritious meals for the seniors in the last year they provided 330,000 of the meals to 761 seniors. They also provide health checks which includes eye and hearing tests to identify any problems and resolve them, added to this they provide advice on what benefits they are entitled to and their rights. As there are many seniors who are unable to attend the clubs due to infirmity or mobility problems, the Seniors Programme also extended their services with the Umelwane Project which provides trained "neighbourhood friends" that carry out home visits to provide support. In this year they identified 354 frail seniors needing support from the Umelwanes. The income generation project which allows the seniors to earn income to supplement their pensions through craftwork.

We hope to further our work with Ikamva Labantu through their work with pre-schools.

We are kept informed of the work through comprehensive annual and financial reports from Ikamva Labantu. A total of £6,000 will be paid to Ikamva Labantu in the financial year starting on the 1st of May 2019.

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Ububele

Ububele is a psychotherapy resource and training centre based close to Alexandra Township, just outside Johannesburg. Community H.E.A.R.T. was involved in supporting this organisation when it was first set up by

Tony and Hillary Hamburger. Alexandra is a large township which has a great deal of unemployment and poverty. Added to this the HIV/AIDS pandemic is a source of concern for many of the inhabitants with many affected directly or indirectly. The organisation provides a much-needed service in the community.

The importance of this organisation is not only its work with the communities and families in Alexandra but also as a centre of good practice in the area of psychotherapy. The need for mental health facilities is extremely important but is often an area which is forgotten about, as hunger and poverty are more visible.

Ububele is made up of several areas of work:

- a Psychotherapeutic Nursery
- a Training Faculty
- a Group Counselling Training division
- an Early Childhood & Families Training Division

● **The Psychotherapeutic Nursery**

The nursery currently caters for 50 children. As well as catering for the children it also offers training to preschool teachers and provides a resource for post-graduate interns and professionals.

● **Ububele-Persona Dolls Project**

This helps children to talk about their experiences and express necessary feelings. The project trains counsellors and teachers to effectively use the Dolls. Ububele employs women from the local community to manufacture the Dolls in-house, thus also providing much needed employment in the local area.

● **The Ububele- Umdlezane Parent Infant Project**

This project concerns assisting vital mother and infant emotional attachment when this becomes "at risk". The project provides support to hospitals and clinics to help them provide better and necessary counselling services to mothers and fathers with infants.

● **Preschool Counsellors Project**

This offers a one-year training course for lay counsellors who will initially service 45 schools in the community and will provide psychological assistance and a referral service to over 10,000 children. This is a very important project as it trains local women as lay counsellors who can talk to the children in their mother tongue as well as providing employment in the local community.

They also take in graduate psychologists each year to give them on the spot training in the profession they are about to embark on. This is important to ensure the newly graduated students will be supervised and advised in their first experiences of working with those they are hoping to help.

We are kept informed of the work through comprehensive annual and financial reports from Ububele. A total of £4,000 will be paid to Ububele in the financial year starting on 1st May 2019.

Kronendal Music Academy

Kronendal Music Academy works in the communities in the area around Hout Bay providing music education in as many styles and forms as possible to the disadvantaged communities while initiating racial and social interaction and integration in the 3 distinct communities of Imzamu Lethu (an informal settlement), Hangberg fishing village and the affluent valley residents.

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One of the issues especially in the Western Cape is the diversity of the population but with very little integration of the communities leading to tensions locally. KMA as an organisation, working through music, is helping to change this. Since it was set up in 2007, KMA, has grown beyond all expectations inspiring many young people. In an area where there is very little for young people to do and aspirations are low KMA is a welcome project changing the lives of many and helping with the integration and interaction of the local communities.

As well as providing music lessons, the organisation also has a musical instrument repair workshop to keep the costs of keeping instruments in good working order and to repair some of the donated instruments. This also provides employment for local people.

As the organisation has grown and as more children from the disadvantaged communities are getting involved in the activities there has been a need to provide meals for many of the students. Recognising the needs of the young people they have also taken donations of books to provide a small library and provide a place for the students to complete school homework and study.

The KMA jazz band was invited to perform at the Edinburgh International Festival and performed there in August 2018.

A total of £120 was raised in this financial year for the Kronendal Music Academy.

Denis Goldberg Foundation – House of Hope

The Denis Goldberg Foundation - House of Hope is one of the developments from the foundation to bring young people in the diverse communities of Hout Bay together through arts and cultural education to create a cohesive, non-racial, non-prejudiced communities within the area. Central to this would be the construction of the House of Hope cultural centre. In the meantime, community groups are being worked with by the House of Hope and bringing young people together covering everything from music and drama to sport.

The House of Hope is a project that will bring young people of all the communities together and break the divisions deliberately constructed under apartheid. This is a major initiative which will have an impact on the legacy of apartheid and heal the divisions it created.

Work has already started with raising the funds for the centre and they have also been given a 99 year lease and hope to start the first phase of construction in October 2019. In May 2019 we were able to transfer £38,550 to the House of Hope.

Developing Current Relationships and New Relationships

We have continued to develop current and where possible new relationships with organisations in South Africa. We approached Ikamva Labantu about supplying some mother-tongue books for their model pre-school.

Website

In September 2019 we were offered help with our website which is now being undertaken. Giselle Leeb who has supported us in the past has offered to continue to give us technical support when necessary. We would like to thank her for work she has done for us over many years.

Developing funding streams

Regular donations

There were 125 regular donors during this financial year including 11 trade union branches. In this financial year £21,282 was donated through regular donations compared to £21,897 in 2017/18. This includes £3,806 from Interact for Change which wound up any formal fund raising some years ago so the annual amount from this area is likely to slowly fall in future years.

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Income from other sources

The total raised from sources other than regular donations was £71,220. This amount is made up of a restricted donation of £37,500, £1,993 raised at UNISON conference, £1,854 from our appeal, £5,212 from the fundraising dinner, £5,500 in gift aid (this includes gift aid claimed on our behalf through the Charities Aid Foundation and Everyclick.com) and £19,161 from one-off donations and other activities including smaller events that were organised and interest from our South African bank accounts.

We held a small fundraising event in Glasgow and raised £509. The Board is considering doing a number of these events to make up for the problems of getting a recognisable guest speaker who would attract the guests to make a large fundraising dinner viable.

Grants

There were no grants received this year.

Corporate

There were no corporate donations in this financial year.

Social Enterprise and Internet Sites

During this financial year we raised £185 from searches and supporters shopping through the social enterprise search engine Everyclick compared to £225 in the last financial year. The fall is likely to be due to a change in paying from monthly to quarterly which meant that payments due for March and April were paid in May 2019. People using the search engine earn funds for their nominated charity every time they search the internet without having to spend a penny and can earn extra funds for their charity when they shop on-line. Supporters can also donate through the search engine (funds raised through straightforward donations are covered under individual one-off donations earlier in the report) and can set up fundraising pages. We have tried to encourage our supporters to sign up to this and by the end of the financial year had 116 supporters signed up for Community H.E.A.R.T.

Easyfundraising is another site we are signed up to. The site has over 500 retailers that donate to your nominated charity every time you shop on-line. It raised nothing this year as we have concentrated our efforts on everyclick. We have not closed our page so there may be small amounts raised in the future.

We are also registered with the Big Give, a free site which encourages donations to charities and their projects.

Fundraising Charity Dinner

We organised a fundraising dinner in Glasgow on the 9th of April 2019 to celebrate, Denis Goldberg, our founding director's 86th birthday. As reported in the last annual report the board discussed how we could get a guest speaker and it was decided that we would approach Denis to do an interview in South Africa for us. One of our supporters who spends time in South Africa agreed to volunteer to film the interview. The interview was shown to those attending the dinner who were silent as they viewed the interview with the anti-apartheid hero. In total the dinner raised £5,362 after the final payment was made in June 2019.

During this financial year it was also decided to fundraise through selling historical anti-apartheid posters at conferences and events. This has been successful raising £525 and we plan to revamp our website and start to sell the posters on-line.

Grant Making policy

The Director was authorised to make grants within the aims and objectives of the organisation in consultation with the chair and members of the Board of Directors. For any grants made we ask that financial and annual reports are made available to us. We do not make grants to individuals.

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Financial Review

Income and Expenditure

The work of Community H.E.A.R.T. continued. The overall income of the organisation rose to £92,502 from £35,848. This increase is largely due to a donation of £37,500 for the Denis Goldberg Foundation – House of Hope. Regular donations from individuals and trade unions fell slightly from £21,897 to £21,282. The organisation is working to increase regular donations to allow us to plan future activity. The organisation is not complacent as the financial situation in the UK is still very difficult. The total received in Gift Aid was £5,500 up from £3,974 last year.

Trade Unions and Payroll Giving

We have received donations in different of forms from trade unions. We receive regular donations from a number of trade union branches and regions. These regular donations are very important to ensure the projects supported and Community H.E.A.R.T. can plan for the future. Thanks to all those trade union branches, regions and members who have made these regular contributions for a number of years and to those that have now signed up to regular donations. We received £4,701 from trade unions in this financial year, this does not include activists donations of £1,993 made at UNISON conference.

The consortium, Interact for Change, involving three other charities UNISON Welfare, Terence Higgins Trust and Shelter in a payroll giving scheme, this financial year the funding raised through this was £3,806.

Individual Donations

We have several individuals that give regular donations and have done so over a number of years. These donations and one-off individual donations brought funding of just under £36,174 (including donations made on-line) into the organisation. This sum also includes 2 donations totalling £12,724.

Direct Mail

Community H.E.A.R.T. carried out 1 direct mailing in this financial year raising £1,854 (this includes funds raised from Christmas cards). A newsletter is produced for each mailing to keep our supporters informed about the projects supported and any other developments.

Large Donations

There were 3 large donations, the 2 totalling £12,724 and a further one of £37,500 specifically for the Denis Goldberg Foundation – House of Hope.

Expenditure

Total expenditure, excluding grants payable, was down in in this financial year by £1,889. Due to the difficult financial situation we have endeavoured to reduce our overheads where possible. The retirement of Brian Stangoe in December 2018 was an opportunity to look at staffing and as a decision was taken to wind down the Book and 10 Pence campaign it was decided not to fill the post. The wind down also gave us the opportunity to look at our premises. Due to the book campaign we required large premises, so we undertook to look for different office space. The estimated saving from these changes would reduce the overheads for a full financial year by around £11,000.

We also save on accommodation for Board meetings as the trade union UNISON give us meeting rooms at no charge.

Volunteers

It is important at this point to highlight the work of volunteers as this work would be an expense to the organisation without their work. This is especially true of transportation, packing, sorting, storing and loading of books. Many people have been involved in this over the years, but special mention has to be made of, ACTSA Scotland, the FBU, Alan Anderson, Bob Bruce, Joy Hart, Peter Latham and Nat and Elsa Perez. It is difficult to calculate this

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contribution, in many cases transportation costs are covered by the volunteers, but it is a substantial saving to the organisation.

Mmapula Tladi-Small has also been of great help to the organisation with reports on our projects when she has visited in South Africa. This is also the case with Nat & Elsa Perez who have also visited and reported back on a number of our projects in the past. As Board Members their expertise and enthusiasm will enable the organisation to develop in the future.

Reserves Policy


We seek to have sufficient funds in hand to be able to function for 6 months, this is a revision from 3 months in line with many organisations in the sector, we are trying to build up to this amount though the difficult financial situation in the UK means this has taken longer than expected. It is difficult to mention a specific sum because the amount we need is determined not only by fixed overheads, rent etc and salaries but by variable timing of gifts of books etc and therefore the amount of shipping we shall need to undertake. We have assumed for these purposes one container next year will be despatched. This would require a reserve of £17,500 and we hope to reach this in future years. The board will review the reserves policy on an annual basis.

Plans for the Future

We plan to raise more funds through smaller fundraising events to encourage support from more of the public as the large fundraising dinners are out of reach of many of our supporters. We are also trying to get access other trade unions so that we can get a stall at their conferences to raise funds from individual branches through Trade Union Friends of Community H.E.A.R.T. and from individual trade union activists.

The Council confirms these financial statements comply with current statutory requirements, the Charity's constitution and the 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) effective 1st January 2015 – (Charities SORP (FRS 102)) and that they have complied with the duty of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including the guidance on public benefit.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the board on 23/01/2020 and signed on its behalf by 

Ms M Dunn
Director

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

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Independent Examiner's report to the trustees of Community Health Education and Reconstruction Training

I report on the accounts for the year ended 30th April 2019, which are set out on pages 13 to 20.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiners' report

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those accounting records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



T. A. R. Elston BA FCA
Percy Westhead & Company
Chartered Accountants
Greg's Buildings
1 Booth Street
Manchester
M2 4AD

Date: 24.1.2020

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an Income and Expenditure Account)
for the YEAR ended 30th APRIL 2019

	<u>Notes</u>	<u>2019</u> <u>Restricted</u> <u>Funds</u> £	<u>2019</u> <u>Unrestricted</u> <u>Funds</u> £	<u>2019</u> <u>Total</u> <u>Funds</u> £	<u>2018</u> <u>Total</u> <u>Funds</u> £
INCOME FROM					
Donations, legacies and similar incoming resources		41,440	50,795	92,235	35,019
Income from charitable activities					
Grants receivable	3	-	-	-	-
Book and 10 pence appeal		-	-	-	460
Investment income					
Interest on bank deposits		-	267	267	369
TOTAL INCOME		<u>41,440</u>	<u>51,062</u>	<u>92,502</u>	<u>35,848</u>
EXPENDITURE ON					
Raising funds					
Fundraising and publicity		-	8,717	8,717	7,092
Charitable activities					
Grants payable	4	38,550	-	38,550	11,621
Book and 10 pence appeal		21,608	-	21,608	22,850
Other projects		-	5,407	5,407	5,957
TOTAL EXPENDITURE	5	<u>60,158</u>	<u>14,124</u>	<u>74,282</u>	<u>47,520</u>
Net income/(expenditure) before transfers	6	(18,718)	36,938	18,220	(11,672)
Transfers between funds	12	21,608	(21,608)	-	-
Other recognised gains and losses					
Unrealised gains/(losses) on exchange		-	(417)	(417)	625
Net movement in funds		<u>2,890</u>	<u>14,913</u>	<u>17,803</u>	<u>(11,047)</u>
Reconciliation of funds					
Total funds brought forward as at 1 st May 2018		<u>12,431</u>	<u>1,654</u>	<u>14,085</u>	<u>25,132</u>
Total funds carried forward as at 30th April 2019		<u>15,321</u>	<u>16,567</u>	<u>31,888</u>	<u>14,085</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 12 to the financial statements.

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

(Registered number 3016170)

BALANCE SHEET
As at 30th APRIL 2019

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
		£	£
Tangible fixed assets	8	50	61
Current assets			
Debtors	9	512	813
Cash at bank and in hand		<u>71,969</u>	<u>15,347</u>
		72,481	16,160
Creditors amounts falling due within one year	10	<u>40,643</u>	<u>2,136</u>
Net current assets		<u>31,838</u>	<u>14,024</u>
Net assets	11	<u>31,888</u>	<u>14,085</u>
Funds of the Charity			
Restricted funds		15,321	12,431
Unrestricted funds:			
General funds		<u>16,567</u>	<u>1,654</u>
Total funds	12	<u>31,888</u>	<u>14,085</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30th April 2019.

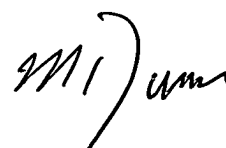
The members have not required the company to obtain an audit of its financial statements for the year ended 30th April 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 396 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the board on 23.02.2020. and signed on its behalf by



Ms M Dunn
Director

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the YEAR ended 30th APRIL 2019

1. Accounting policies

- (a) The financial statements have been prepared under the historical cost convention and in accordance with the 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) effective 1st January 2015 – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.
- (b) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.
- (c) Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable, unless they relate to a specific future period, in which case they are deferred.
- (d) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- (e) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.
- (f) Staff costs are allocated to activities on the basis of staff time spent on those activities.
- (g) The costs of generating funds relate to the costs incurred by the charitable company in raising funds for the charitable work.
- (h) Expenditure is recognised in the period in which it is incurred and is allocated to the particular activity where the cost relates directly to that activity. Expenditure includes attributable VAT which cannot be recovered.

Support and governance costs include the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements. These are allocated to particular activities on the basis of staff time and trustee meeting time spent on those activities.

- (i) Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates in use are as follows:-

Office equipment	15% reducing balance basis
Computer equipment	25% reducing balance basis

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

- (j) Grants payable are made in accordance with the stated objectives of the charitable company.
- (k) Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arising at the net incoming resources for the year.

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the YEAR ended 30th APRIL 2019

2. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

3. Grants receivable

<u>2019</u>	<u>2019</u>	<u>2019</u>	<u>2018</u>
<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	<u>Total</u>
<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
£	£	£	£
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

4. Grants payable to institutions

	<u>2019</u>	<u>2018</u>
	£	£
Kronendal Music Academy	-	1,162
Abadala – Ikamva Labantu	-	4,744
Ububele	-	5,715
Denis Goldberg Foundation – House of Hope	<u>38,550</u>	<u>-</u>
	<u>38,550</u>	<u>11,621</u>

Further information regarding the nature of the grants made can be found within the council members' report on pages 2-11.

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the YEAR ended 30th APRIL 2019

5. Total resources expended

	<u>Fundraising and Publicity</u>	<u>Grants Payable</u>	<u>Book & 10 pence Appeal</u>	<u>Other Projects</u>	<u>2019 Total</u>	<u>2018 Total</u>
	£	£	£	£	£	£
Grants payable	-	38,550	-	-	38,550	11,621
Travelling expenses	965	-	-	-	965	517
Events	15	-	-	-	15	138
Fundraising	1,481	-	-	-	1,481	-
Printing, postage and stationery	849	-	-	-	849	480
Premises	-	-	5,388	-	5,388	5,477
Shipping, storage and packing	-	-	-	-	-	5
Support and governance costs (see note below)	5,407	-	16,220	5,407	27,034	29,282
Total resources expended	<u>8,717</u>	<u>38,550</u>	<u>21,608</u>	<u>5,407</u>	<u>74,282</u>	<u>47,520</u>

Support and governance costs

These costs have been apportioned based on an estimate of staff time and trustee meeting time spent on each activity.

Staff costs	4,522	-	13,563	4,522	22,607	25,511
Travelling expenses	249	-	748	249	1,246	724
Printing, postage and stationery	101	-	303	101	505	306
Telephone, E-mail and fax	43	-	130	43	216	219
Accountancy	372	-	1,116	372	1,860	1,920
Bank charges	14	-	44	14	72	80
Sundry expenses	3	-	7	3	13	13
Insurance	101	-	302	101	504	496
Depreciation	2	-	7	2	11	13
Total support and governance costs	<u>5,407</u>	<u>-</u>	<u>16,220</u>	<u>5,407</u>	<u>27,034</u>	<u>29,282</u>

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the YEAR ended 30th APRIL 2019

6. Net incoming/(outgoing) resources for the year

	<u>2019</u>	<u>2018</u>
	£	£
This is stated after charging:		
Council members' expenses	-	-
Depreciation	11	13
Independent examiner's remuneration	<u>1,860</u>	<u>1,920</u>

7. Staff costs and numbers

Staff costs were as follows:-

	<u>2019</u>	<u>2018</u>
	£	£
Salaries and wages	22,607	25,511
Social security costs	-	-
	<u>22,607</u>	<u>25,511</u>

No employee earned more than £60,000 during the year (2018 – none).

No remuneration was paid to council members during the year (2018 – none).

The average monthly head count was 2 (2018: 2). The average monthly number of employees (full-time equivalent) during the year was as follows: -

	<u>2019</u>	<u>2018</u>
	No.	No.
Other Projects	0.25	0.375
Book & 10p Appeal	0.75	0.75
Governance costs and fundraising	<u>0.25</u>	<u>0.375</u>
	<u>1.25</u>	<u>1.50</u>

Staff costs are allocated to activities on the basis of staff time spent on those activities as follows:-

	<u>2019</u>	<u>2018</u>
Book & 10p Appeal	60%	60%
Other Projects	20%	20%
Fundraising & Publicity	20%	20%

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the YEAR ended 30th APRIL 2019

8. Tangible fixed assets

	<u>Computer Equipment</u> £	<u>Office Equipment</u> £	<u>Total</u> £
COST			
At 1 st May 2018 and at 30 th April 2019	<u>5,004</u>	<u>1,626</u>	<u>6,630</u>
DEPRECIATION			
At 1 st May 2018	4,985	1,584	6,569
Charge for the year	<u>5</u>	<u>6</u>	<u>11</u>
At 30 th April 2019	<u>4,990</u>	<u>1,590</u>	<u>6,580</u>
NET BOOK VALUE			
At 30 th April 2019	<u>14</u>	<u>36</u>	<u>50</u>
At 30 th April 2018	<u>19</u>	<u>42</u>	<u>61</u>

All tangible fixed assets are used for direct charitable purposes.

9. Debtors

	<u>2019</u> £	<u>2018</u> £
Income Tax reclaimable	<u>512</u>	<u>813</u>
	<u>512</u>	<u>813</u>

10. Creditors: amounts falling due within one year

	<u>2019</u> £	<u>2018</u> £
Sundry creditors	173	216
Accruals	<u>40,470</u>	<u>1,920</u>
	<u>40,643</u>	<u>2,136</u>

11. Analysis of net assets between funds

	<u>2019 Restricted Funds</u> £	<u>2019 General Fund</u> £	<u>2019 Total Funds</u> £
Tangible fixed assets	-	50	50
Current assets	53,871	18,610	72,481
Current liabilities	<u>(38,550)</u>	<u>(2,093)</u>	<u>(40,643)</u>
Net assets at 30th April 2019	<u>15,321</u>	<u>16,567</u>	<u>31,888</u>

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the YEAR ended 30th APRIL 2019

12. Movements in funds

	<u>At</u> <u>1st May</u> <u>2018</u> £	<u>Incoming</u> <u>resources</u> £	<u>Resources</u> <u>expended</u> £	<u>Transfers</u> <u>between</u> <u>funds</u> £	<u>At</u> <u>30th April</u> <u>2019</u> £
Restricted funds					
Abadala (Ikamva Labantu)	3,780	2,398	-	-	6,178
Book & 10 pence appeal	-	-	(21,608)	21,608	-
Ububele	2,866	1,362	-	-	4,228
Project Dignity	2,907	-	-	-	2,907
Goldberg Music Fund	208	120	-	-	328
Denis Goldberg House of Hope	1,050	37,500	(38,550)	-	-
Mother-tongue books	1,560	60	-	-	1,620
Science Bus	60	-	-	-	60
Total restricted funds	<u>12,431</u>	<u>41,440</u>	<u>(60,158)</u>	<u>21,608</u>	<u>15,321</u>
Unrestricted funds					
Soweto Schools	20	-	-	-	20
General fund	<u>1,634</u>	<u>51,062</u>	<u>(14,541)</u>	<u>(21,608)</u>	<u>16,547</u>
Total funds	<u>14,085</u>	<u>92,502</u>	<u>(74,699)</u>	<u>-</u>	<u>31,888</u>

Purposes of funds:

Funds are used for the purposes specified by the funders, as highlighted in the council members' report on pages 2 – 11.

All restricted funds in deficit at the year-end have been subsidised through the general fund.