

REGISTERED NUMBER 4855747 (England and Wales)

Charity Registration No. 1100530

The Cedarwood Trust

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2011

A COMPANY LIMITED BY GUARANTEE



The Cedarwood Trust

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**The Cedarwood Trust
Charity Information
for the year ended 31st August 2011**

Directors/Trustees

The Rev'd J H Adams (Chair)
Miss S Cork (resigned 27th October 2010)
Mr J W Fenby JP (died 23 September 2011)
Mrs P Johnson
Mrs C Prior Attree
Mrs S Rendall
Mrs K Schofield (appointed as from 2nd November 2010)
Mr J Mason (appointed 8 June 2011)

Other Officers

Company Secretary	The Rev'd Canon D C Peel
Treasurer	Mrs C Prior Attree

Trust Address and Registered Office

43 Avon Avenue
Meadow Well
North Shields
Tyne and Wear
NE29 7QT

Legal Status

The company is a company limited by guarantee not having a share capital, registered number 4855747 (England and Wales) It is a registered charity, the number being 1100530

Bankers

The Co-operative Bank plc
P O Box 250
Delf House
Southway
Skelmersdale
WN8 6WT

CAF Bank Ltd
25 King's Hill Avenue
West Malling
Kent
ME19 4JQ

Independent Examiner

Ronald Joyce FCCA
Sadler Joyce Limited
18 Norham Road
Whitley Bay
Tyne and Wear
NE26 2SD

**The Cedarwood Trust
Report of the Directors/Trustees
for the Year Ended 31 August 2011**

Structure, Governance and Management

Organisation of the Charity

The Charity is a company limited by guarantee and its governing document is its memorandum and articles of association

The Charity operates through its Board of Trustees (who are also directors for the purpose of the Companies Act) The Trustees have delegated the day to day management of the Charity to the Project Leader, the Rev'd Canon D C Peel, who is also the Company Secretary

Trustees

Details of all the Trustees who have served throughout the year are given on page one of this report New Trustees are recruited by existing Trustees and appointed by election by the Board The Board ensures that Trustees have an understanding of good governance

Objectives and Activities of the Company

The Charity is a pastoral care organisation, set up in 1980 jointly by Newcastle (Church of England) Diocese and North Tyneside Council The objective of the Charity is to promote the well-being of the inhabitants of the Meadow Well Estate, North Shields

Risk management

The Trustees are responsible for identifying and managing major risks to which the company is exposed The established procedure for reviewing risks is through Board meetings, and policies for managing risks are carried out by Trustees, and on a day to day basis by the Project Leader

Achievements and Performance

Meadow Well's community is amongst the 1.5% most deprived in the country, and Cedarwood has served local people for more than thirty-one years in many different ways Visitors to the drop-in find a welcome and the opportunity to use other facilities and services, some provided by Cedarwood, some by other organisations The former include a parents' group and a bingo session, both of which follow on from drop-in sessions, and a volunteer hairdresser The latter include the monthly presence of a finance specialist from North Tyneside Council, who gives advice and help in matters concerned with Housing Benefit and Council Tax, twice weekly councillor's 'surgeries', and Citizens' Advice Bureau sessions these were monthly, but since 7th November 2011, thanks to a grant from the Church Urban Fund, they have been increased in frequency to weekly The drop-in also serves as a credit union collection point, thereby helping people to save and to make the best possible use of very limited resources

The Cedarwood Trust
Report of the Directors/Trustees (continued)
for the Year Ended 31 August 2011

Services provided directly by Cedarwood included supporting forty-two suppliants at incapacity-related benefit tribunals, thereby helping them to gain £208,468 to which they were entitled (these figures are lower than the equivalent ones for last year because of the increased contribution of the Citizens' Advice Bureau), supporting at the County Court and speaking for fourteen tenants to whom had been issued repossession orders, in each case achieving a suspension of the order and thereby preventing twenty-two adults and sixteen children from being made homeless, successfully seeking charitable grants for twelve individuals, in the form of white goods and money, and visiting or otherwise supporting thirteen people in prison, and in some cases their families

Cedarwood is not target-driven. Workers' starting point is being alongside local residents in the ordinariness of life, and responding to situations as they arise. Doing this involves developing a family-type feeling about the many relationships that are formed – indeed, for some people workers become quasi-family. 'I wish you were my mother', said a woman to a worker, 'Best dad in the world' says a prisoner of another. This transference usually comes about because the people concerned have had really difficult childhoods, and perhaps been subject to abuse. This is certainly the case with virtually all the people Cedarwood knows who have received long prison sentences.

Cedarwood has continued to contribute to the work of Church Action on Poverty, the national ecumenical campaigning organisation set up in the early eighties. This year workers helped to arrange and lead a series of three seminars focused on *The Spirit Level* (Wilkinson and Pickett, Penguin, 2010), which argues, on the basis of many statistics, that social problems affect all levels of society most in countries where the difference between the highest and the lowest incomes is greatest, on this basis, the UK is one of the worst of about two dozen western-type nations. The seminars were hosted by, and arranged in conjunction with, Shepherds Dene, the Newcastle and Durham dioceses' retreat house.

During the year Cedarwood was pleased to welcome on placement two social work students at the University of Northumbria, Suzannah Lui and Hannah Brough.

The trustees were pleased and grateful to be granted £103,298 by the Henry Smith Charity. This money will be used to fund the Team Leader post, Newcastle Diocese being unable to do so after September 2011 (the title is being changed from Project Leader).

The trustees are grateful to several people who have helped in the background: the teams' work consultants, Tom Friend, John Sadler, Carol Wark and Alan Weatherley, Mary Kelly, always ready with informed advice, and Alan Wolf, who handles applications to HM Revenue and Customs for Gift Aid repayment.

No trustee during the year in question had any family or comparable relationship with any other trustee, and no employee of the Trust had any family or comparable relationship with another employee or with a trustee.

The Cedarwood Trust
Report of the Directors/Trustees (continued)
for the Year Ended 31 August 2011

Financial Review and Acknowledgements

In the current economic climate, Cedarwood has struggled to replace some key grant funding, especially in respect of salaries, and has ended the financial year in deficit, partly due to replacing some funding with unsecured loans from individuals. The trustees have had to monitor the situation closely and although redundancies have been avoided to date, they will become unavoidable if funds are not obtained very soon. In the current financial year a post has become vacant on retirement and will remain unfilled until further funding can be obtained.

More positively, replacement funding has been granted for the post of team leader, as the longterm funding for the present project leader has now ceased, and the trustees are extremely grateful to David Peel for continuing to work on a voluntary basis until the new team leader is in place. Funding for core expenses is also in place for one more year and this means that the organisation can continue to function whilst more funds are sought.

The Trust gratefully acknowledges the receipt of financial support from the Joseph Strong Frazer Trust, the RW Mann Trust, Newcastle Diocesan Board of Finance, North Tyneside Council, the Institute of Our Lady of Mercy, the Willan Charitable Trust, the Hospital of God at Greatham, the William Leech Charity, the Souter Trust, the Joicey Trust, Church Action on Poverty, the Proctor and Gamble Employee Charitable Fund, the Freemasons of Northumberland and the Tudor Trust. Grants were received for particular individuals from the Frank Buttle Trust, and Greggs Trust, and several personal donors provided help for individuals, mostly in kind. Donations were received from nineteen churches and church groups, and from many individuals, some by standing order and with regard to a majority of which the Trust was able to recover income tax from HM Revenue and Customs under the Gift Aid scheme. At Christmas, St Andrew's, Benton, St Gabriel's, Heaton and St John's, Longhirst, provided gifts for distribution to all the children known to Cedarwood's workers. To all these organisations and people, many thanks.

Taxation Status

The Trust is a registered charity and as such not liable to tax as its activities are exempt from taxation under section 505 of the Income and Corporation Taxes Act 1988.

By order of the Board

The Cedarwood Trust
Statement of Directors'/Trustees' Responsibilities
For The Year ended 31 August 2011

The directors/trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

The Companies Act 2006 and law applicable to charities in England and Wales requires the directors/trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company/charity and of the profit or loss of the company/net incoming or outgoing resources of the charity for that period, and of its financial position at the end of the year. In preparing these financial statements, the directors/trustees are required to

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business

The directors/trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity, and which enable them to ensure that the financial statements comply with the Charities Act 2011 and the Companies Act 2006. The directors/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

Signed on behalf of the directors/trustees



J H Adams
Chair

29 May 2012

The Cedarwood Trust
Independent Examiner's Report to the Trustees of the
The Cedarwood Trust

I have examined the financial statements on pages seven to thirteen, which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on page eight

Respective responsibilities of the Directors / Trustees and examiners

As described on page five the Directors are responsible for the preparation of the financial statements for the year ended 31 August 2011 set out on pages seven to thirteen and you consider that the company is exempt from an audit. The charities Trustees further consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011) and that an independent examination is needed

It is my responsibility to

- a) Examine the accounts (under section 145 of the Charities Act 2011)
- b) To follow the procedures laid down in the General Directions given by the Charities Commissioners (under section 145(5)(b) of the Charities Act 2011) and
- c) To state whether particular matters have come to my attention

Basis of Independent examiners' statement

My examination was carried out in accordance with the General Directions given by the Charities Commissioners. 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 the Trustees concerning such matters. The procedures undertaken do not provide evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Independent examiner's qualified statement

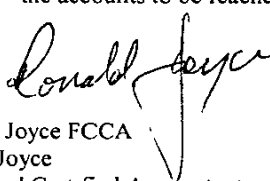
The trustees have prepared separately identified restricted and unrestricted funds. This year the trustees report a deficit in unrestricted funds. In effect, this has culminated in spending £18,080 of restricted funds on unrestricted activities. The Charity is therefore in breach of the rule to only spend restricted funds on unrestricted purposes.

In connection with my examination, no other matter except that referred to in the above paragraph has come to my attention.

- 1) which gives me reasonable cause to believe that in any material respect the requirements
 - a) to keep accounting records in accordance with section 130 of the Charities Act 2011 and
 - b) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011

have 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


Ronald Joyce FCCA
Sadler Joyce
Chartered Certified Accountants

18 Norham Road
Whitley Bay
Tyne and Wear
NE26 2SD

29/5/12

The Cedarwood Trust

Statement of Financial Activities For The Year ended 31 August 2011

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES					
Incoming Resources from generated funds					
<i>Voluntary income</i>					
Donations	2(a)	13,907	907	14,814	11,452
Grants	2(b)	37,260	52,400	89,660	146,418
<i>Activities for generating funds</i>					
- Bank Interest		0	3	3	5
- Other		<u>2,370</u>	<u>12</u>	<u>2,382</u>	<u>2,993</u>
TOTAL INCOMING RESOURCES		<u>53,537</u>	<u>53,322</u>	<u>106,859</u>	<u>160,868</u>
RESOURCES EXPENDED					
Costs of generating funds	3(a)	525	2,325	2,850	2,650
Charitable activities	3(b)	71,721	57,772	129,493	158,765
Governance costs	3(c)	<u>350</u>	<u>350</u>	<u>700</u>	<u>650</u>
TOTAL RESOURCES EXPENDED		<u>72,596</u>	<u>60,447</u>	<u>133,043</u>	<u>162,065</u>
NET INCOMING / (OUTGOING) RESOURCES FOR THE YEAR		-19,059	-7,125	-26,184	-1,197
Net movement in funds		-19,059	-7,125	-26,184	-1,197
Reconciliation of funds					
Total funds brought forward		<u>978</u>	<u>70,241</u>	<u>71,219</u>	<u>72,416</u>
Total funds carried forward		<u>-18,081</u>	<u>63,116</u>	<u>45,035</u>	<u>71,219</u>

The Cedarwood Trust

Balance Sheet As at 31 August 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible fixed assets for use by the charity	5	57,152	60,049
CURRENT ASSETS			
Debtors and prepayments	6	4,720	2,380
Cash at bank and in hand		<u>1,165</u>	<u>18,637</u>
		<u>5,885</u>	<u>21,017</u>
CURRENT LIABILITIES amounts falling due within one year	7	<u>6,002</u>	<u>9,847</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(117)</u>	<u>11,170</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		57,035	71,219
CREDITORS amounts falling due after more than one year	8	<u>12,000</u>	<u>0</u>
NET ASSETS		<u>45,035</u>	<u>71,219</u>
FUNDS			
Unrestricted funds			
General funds		<u>-18,081</u>	<u>978</u>
		-18,081	978
Restricted funds		<u>63,116</u>	<u>70,241</u>
Total funds	9	<u>45,035</u>	<u>71,219</u>

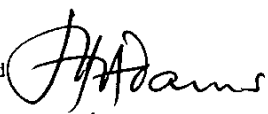
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

These financial statements were approved on behalf of the Board of Trustees on 29th May 2012.

Signed as approved



J H Adams
Chair

The notes 1 – 9 form part of these accounts

The Cedarwood Trust

Notes to the Financial Statements For The Year ended 31 August 2011

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2008), and Statement of Recommended Practice (SORP) Accounting and Reporting by Charities published in 2005

Fund accounting

The Charity maintained various types of funds as follows

Restricted funds

Restricted funds represent grants, donations and legacies received which the donor has allocated for specific purposes

Unrestricted funds

Unrestricted funds represent unrestricted income that is expendable at the discretion of the trustees in the furtherance of the objects of the charity

Incoming resources

Grants

Grants and legacies have been recognised when the Charity is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt is confirmed

Donations

Donations and all other receipts from fundraising are reported gross and the related fundraising costs are reported in other expenditure

Gifts in kind and donated goods and facilities

Donated facilities have been included at their estimated value and the corresponding expenditure included under the appropriate heading. Where there was no financial cost borne by another party for the provision of donated facilities (including donated services) then no income has been recognised

Resources expended

The cost of generating funds and governance costs are derived by adding the cost of staff time expended on these activities to direct costs associated with them. All other costs are incurred in charitable activities

Fixed Assets

Leasehold Improvements are stated at cost and are depreciated over the life of the 25 year lease

Fixtures, fittings and office equipment are recorded at cost and are depreciated over 4 years in the case of IT equipment, and over 10 years in other cases

Pension Costs

The charity contributed to a defined contribution scheme on behalf of employees who have chosen to join the scheme and the pension charge represents the amounts payable by the charity for the year

The Cedarwood Trust

Notes to the Financial Statements (continued) For The Year ended 31 August 2011

2 INCOMING RESOURCES

	Unrestricted Funds £	Restricted Funds £	TOTAL	
			<u>2011</u> £	<u>2010</u> £
2(a) Donations				
Appeals	1,665	-	1,665	0
Gift Aid donations	2,682	350	3,032	1,423
Income tax recoverable	5,792	92	5,884	580
Other donations	3,768	465	4,233	9,449
	<u>13,907</u>	<u>907</u>	<u>14,814</u>	<u>11,452</u>

	Unrestricted Funds £	Restricted Funds £	TOTAL	
			<u>2011</u> £	<u>2010</u> £
2(b) Grants				
Diocese of Newcastle upon Tyne for cost of Project Leader	-	38,750	38,750	38,000
Tudor Trust	30,000	-	30,000	30,000
N Tyneside Council	5,260	-	5,260	5,260
Willan Charitable Trust	-	3,000	3,000	-
Institute of Our Lady of Mercy	2,000	-	2,000	2,000
Hospital of God at Greatham	-	2,000	2,000	-
William Leech Charity	-	2,000	2,000	-
Souter Trust	-	2,000	2,000	-
The Joicey Trust	-	1,250	1,250	-
R W Mann Trust	-	1,000	1,000	1,000
Joseph Strong Frazer Trust for parents group activities	-	1,000	1,000	1,000
Church Action on Poverty	-	800	800	-
Proctor & Gamble Employee Charitable Fund	-	400	400	-
Freemasons of Northumberland	-	200	200	-
Hilden Charitable Fund for prisoner support	-	-	-	3,000
Community Foundation Targeted Support Fund for advice worker	-	-	-	20,658
Northern Rock Foundation for cost of Administrator	-	-	-	25,000
Christ's Hospital in Sherburn for drop-in	-	-	-	15,000
Sir James Knott Trust for debt service costs	-	-	-	2,000
Hadrian Trust for drop-in	-	-	-	1,000
Barbour Trust for drop-in	-	-	-	2,500
	<u>37,260</u>	<u>52,400</u>	<u>89,660</u>	<u>146,418</u>
	<u>51,167</u>	<u>53,307</u>	<u>104,474</u>	<u>157,870</u>

The Cedarwood Trust

Notes to the Financial Statements (continued) For The Year ended 31 August 2011

3. RESOURCES EXPENDED

	Unrestricted Funds £	Restricted Funds £	TOTAL	
			<u>2011</u> £	<u>2010</u> £
3(a) Costs of generating funds				
Postage and printing	25	0	25	25
Other costs	250	0	250	250
Staff costs	250	2,325	2,575	2,375
	<u>525</u>	<u>2,325</u>	<u>2 850</u>	<u>2,650</u>
3(b) Charitable Activities				
Adult Individuals	1 555	10,635	12,190	16,210
Children	0	0	0	3,781
Community Development	404	2,951	3,355	4,467
Drop-In	15,026	13 100	28,126	17 104
Groups	649	2,475	3 124	176
Kitchen	0	0	0	6,056
Personal Finance	13,001	958	13 959	31,837
Prisoners	740	8,490	9,230	7,654
Young People	0	950	950	952
Core Costs	40,346	18,213	58 559	70,528
	<u>71,721</u>	<u>57,772</u>	<u>129,493</u>	<u>158,765</u>
3(c) Governance Costs				
Accountancy and Independent Examination	0	0	0	0
Printing and Postage	50	0	50	50
Staff costs	300	350	650	600
	<u>350</u>	<u>350</u>	<u>700</u>	<u>650</u>
TOTAL RESOURCES EXPENDED	<u>72 596</u>	<u>60 447</u>	<u>133,043</u>	<u>162,065</u>

4 STAFF COSTS

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			<u>2011</u> £	<u>2010</u> £
Wages and Salaries	48,096	40,011	88,107	91,987
National Insurance	4,318	2,911	7,229	8 541
Pension Costs	266	9,252	9 518	9 195
	<u>52,680</u>	<u>52,174</u>	<u>104,854</u>	<u>109,723</u>

The average number of fulltime equivalent staff employed during the year was 4 (2010 4) No staff member was paid more than £60,000

The Cedarwood Trust

Notes to the Financial Statements (continued) **For The Year ended 31 August 2011**

5 TANGIBLE FIXED ASSETS FOR USE BY THE CHARITY

	Leasehold Improvements £	Fixtures, Furniture & Equipment £	Total £
Cost			
At 1 September 2010	75,213	7,704	82,917
Additions	-	884	884
At 31 August 2011	<u>75,213</u>	<u>8,588</u>	<u>83,801</u>
Accumulated Depreciation			
At 1 September 2010	18,054	4,814	22,868
Charge for the year	3,009	772	3,781
At 31 August 2011	<u>21,063</u>	<u>5,586</u>	<u>26,649</u>
Net Book Value			
At 31 August 2011	<u>54,150</u>	<u>3,002</u>	<u>57,152</u>
At 31 August 2010	<u>57,159</u>	<u>2,890</u>	<u>60,049</u>

6 DEBTORS

	<u>2011</u> £	<u>2010</u> £
Other Debtors	198	756
Prepayments	<u>4,522</u>	<u>1,624</u>
	<u>4,720</u>	<u>2,380</u>

7 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2011</u> £	<u>2010</u> £
Unsecured Loan	1,950	1,950
Accruals and Deferred Income	53	503
Other Creditors	<u>3,999</u>	<u>7,394</u>
	<u>6,002</u>	<u>9,847</u>

The Cedarwood Trust

Notes to the Financial Statements (continued) For The Year ended 31 August 2011

8 CREDITORS amounts falling due after more than one year

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Unsecured Loan	12,000	-	12,000
Total	12,000	-	12,000

9 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fixed Assets for use by the Charity	3,002	54,150	57 152
Current Assets	(4,190)	10,075	5 885
Current Liabilities	(4,893)	(1,109)	(6,002)
Creditors due after more than one year	(12,000)	0	(12,000)
Fund Balance	(18,081)	63,116	45,035

10. FUND DETAILS

The restricted funds comprise

- (a) Assets purchased with restricted funds to the extent that they have not been written off
- (b) Funds given for specific projects, including core costs