

Company registration number 04875074  
Charity registration number 1112206

# Community North West

Annual Report and Financial Statements

for the Year Ended 5 April 2012

Eric Southwick BA (Hons) FCA FCIE DChA  
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# **Community North West**

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**Community North West**  
**Reference and Administrative Details**

<b>Charity name</b>	Community North West
<b>Charity registration number</b>	1112206
<b>Company registration number</b>	04875074
<b>Principal office</b>	Suite 1, The Ace Centre Cross Street Nelson Lancashire BB9 7NN
<b>Registered office</b>	Suite 1, The Ace Centre Cross Street Nelson Lancashire BB9 7NN
<b>Trustees</b>	Dr M I Malik MBE J Brooker P A Hickey B Lowndes JP MBE A Wynne C Trueblood (resigned 9 May 2012) T L W Mumford A Harrison R Cooper
<b>Secretary</b>	M R Heaton FCCA FCIE
<b>Independent Examiner</b>	Eric Southwick BA (Hons) FCA FCIE DChA 51 The Avenue Seaham County Durham SR7 8NS

## **Community North West**

### **Trustees' Report**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing Document**

The company was incorporated on 22nd August 2003, registration no 04875074 and is governed by its Memorandum and Articles, as amended on 14th September 2005 and 29th March 2011. The company is also a registered Charity no 1112206 and subject to the Charities Act 2011.

##### **Structure**

The company is currently governed by a Board of five Trustees.

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

The Trustees are appointed by the membership at the Annual General Meeting.

##### **Risk Management**

The Trustees have introduced a risk management process to assess business risks and are implementing systems to mitigate these risks. Internal risks are minimised by the implementation of procedures or authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. Procedures are in place to ensure compliance with health and safety of staff, clients and visitors to the premises. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

##### **Public Benefit**

The trustees have had due regard to the Charity Commission guidance on public benefit reporting in deciding what activities the charity should undertake.

The remainder of this Annual Report illustrates the activities undertaken to support the public benefit requirement.

##### **Objectives and Activities**

To promote such purposes as are charitable according to the law of England and Wales for the benefit of the public in the North West of England (hereinafter referred to as the area of benefit) by

Advancing the education of the public in the North West region by promoting the effective working of any public, charitable, voluntary and community groups which operate in the area of benefit,

Promoting or assisting in the promotion of and co-operation between groups and organisations in the area of benefit, and between themselves and others nationally in the United Kingdom,

Promoting or assisting in the promotion of and co-operation between such groups and organisations in the area of benefit and any local, regional and national development agencies within the United Kingdom,

Promoting or assisting in the promotion of community capacity building of community groups and voluntary organisations, particularly but not exclusively, in those areas of social and economic disadvantage, within the area of benefit,

Taking the lead and co-operating in the strategic planning and regional development of community and voluntary groups and organisations within the area of benefit,

Contributing to both the development and public awareness of a regional strategy and the active involvement of the community and voluntary sector in the promotion of such strategy within the area of benefit,

Liaising with governmental, regional and other organisations in order to co-ordinate the planning, work and marketing of the community and voluntary sector within the area of benefit,

## **Community North West**

### **Trustees' Report**

Liaising with representatives of other related and or relevant groups and organisations and furthering integration and joint working where appropriate in the area of benefit

#### **The charity's aims including the changes or differences it seeks to make through its activities**

Community North West aims to contribute to the sustainable development and regeneration of the North West by -

- Raising awareness of and involvement with the North West Regional Structures
- Working to ensure the voice of the North West Community and Voluntary Sector contributes to this process

#### **The charity's strategies for achieving its stated objectives**

CNW is a member of Social, Environmental & Economic Partners together with other organisations such as Voluntary Sector North West and the North West Migrants Network. With our secure regional base, during 2011/12 CNW has continued to be able to operate as a regional partner and contact point with a number of national community development and regeneration bodies such as Community Development Exchange, the Community Development Foundation, the Federation of CD Learning, Community Matters and Urban Forum.

#### **Achievements & Performance**

Community Groups across the region have been looking for alternative strategies to allow them to continue in the face of cuts to their funding. CNW assisted Manchester Metropolitan University in helping get their Resilience Survey to a wide range of small to medium sized groups and having successfully been awarded a grant from Awards for All, held a series of meetings to discuss the survey culminating in a conference in Manchester in December. The survey gave us over 200 responses and further meetings to discuss the results will continue into 2012/13, once the final report is available.

CNW continues to use its website to keep community groups informed and we are endeavouring to improve the site in the near future. With the cost of design, printing and postage now so high, the website is crucial for our members and contacts who need our assistance.

#### **FINANCIAL REVIEW**

The Statement of Financial Activities sets out the incoming resources and resources expended for the year. Incoming resources amounted to £59,596 and a deficit of £22,593 was generated on the unrestricted fund. The principal funding sources are:

Private donations including gift aid reclaim - £50,000,

Grants and funding for projects - £9,500

#### **Reserves Policy**

Reserves at the year end amounted to:

Unrestricted £23,314

Restricted £6,506

Unrestricted reserves are allocated:

Redundancy costs

Running costs

## **Community North West**

### **Trustees' Report**

Since the year end, the regional director has been made redundant, and the administrator is now working three days per week. Funding sources are being identified to enable the charity's work to continue. However, the trustees believe that there are sufficient reserves left after redundancy to enable an orderly close down of the charity.

#### **Small company provisions**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 9 May 2012 and signed on its behalf by



P A Hickey  
Trustee

## **Community North West**

### **Trustees' Responsibilities in relation to the Financial Statements**

The trustees (who are also directors of Community North West for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent Examiner's Report to the Trustees of Community North West**

I report on the accounts of the company for the year ended 5 April 2012, which are set out on pages 7 to 15

### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts under section 145 of the 2011 Act,
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- state whether particular matters have come to my attention

### **Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention

- (1) which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 386 of the Companies Act 2006, and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

Eric Southwick BA (Hons) FCA FCIE DChA

3 September 2012

51 The Avenue  
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## Community North West

### Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 5 April 2012

		Unrestricted Funds	Restricted Funds	Total Funds 2012	Total Funds 2011
	Note	£	£	£	£
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	2	50,000	-	50,000	87,452
Investment income	4	96	-	96	70
Incoming resources from charitable activities		-	9,500	9,500	11,700
Total incoming resources		<u>50,096</u>	<u>9,500</u>	<u>59,596</u>	<u>99,222</u>
<b>Resources expended</b>					
Charitable activities	5	69,809	2,994	72,803	86,648
Governance costs	5	2,880	-	2,880	4,764
Total resources expended		<u>72,689</u>	<u>2,994</u>	<u>75,683</u>	<u>91,412</u>
Net movements in funds		(22,593)	6,506	(16,087)	7,810
<b>Reconciliation of funds</b>					
Total funds brought forward		45,907	-	45,907	38,097
Total funds carried forward		<u>23,314</u>	<u>6,506</u>	<u>29,820</u>	<u>45,907</u>

The notes on pages 9 to 15 form an integral part of these financial statements

**Community North West (Registration number: 04875074)**

**Balance Sheet as at 5 April 2012**

		2012		2011	
	Note	£	£	£	£
<b>Current assets</b>					
Debtors	10	-		3,700	
Cash at bank and in hand		<u>32,466</u>		<u>46,754</u>	
			32,466		50,454
<b>Creditors: Amounts falling due within one year</b>	11		<u>(2,646)</u>		<u>(4,547)</u>
<b>Net current assets</b>			<u>29,820</u>		<u>45,907</u>
<b>Net assets</b>			<u><u>29,820</u></u>		<u><u>45,907</u></u>
<b>The funds of the charity:</b>					
<b>Restricted funds in surplus</b>			6,506		-
<b>Unrestricted funds</b>					
Unrestricted income funds			<u>23,314</u>		<u>45,907</u>
<b>Total charity funds</b>			<u><u>29,820</u></u>		<u><u>45,907</u></u>

For the financial year ended 5 April 2012, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board on 9 May 2012 and signed on its behalf by



P A Hickey  
Trustee

The notes on pages 9 to 15 form an integral part of these financial statements

## **Community North West**

### **Notes to the Financial Statements for the Year Ended 5 April 2012**

#### **1 Accounting policies**

##### **Basis of preparation**

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, the Financial Reporting Standard for Smaller Entities (effective April 2008 ) and the Companies Act 2006

##### **Fund accounting policy**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose

Further details of each fund are disclosed in note 14

##### **Incoming resources**

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate

Investment income is recognised on a receivable basis

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability

##### **Resources expended**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them

##### **Governance costs**

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters

##### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage

**Community North West**  
**Notes to the Financial Statements for the Year Ended 5 April 2012**

*continued*

**Fixed assets**

Individual fixed assets costing £100 or more are initially recorded at cost

**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Fixtures and fittings	25% per annum reducing balance
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**Operating leases**

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term

## Community North West

### Notes to the Financial Statements for the Year Ended 5 April 2012

*continued*

#### 2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
<b>Donations and legacies</b>				
Donations	40,000	-	40,000	68,213
Gift Aid tax reclaimed	10,000	-	10,000	19,239
	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>87,452</u>

#### 3 Grants receivable

	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
NWTWC	-	-	-	11,700
Awards for All	-	9,500	9,500	-
	<u>-</u>	<u>9,500</u>	<u>9,500</u>	<u>11,700</u>

#### 4 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Bank interest receivable	96	-	96	70
	<u>96</u>	<u>-</u>	<u>96</u>	<u>70</u>

## Community North West

### Notes to the Financial Statements for the Year Ended 5 April 2012

*continued*

#### 5 Total resources expended

	Community support	Governance	Total
	£	£	£
<b>Direct costs</b>			
Wages and salaries	49,124	-	49,124
Staff NIC (Employers)	4,828	-	4,828
Rent	5,311	-	5,311
Insurance	246	-	246
Telephone - Internet - Mobile phones	1,612	-	1,612
Computer consumables	723	-	723
Printing, Reproduction, Art Exhibits, stationery and postage	226	-	226
Resilience Seminars	2,994	-	2,994
Subscriptions and Memberships	205	-	205
Sundry expenses	95	-	95
Conference and meeting expenses	1,564	-	1,564
Travel and subsistence	5,848	-	5,848
Accountancy and Company Secretarial fees	-	2,880	2,880
Annual return	14	-	14
Bank charges	13	-	13
	<u>72,803</u>	<u>2,880</u>	<u>75,683</u>

#### 6 Trustees' remuneration and expenses

Seven trustees received expenses amounting to £2,061 95 during the year

**Community North West**  
**Notes to the Financial Statements for the Year Ended 5 April 2012**

*continued*

**7 Employees' remuneration**

The average number of persons employed by the charity (excluding trustees) during the year, analysed by category, was as follows

	2012 No.	2011 No.
Charitable activities	1	1
Support	1	1
	<u>2</u>	<u>2</u>

The aggregate payroll costs of these persons were as follows

	2012 £	2011 £
Wages and salaries	49,124	55,611
Social security	4,828	5,656
	<u>53,952</u>	<u>61,267</u>

No employee received emoluments of more than £60,000 during the year (2011 - No 0)

**8 Taxation**

The company is a registered charity and is, therefore, exempt from taxation

**Community North West**  
**Notes to the Financial Statements for the Year Ended 5 April 2012**

*continued*

**9 Tangible fixed assets**

	<b>Fixtures, fittings and equipment £</b>
<b>Cost</b>	
As at 6 April 2011 and 5 April 2012	<u>13,368</u>
<b>Depreciation</b>	
As at 6 April 2011 and 5 April 2012	<u>13,368</u>
<b>Net book value</b>	
As at 5 April 2012	<u>-</u>
As at 5 April 2011	<u>-</u>

**10 Debtors**

	<b>2012 £</b>	<b>2011 £</b>
Trade debtors	<u>-</u>	<u>3,700</u>

**11 Creditors: Amounts falling due within one year**

	<b>2012 £</b>	<b>2011 £</b>
Trade creditors	2,000	1,200
Accruals and deferred income	646	3,347
	<u>2,646</u>	<u>4,547</u>

**12 Members' liability**

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.



**Community North West**  
**Notes to the Financial Statements for the Year Ended 5 April 2012**

*continued*

**13 Related parties**

**Controlling entity**

The charity is controlled by the trustees who are all directors of the company

**14 Analysis of funds**

	At 6 April 2011	Incoming resources	Resources expended	At 5 April 2012
	£	£	£	£
<b>General Funds</b>				
Unrestricted income fund	45,907	50,096	(72,689)	23,314
<b>Restricted Funds</b>				
Awards for all	-	9,500	(2,994)	6,506
	<u>45,907</u>	<u>59,596</u>	<u>(75,683)</u>	<u>29,820</u>

The Awards for all fund is explained in more detail in the Trustees Annual Report

**15 Net assets by fund**

	Unrestricted Funds	Restricted Funds	Total Funds 2012	Total Funds 2011
	£	£	£	£
Tangible assets	-	-	-	-
Current assets	25,960	6,506	32,466	50,454
Creditors Amounts falling due within one year	(2,646)	-	(2,646)	(4,547)
Net assets	<u>23,314</u>	<u>6,506</u>	<u>29,820</u>	<u>45,907</u>