

The National Communities Resource Centre Limited

(A Company Limited by Guarantee)

Trustees' Report and Financial Statements

For the Year Ended 31 March 2023

The National Communities Resource Centre Limited
(A Company Limited by Guarantee)

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The National Communities Resource Centre Limited
(A Company Limited by Guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 31 March 2023

Trustees

M Birkett
C Gaskell
M Pierre
E Potter
Prof. A Power, Chair
D Orr
N Hibbert

Company registered number

02648892

Charity registered number

1005555

Registered office

The Foundry
42 Henry Street
Liverpool
England
L1 5AY

Company secretary

J Vincent

Independent auditor

BDO LLP
5 Temple Square
Temple Street
Liverpool
L2 5RH

Bankers

NatWest
2 - 8 Church Street
Liverpool
Merseyside
L1 3BG

The National Communities Resource Centre Limited
(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 31 March 2023

The Trustees who are also directors of the charity for the purposes of Company Law present their report together with the financial statements of the charity for the year ended 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Legal and administrative information set out on Page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities.

OBJECTIVES AND ACTIVITIES

The Charity's objective is to close the inequality gap that exists in communities across the UK by providing residential training, resources and micro-grants for people living and working in the lowest income communities. The Charity helps people to build the skills and confidence they need to take positive action to tackle problems in their homes and neighbourhoods. The Charity specialises in providing training on community self-help action, families and young people, housing and the environment.

To achieve this the Charity's activities include:

- Developing and running training programmes and courses, hosted at Trafford Hall, (owned by the Charity's parent, Regenda Group), online and in community locations;
- Co-developing training materials, resources and action plans for participants to use in their own communities after attending the training sessions
- Creating networks between communities, housing, government and other organisations across the UK to share experiences, learning and resources;
- Providing micro-grants to community groups to kick start grassroots projects in their own communities; and
- Assessing the impact of training on individuals and community groups through feedback and evaluation.
- With a focus on racial equity, we aim to engage with a much more diverse stakeholder group

The Trustees are aware of the Charity Commission's guidance on public benefit (PB1). They consider that the charity's objectives and activities, and their decision-making in relation thereto, are and have been consistent with that guidance.

The National Communities Resource Centre Limited
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Trustees' Report (continued)
For the Year Ended 31 March 2023

ACHIEVEMENTS AND PERFORMANCE

The main achievements of the National Communities Resource Centre over this period are:

- Completed the delivery of Forces Families programmes.
- Continued delivery of Housing and Energy plus programmes
- Further delivery of Chartered Institute of Housing certified, 'Empowering Communities' programme aimed at tenants
- Held the official opening event (in partnership with Regenda and The Youth Hostel Association) for local and national stakeholders
- Completed a brand narrative exercise with stakeholders and upgraded the website to enable online event bookings
- Recruitment of a full time Training and Events co-ordinator to further strengthen the team
- Secured the support of ECD Architects to lead on the design and planning approval of the Education barn (pro bono) and have now secured over £30k in donations

FINANCIAL REVIEW

Training is delivered in partnership with delivery bodies and other support organisations, such as local authorities, CICs and voluntary organisations to ensure the charity works collaboratively with other organisations to further our objects.

As at 31 March 2023 the charity had funds of £645,464 (Mar 2022: £714,699). £613,974 (Mar 2022: £689,446) in unrestricted funds and £31,490 (Mar 2022: £25,253) in restricted funds.

Fundraising

The charity utilises online platforms such as Golden Giving, Enthuse and Charities Aid Foundation (CAF) to receive donations. Any fundraising activities are managed internally in line with the Code of Fundraising Practice standards. The charity does not exchange data with other parties and has not purchased supporter mailing lists.

There have been no complaints made to the charity during the period.

The charity maintains records of all supporters, donors and gifts received and ensures that these records are regularly reviewed and monitored to check that contact with donors is done in line with any preference which they have stated to us. The charity does not carry out active telephone fundraising or mailing campaigns and does not knowingly contact vulnerable individuals or those who have opted out of mailing contact.

The National Communities Resource Centre Limited
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Trustees' Report (continued)
For the Year Ended 31 March 2023

Reserves policy

The charity aims to maintain free reserves (being unrestricted funds excluding fixed assets and designated reserves) equivalent to 3 months of annual expenditure. This is deemed to be a sufficient amount required to sustain its operation over any period where some of the income generating activities may be temporarily curtailed. Free reserves currently held by the charity is £645,464. The charity has £606,714 designated funds for specific purposes.

Risk management

The Trustees carried out a review of the Charity's activities and examined the major opportunities available to the Charity and the risks to which it is exposed. The primary risks identified through the review were determined to be loss of grant income, ineffective business planning, national economic downturn, and catastrophic failure, or Acts of God.

The primary risks described above are controlled through comprehensive management procedures; segregation of fiduciary duties; regular and detailed reporting to Trustees; Rigorous Business Planning approved at Board level; annual and periodic insurance review with advice from brokers (Trustee and Officer indemnity is in place); diversification of income streams and planned growth in earned income. Trustees address the question of risk via the agenda items of board meetings, with issues arising being implemented after detailed discussion and instruction.

- An annual review of the risks which the Charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the review; and
- The implementation of procedures designed to minimise any potential impact on the Charity should any of those risks materialise.

The reserves held by the Charity are deemed to be necessary in order to ensure that the current levels of service are maintained and that adequate sums are available to maintain and replace the assets used by the Charity. The Trustees consider that the current policy of retaining reserves is essential if the Charity is to continue to provide a secure future in the medium term for the Charity at Trafford Hall and also to fund future developments.

Going Concern

The parent company, Regenda Ltd has successfully negotiated a contract with the Youth Hostel Association (YHA) on behalf of the Charity, to operate Trafford Hall to help enact its business model.

The agreement allows the Charity to retain its office space and continue to operate all its charitable activities from Trafford Hall. However, due to the ongoing uncertainties surrounding the effects of inflation and the challenging economic environment, it is difficult to fully predict the future impact on the charity.

Having taken all the factors into account, the Directors are of the opinion that the charity will continue to receive an adequate level of income to meet its anticipated requirements and has prepared the financial statements on a going concern basis.

The National Communities Resource Centre Limited
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Trustees' Report (continued)
For the Year Ended 31 March 2023

FUTURE PLANS

The 5 year delivery plan commenced in 2021 with successful delivery of objectives and budget outturn for the first year. Delivery of year 3 will focus on:

- Strengthen key partner relationships;
- Grow the Housing Plus and Energy Plus Academy partners;
- Secure ongoing funding for Families programmes;
- Re launch Youth Programmes in partnership with The Learning Foundry;
- Complete the Outdoor Education Barn; and

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a Registered Charity (1005555) and a Company Limited by Guarantee (2648892), constituted through its Memorandum and Articles of association. The Charity joined the Regenda Group in December 2020 at which point the existing Members resigned and Regenda became the sole Member. The Directors of the company during the period are as set out in the legal and administrative information on page 1.

Since joining the Regenda Group, recruitment, induction and training of trustees is overseen by the Nomination and Remuneration Committee.

The Charity's Board of Directors has full responsibility for the charity within parameters set by the Parent Board and meets at least bi-monthly.

The Charity works in partnership with several other organisations on some of its charitable programmes, including the National Housing Federation, Chartered Institute of Housing, London School of Economics, University of Manchester, and other voluntary organisations in the local area.

The Charity complies with the principal recommendations of the National Housing Federation's code of governance "Excellence in Governance - Code for Members and Good Practice Guidance" (Revised 2015).

Key Management Personnel

Directors are required to disclose any relevant interest and register them at Board meetings, and in accordance with the charity's policy withdraw from decision where a conflict of interest arises.

The National Communities Resource Centre Limited
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Trustees' Report (continued)
For the Year Ended 31 March 2023

Provision of information to auditors

Each of the persons who are Directors at the same time when the Directors' report is approved has confirmed that:

- So far as that Director is aware, there is no relevant audit information of which the company's auditors are aware; and
- That Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors

The auditor, BDO LLP will be proposed for appointment in accordance with section 485 of the Companies Act 2006.

Small companies exemption

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees on 14 September 2023 and signed on their behalf by:

M Birkett

Date: 28 September 2023

The National Communities Resource Centre Limited
(A Company Limited by Guarantee)

Statement of Trustees' responsibilities
For the Year Ended 31 March 2023

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

The National Communities Resource Centre Limited
(A Company Limited by Guarantee)

Independent Auditor's report to the members of The National Communities Resource Centre Limited

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The National Communities Resource Centre Limited Limited ("the Charitable Company") for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

The National Communities Resource Centre Limited
(A Company Limited by Guarantee)

Independent Auditor's report to the members of The National Communities Resource Centre Limited
(continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report, other than the financial statements and our auditor's report thereon. The other information comprises the information in the Trustees' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

The National Communities Resource Centre Limited
(A Company Limited by Guarantee)

Independent Auditor's report to the members of The National Communities Resource Centre Limited
(continued)

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the entity and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the entity's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be FRS102 and UK Law & Tax Legislation.

The entity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety legislation etc.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

The National Communities Resource Centre Limited
(A Company Limited by Guarantee)

Independent Auditor's report to the members of The National Communities Resource Centre Limited
(continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the entity's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management's incentives and opportunities for fraudulent manipulation in relation to posting inappropriate journal entries to revenue as well as timing of the recognition of other income items.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias; and
- Selecting a sample of income around the year end and assessing whether the income has been recognised in the correct period.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

The National Communities Resource Centre Limited
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Independent Auditor's report to the members of The National Communities Resource Centre Limited
(continued)

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hamid Ghafoor (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Liverpool, UK

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The National Communities Resource Centre Limited
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 March 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	4,954	1,490	6,444	11,011
Charitable activities	5	80,978	6,656	87,634	139,987
Investments	6	15,611	-	15,611	5,357
Other income		4,683	-	4,683	2,500
Total income		106,226	8,146	114,372	158,855
Expenditure on:					
Charitable activities	7	151,698	31,909	183,607	163,046
Total expenditure		151,698	31,909	183,607	163,046
Net income/(expenditure)		(45,472)	(23,763)	(69,235)	(4,191)
Transfers between funds	15	(30,000)	30,000	-	-
Net movement in funds		(75,472)	6,237	(69,235)	(4,191)
Reconciliation of funds:					
Total funds brought forward	15	689,446	25,253	714,699	718,890
Net movement in funds	15	(75,472)	6,237	(69,235)	(4,191)
Total funds carried forward		613,974	31,490	645,464	714,699

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 30 form part of these financial statements.

The National Communities Resource Centre Limited
(A Company Limited by Guarantee)
Registered number: 02648892

Balance Sheet
As at 31 March 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Investments			406,714		-
Current assets					
Debtors	13	219,317		651,062	
Cash at bank and in hand		53,516		156,984	
		272,833		808,046	
Current liabilities					
Creditors: amounts falling due within one year	14	(34,083)		(93,347)	
Net current assets			238,750		714,699
Total assets less current liabilities			645,464		714,699
Net assets	16		645,464		714,699
Charity funds					
Restricted funds	15		31,490		25,253
Unrestricted funds					
Designated funds	15	606,714		600,000	
General funds	15	7,260		89,446	
Total unrestricted funds	15		613,974		689,446
Total funds			645,464		714,699

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

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

The financial statements were approved and authorised for issue by the Trustees on 14 September 2023 and signed on their behalf by:

The notes on pages 15 to 30 form part of these financial statements.

The National Communities Resource Centre Limited
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Notes to the Financial Statements
For the Year Ended 31 March 2023

1. General information

The National Communities Resource Centre Limited is a private company limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and Charities Act 2011. The address of the registered office is provide in the Reference and Administrative Details page. Details of the Charity's operations are provided in the Trustees' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and the Charities Act 2011.

The National Communities Resource Centre Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Amounts are presented in pounds sterling and rounded to the nearest pound.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Charity has taken advantage of the following disclosure exemptions in preparing these financial statements as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

- The requirements of Section 7 Statement of Cash Flows;
- The requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 1 1.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c); and
- The requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Regenda Group as at 31 March 2023 and these financial statements may be obtained from its registered office: The Foundry, 42 Henry Street, Liverpool, L1 SAY.

The National Communities Resource Centre Limited
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Notes to the Financial Statements
For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.3 Going concern

The parent company, Regenda Ltd has successfully negotiated a contract with the Youth Hostel Association (YHA) on behalf of the Charity, to operate Trafford Hall to help enact its business model.

The agreement allows the Charity to retain its office space and continue to operate all its charitable activities from Trafford Hall. However, due to the ongoing uncertainties surrounding the effects of inflation and the challenging economic environment, it is difficult to fully predict the future impact on the charity.

Having taken all the factors into account, the Directors are of the opinion that the charity will continue to receive an adequate level of income to meet its anticipated requirements and has prepared the financial statements on a going concern basis.

2.4 Income

Income is recognised in the financial statements as follows:

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are recognised in the period for which they are awarded. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised in income in the period in which it becomes receivable and the related expense is incurred.

Specific grants and allowances are recognised in the period that the specific activity or project is completed and matched to corresponding expenditure. Excess income is carried forward to fund the activity in subsequent periods. Grants relating to expenditure on tangible fixed assets are credited to the statement of financial activities at the same rate as depreciation on the assets to which the grants relate. The deferred element of grants is included as deferred income.

Donations, legacies, covenants, fundraising income and other income are recognised when receivable.

Specific Sponsorships are recognised in the period that the specific activity or project is completed and matched to corresponding expenditure. Excess income is carried forward to fund the activity in subsequent periods. The deferred element of sponsorships is included as deferred income.

Investment income is recognised in the period when receivable.

Training Courses are recognised in the period when the course takes place.

Volunteers' time is not recognised in the Statement of Financial Activities as it is provided free of charge.

The National Communities Resource Centre Limited
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Notes to the Financial Statements
For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.4 Income (continued)

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category.

Charitable expenditure

Includes all expenditure incurred on the activities run in pursuance of the Charity's objectives.

Governance costs

Includes those costs incurred in the governance of the charity and are associated with constitutional and statutory requirements.

Support costs

Central costs incurred in support of charitable activities are apportioned over the appropriate cost centres and charged to charitable expenditure as support costs.

Support costs are allocated to charitable activities on the basis of total expenditure.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

The National Communities Resource Centre Limited
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Notes to the Financial Statements
For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.6 Taxation

As a registered charity the Charity is generally exempt from Corporation Tax and Capital Gains Tax on its charitable activities, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

2.7 Investments

Investments are stated at market value at the reporting date. The Statement of Financial Activities includes the realised gains and losses on acquisitions and disposals as well as the unrealised gains and losses throughout the year. The unrealised gains or losses represent the difference between the market value and the book value on the annual accounting date, namely 31 March 2023. Unrealised gains or losses are transferred to the accumulated fund. The actual gain or loss will depend upon the prices ruling at the time of sale. The figure for unrealised gains is therefore only an indication of the position.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Creditors

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

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Notes to the Financial Statements
For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The Charity considers that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	4,504	-	4,504
Gift aid	450	-	450
John Hills - fundraising	-	1,490	1,490
Total 2023	4,954	1,490	6,444

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Notes to the Financial Statements
For the Year Ended 31 March 2023

4. Income from donations and legacies (continued)

	Unrestricted funds 2022 £	Total funds 2022 £
Donations	5,285	5,285
Gift aid	5,726	5,726
Total 2022	11,011	11,011

5. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Housing Plus Academy	58,287	-	58,287
Youth & Family Development	-	-	-
Energy Plus	21,210	6,656	27,866
Charitable Activities	-	-	-
Other Income	183	-	183
Tenant Courses	1,298	-	1,298
	80,978	6,656	87,634

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Housing Plus Academy	-	73,495	73,495
Youth & Family Development	-	35,232	35,232
Energy Plus	16,218	6,656	22,874
Charitable Activities	8,386	-	8,386
	24,604	115,383	139,987

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Notes to the Financial Statements
For the Year Ended 31 March 2023

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	273	273	39
Ethical investment	6,714	6,714	-
Interest on loan from parent company	8,624	8,624	5,318
	<u>15,611</u>	<u>15,611</u>	<u>5,357</u>

Investment income was fully unrestricted in the current and previous financial period.

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Social Housing Training	151,698	31,909	183,607

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Social Housing Training	100,359	62,687	163,046

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Notes to the Financial Statements
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8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Social Housing Training	110,682	72,925	183,607

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Social Housing Training	114,954	48,092	163,046

Analysis of direct costs

	Social Housing Training 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	55,809	55,809	41,328
YHA charges	10,803	10,803	25,723
Contract costs	29,417	29,417	31,931
Trainer costs	1,509	1,509	14,864
Premises	1,208	1,208	608
Other direct costs	11,936	11,936	500
Total 2023	110,682	110,682	114,954
Total 2022	114,954	114,954	

Governance costs comprise legal, audit and professional fees.

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Notes to the Financial Statements
For the Year Ended 31 March 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Social Housing Training 2023 £	Total funds 2023 £	Total funds 2022 £
Intergroup charge	15,000	15,000	15,000
Bank charges and interest	277	277	24
Insurance	217	217	189
Repairs and maintenance	198	198	-
Sub-contractors and Change Manager	24,780	24,780	15,780
Miscellaneous	2,190	2,190	830
Governance costs	6,688	6,688	8,350
Rates	-	-	1,419
Marketing	6,255	6,255	6,500
Bad debt provision	17,320	17,320	-
Total 2023	<u>72,925</u>	<u>72,925</u>	<u>48,092</u>
Total 2022	<u>48,092</u>	<u>48,092</u>	

9. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	2,219	7,440
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	<u>2,332</u>	<u>1,800</u>

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Notes to the Financial Statements
For the Year Ended 31 March 2023

10. Staff costs

	2023 £	2022 £
Wages and salaries	48,631	36,900
Social security costs	4,626	3,329
Contribution to defined contribution pension schemes	2,552	1,099
	<u>55,809</u>	<u>41,328</u>

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	2022 No.
Employees	<u>2</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel were remunerated £27,123 (2022 - £25,539) during the year.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £Nil).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £Nil).

12. Investments

	2023 £
As at 31 March 2022	-
Additions	400,000
Gain on revaluation	6,714
	<u>406,714</u>

The historical cost of investments is £400,000 (2022 - £Nil).

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Notes to the Financial Statements
For the Year Ended 31 March 2023

13. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	10,980	33,123
Amounts owed by group undertakings	200,000	600,000
Prepayments and accrued income	8,337	17,939
	219,317	651,062

In September 2021, a £600k loan to Regenda was set up, of which £400k was repaid in the year by way of £400k of investments being transferred to NCRC (see note 12). This was to utilise the large cash reserves available to the charity and gain interest on this amount (see note 18).

Interest rate is the BOE base rate as of the 1st of the month + 1%. At 31st March 2023 interest rate was 5.25%.

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	4,453	43,271
Amounts owed to group undertakings	3,012	4,845
Accruals and deferred income	26,618	45,231
	34,083	93,347

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

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Notes to the Financial Statements
For the Year Ended 31 March 2023

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
Regenda Loan	200,000	-	-	-	200,000
Triodos, Ethical Investment	400,000	6,714	-	-	406,714
Families Programme	-	-	(7,795)	7,795	-
Training Co-ordinator	-	-	(7,082)	7,082	-
Trustee Event	-	-	(3,906)	3,906	-
	<u>600,000</u>	<u>6,714</u>	<u>(18,783)</u>	<u>18,783</u>	<u>606,714</u>
General funds					
General Funds - all funds	<u>89,446</u>	<u>99,512</u>	<u>(132,915)</u>	<u>(48,783)</u>	<u>7,260</u>
Total Unrestricted funds	<u>689,446</u>	<u>106,226</u>	<u>(151,698)</u>	<u>(30,000)</u>	<u>613,974</u>
Restricted funds					
Youth & Family Development	25,253	-	(25,253)	-	-
Energy Plus Academy	-	6,656	(6,656)	-	-
John Hills - fundraising	-	1,490	-	30,000	31,490
	<u>25,253</u>	<u>8,146</u>	<u>(31,909)</u>	<u>30,000</u>	<u>31,490</u>
Total of funds	<u><u>714,699</u></u>	<u><u>114,372</u></u>	<u><u>(183,607)</u></u>	<u><u>-</u></u>	<u><u>645,464</u></u>

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Notes to the Financial Statements
For the Year Ended 31 March 2023

15. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Regenda Loan	-	-	-	200,000	200,000
Triodos, Ethical Investment	-	-	-	400,000	400,000
	-	-	-	600,000	600,000
General funds					
General Fund	685,998	43,472	(100,359)	(539,665)	89,446
Total Unrestricted funds	685,998	43,472	(100,359)	60,335	689,446
Restricted funds					
Housing Plus Academy	23,967	73,495	(37,127)	(60,335)	-
Youth & Family Development	8,925	35,232	(18,904)	-	25,253
Energy Plus Academy	-	6,656	(6,656)	-	-
	32,892	115,383	(62,687)	(60,335)	25,253
Total of funds	718,890	158,855	(163,046)	-	714,699

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Notes to the Financial Statements
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15. Statement of funds (continued)

The above schedule illustrates the income and expenditure of each fund and the amount by which each is supported from the unrestricted funds of the charity.

Unrestricted general funds

Funds which are available for use or retention at the discretion of the Trustees, in accordance with the Charity's objectives.

Unrestricted designated funds

These Funds are unrestricted funds which have been set aside by trustees for an essential spend or future purpose.

Tridos, Ethical investment

During September 2021, a £600k loan to Regenda was set up. This was to utilise the large cash reserves available to NCRC and gain interest on this amount. **£400k of this was invested into an ethical investment opportunity with the Triodos Global Impact Fund. There is no set end date on this investment.

Families Programme

This was funding from the Armed Forces Covenant Fund that has now been expended on the project.

Training Co-ordinator

During the year, the trustees agreed to fund this position from reserves for the next 3-5 years as part of our growth strategy.

Trustee event

During the year, this was an unbudgeted for trustee training event that they agreed to fund via reserves.

Transfers between funds

Transfers to and from unrestricted funds indicate the extent to which money from unrestricted funds is required to support these restricted activities.

Where a restricted programme has been completed and there is no requirement to return any unspent funds to grant providers, amounts have been transferred to unrestricted funds and then designated as a designated reserve.

Restricted funds

Housing Plus Academy

The Housing Plus Academy is a partnership between 15 leading housing associations, LSE Housing and Communities, the National Housing Federation, the Chartered Institute of Housing and the National Communities Resource Centre. It has been developed to promote knowledge exchange and participative learning among frontline staff and tenants of social landlords.

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15. Statement of funds (continued)

MOD - Youth & Families Development

A fund to cover the development and running of our Youth Futures and Family Futures programmes, funded by the Richard Rogers Charitable Trust, the Berkeley Foundation, the John Ellerman Foundation, Wilmott Dixon Interiors, Garfield Weston and the Ministry of Defence.

Energy Plus Academy

The Energy Plus Academy, in partnership with the Housing Plus Academy, aims to generate know-how and problem solving skills to tackle climate change through the likes of workshops, think tanks and knowledge exchange between social landlords, professionals, experts, policy makers, community groups and residents.

John Hills Fundraising

These are donations for a specific campaign to build an outdoor classroom.

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Fixed asset investments	406,714	-	406,714
Current assets	241,343	31,490	272,833
Creditors due within one year	(34,083)	-	(34,083)
Total	613,974	31,490	645,464

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Current assets	782,793	25,253	808,046
Creditors due within one year	(93,347)	-	(93,347)
Total	689,446	25,253	714,699

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17. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £217 (2022 - £212) of which £217 (2022 - £75) were payable to the fund at the balance sheet date and are included in creditors.

18. Related party transactions

The charity has made a loan to Regenda Limited, (the parent Company) in the year for £200,000 (2022 - £600,000), of which £200,000 (2022 - £600,000) is outstanding at year end. During the year £Nil (2022 - £Nil) was repaid via an investment in NCRC's name. The interest charged on the loan from parent company at 1.5% from 1st September 2022 (2022 - 1.5%) was £5,779.44 (2022 - £5,318). Regenda Limited also charged the charity £15,000 in support costs in the year, none of which was outstanding at year end (2022 - £15,000). At the end of the year £3,012 (2022 - £4,845) was owed to Regenda Limited, amounts are repayable on demand.

During the year Carbon Trust Advisory Ltd which is a related party (Poppy Potter, associate director) contributed to NCRC £1,440 (2022 - £Nil) to attend an event, all of which £Nil (2022 - £Nil) was outstanding at year end.

During the year LSE Housing & Communities which is a related party as Anne Power is the head/chair of the charity contributed to NCRC £17,045 (2022 - £Nil) for a contract in place for Housing Plus Academy, all of which £Nil (2022 - £Nil) was outstanding at year end.

During the year Clarion HA which is a related party as David Orr is the Chair contributed £22,480 (2022 - £Nil) for the Housing Plus Academy, all of which £Nil (2022 - £Nil) was outstanding at year end.

During the year NCRC paid MB Renovations (Mark Burrows) who is related party of Lesley Burrows(husband) £250 (2022 - £Nil) for the transportation and installation of goods, all of which £Nil (2022 - £Nil) was outstanding at year end.

Regenda Limited, the parent company, charged income of £1,833 (2022 - £9,124) to The National Communities Resource Centre Limited. The creditor at year end was £3,012 (2022 - £4,845), amounts are repayable on demand.

A contract to continue the support the development of the Housing Plus Academy is in place with the LSE. Professor Anne Power (the Chair of the charity) works at the LSE but does not receive any remuneration of any kind relating to the contract.

19. Controlling party

The Charity's immediate and ultimate parent company is Regenda Limited, a company incorporated in England and Wales with the registered office of The Foundry, 42 Henry Street, Liverpool, L1 SAY.

At 31 March 2023, the largest and smallest group in which the results are consolidated is that headed by Regenda Limited. The consolidated accounts of the Company are available to the public and may be obtained from its registered office: The Foundry, 42 Henry Street, Liverpool, L1 SAY. No other group accounts include the results of the Charity.