

Charity number: 1089721

Company number: 04228103

CORNWALL NEIGHBOURHOODS FOR CHANGE LIMITED

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)

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Cornwall Neighbourhoods for Change Limited
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Trustees' Annual Report
For the Year Ended 31 December 2021

The Trustees of Cornwall Neighbourhoods for Change Limited are considered to be the directors for the purposes of the Companies Act 2006 and are pleased to present the report and financial statements for the year ended 31 December 2021.

The accounts comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for applicable in the UK and Republic of Ireland (FRS 102).

REFERENCE AND ADMINISTRATIVE DETAILS

Charity no: 1089721

Company no: 04228103

Trustees

S Bennett (Resigned 13/12/2021)
T Bryan
H-R Burch (Appointed 20/5/2022)
A Gale
J Gough (Appointed 25/2/2022)
J Hann (Chair)
F Owen
S Sisson
A Tellam
J Wallington (Resigned 14/12/2021)
C Whitwood

Principal address

The Elms
61 Green Lane
Redruth
TR15 1LS

Auditors

RRL LLP
Peat House
Newham Road
Truro
TR1 2DP

Chief Executive

Tarn Lamb

Bankers

CAF Bank
PO Box 289
West Malling
ME19 4TA

Registered office

The Elms
61 Green Lane
Redruth
TR15 1LS

Unity Trust Bank plc
Nine Brindley Place
Birmingham
B1 2HB

Solicitors

Bates, Wells and Braithwaite
10 Queen Street Place
London
EC4R 1BE

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cornwall Neighbourhoods for Change Limited is a charity and company limited by guarantee governed by its Memorandum & Articles of Association.

The charity was founded in 2001 by Devon and Cornwall Housing Association, Penwith Housing Association and Kerrier Housing Trust. In 2006 the members agreed to rescind their membership and the organisation became fully independent with a board of trustees of up to 14 members, who meet quarterly, to administer the charity. A new trustee was recruited in February 2022 and another is observing the next meeting with a view to joining in August 2022.

Trustees attend quarterly meetings to review the operation of the charity, its finances, and to assess key risks and opportunities. In addition trustees attend an annual business planning day to set the headlines of the strategic direction. Any matters of interest or concern between these meetings are reported to the chair through regular meetings with the CEO and to all trustees as appropriate.

A Chief Executive is appointed by the trustees to manage the operations of the charity. She provides Company Secretarial services reporting to the trustees to ensure legal compliance. Day-to-day management of the company is undertaken by the Chief Executive and Strategic Leadership Team. Regular meetings take place with the Chair and Chief Executive to monitor performance.

The Chief Executive and the Management Team are responsible for advising the board on developing the strategic direction of the organisation, day to day financial management, developing and monitoring an evaluation strategy, implementation and development of policies and procedures, fundraising and development of new projects, PR and corporate communication, and developing strategic partnerships. The Management Team usually meets on a monthly basis. They bring any matters of urgent operational importance to the attention of the Chair. Operational teams meet at least once a month with their managers to review the work of the team, plan future activities, receive information about other teams, departments and the company, feed information and views up to the Management Team and Board of Trustees, and have an input into future Business Plans. In addition, two all-staff days are held each year to celebrate success and to ensure that staff clearly understand the strategic direction of the company.

The Management Team meets formally on a monthly basis and circulates a communications update on key activities once a week. This management model was adapted at pace during 2020 to respond to the requirements of the community and the organisation during the pandemic. These arrangements have continued into 2021 with twice weekly catch ups of the Strategic Leadership Team. The majority of these meetings are hybrid with some members in person and some on line. The approach continues to assess Safety (safe ways of working for participants, staff and the whole community), Support (what services were required to meet new and emerging needs in the community), Planning (to keep an eye on the future to see and attempt to project forward what would be likely to change) and Sustainability (to use the time to secure the future sustainability of the charity). Weekly messages are provided to all staff, who are supported through additional team meetings, through equipment to work from home, through a gradual return to office based working with continued opportunities for group support and online socials.

Time away from front line delivery has seen continued success with funding bids. Of particular note are the Communities Working Together and Foundations for Work ESF programmes, Cornwall CAN a partnership of community organisations for COVID recovery, continued growth of Social Prescribing and TOAST the Young People's Learning programme.

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The strategic direction and operational priorities continue to be developed in consultation with service users and staff through co-design and co-production activities. The service headings remain as Better Lives, Better Off and Better Sense. Further detail is provided in the section on the company's operational activities.

The continuation of the pandemic through 2021 required ongoing service remodeling and discussions continue with funders. In the most part they were happy to see revised models to support target communities during the pandemic. Now that lock down is easing our referral rates have started to increase. The key areas of change were through online and telephone rather than in person support, online social and learning activities but in person learning for vulnerable young people. Crisis intervention increased considerably both through information, advice and guidance as well as access to emergency funds and provision of food, fuel, household goods and clothing.

Good progress in the partnership development of the new hub in St Austell has been rekindled after a dormant period due to building closure during the height of the pandemic. This work will be continued under a new three year lease from May 2022.

Vision

Challenge to Change. Better lives, better off, better sense.

Mission Statement

The current system is unfair and people do not have equal opportunity to meet their basic needs and make their lives better. This costs people and the system millions that could be better spent on solutions to fundamental problems. We will challenge the system where we see it is broken. We will challenge people to change their lives to achieve their potential. We will work with people and organisations to make Cornwall fairer. We will measure what we do to show the difference to systems and lives.

OBJECTIVES

The objects of the charity are:

- The relief of persons in necessitous circumstances, the aged, disabled, handicapped, and chronically sick.
- The relief of poverty and the advancement of education for the benefit of the community.
- The development of the capacity and skills of the members of the socially and/or economically disadvantaged communities of Cornwall in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society.
- The provision of recreational or other leisure time facilities in the interests of social welfare with the object of improving the conditions of life for persons in necessitous circumstances, the aged, handicapped and chronically sick and who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances.
- The provision of facilities of recreation and other leisure occupation for communities in Cornwall in the interests of their social welfare within the meaning of the Recreation Charities Act 1958 and as limited in that Act.
- The relief of unemployment for the public benefit in such ways as may be thought fit, including assistance to find employment.
- The company has a three-year rolling business plan that is updated annually in November, with the board, staff and key stakeholders all being asked to contribute to the final document.

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The aims and objectives of the organisation for 2021 were:

Better Lives - In a world where many people are living longer, healthier, wealthier lives a surprising number of people are lonely, ill, poor, homeless or hungry. We will help people to meet their basic needs. We will help people to improve their sense of belonging, their self-awareness and to take more personal responsibility for shaping their own future. We will help communities to come together, to share more to improve mutual respect and give better access to networks. We will challenge ourselves to make a more equal power dynamic.

Better Off - For many people "money" is key. They want to work but often are unemployed, underemployed or in a job that just doesn't pay enough. People with low qualifications or skills find it harder to get work and earn less money. They lack confidence to go to college. Employers have vacancies and skills gaps that they can't fill. We will help people and employers to achieve their full potential.

Better Sense - The broken system costs us all in wasted opportunities and wasted money. These resources should be used on solutions to fundamental problems. We will use our knowledge of people's lives to influence system change and service design with strategic partners from statutory, community and business sectors.

The Trustees have had regard to the Charity Commission guidance on public benefit in preparing this report and have ensured that there are identifiable benefits that relate to our aims. Our aims are derived from our Charitable Objectives as detailed above and include benefits such as:

- relief of persons in necessitous circumstances through advice, guidance and debt reduction, benefit support and appeals, access to surplus food and assistance with accessing emergency support.
- advancement of education through the provision of accredited and non-accredited community learning.
- development of the capacity and skills of the members of socially and/or economically disadvantaged communities evidenced through our development of courses in power, democracy and governance and service co-design activities.
- provision of recreational and leisure services for the social welfare of people in need through family support clubs and social clubs for vulnerable adults.
- relief of unemployment through pathways to employment support.

Detailed reports on the operation of the projects are found in the next section.

Benefit is to the public with a particular focus on delivery to Cornwall's social housing estates due to the concentrations of disadvantage in these neighbourhoods. However, our services are inclusive and we do not exclude people who do not live in social housing. We do not charge fees for most of our services, however, suggested donations of £1 or £2 per person are raised in clubs to pay for the raw ingredients for food. People in poverty are positively encouraged to participate by the organisation providing free services in their neighbourhood including support with childcare, transport or other costs.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

Strategic Development

2021 has been a year of business growth and transition. Turnover has exceeded £1million for the third year in a row. There is now a mixed business model where some core services are outsourced such as ICT support while claims are embedded in house and finance operates on a hybrid model with some staff being employed in house and others services purchased in from Age UK Cornwall. There has been a growth in staff numbers 40 (29 FTE) at the end of 2020 to 45 at December 2021. The increase across the year was due to a growth in programmes. Business secured and operational activity already undertaken in 2021 suggest a slight continued growth in the early part of 2022, followed by a retraction through until the end of EU funding in 2023.

The company remains a going concern and continues to grow its operational activity with the award of new grants and contracts particularly in learning with the third year of growth with the V Learning Net for Young people, and on social prescribing and the start of two new ESF programmes, Communities Working Together and Foundations for Work.

The reputation of the company appears to be strengthening with ongoing inclusion in county wide strategic developments. The trustees and senior staff worked well together throughout. New managers below the CEO level are starting to develop appropriate relationships that ensure support and accountability. There has been strong capacity building and involvement of trustees over the years and robust financial forecasting systems. The management team is working well and now comprises of the CEO, three heads of Service for Better Lives, Better Off, and Head of Finance & Resources. They are supported by a team of operational managers who oversee operational delivery, staff management and programme reporting. They are in turn supported by a team of project co-ordinators for each significant contractor lead area and a significant operational staff team of Change Coaches and Community workers.

This year has seen a shift in the working model to have a new locality logic. This is following from feedback from participants who wanted greater continuity of staff. This should also increase stability for staff and ease their movement though stop/start programme delivery. This in turn will also provide a more sustainable model for the charity.

We are grateful to the staff and trustees for their on-going commitment to the company and to the wide range of partner organisations who offered their support.

The Business Plan for 2022 follows the usual model where the vision and mission reflect the changed circumstances for people, communities and the company. The KPI bonus scheme continues to be put into abeyance but will be considered by trustees on an annual basis. Staff continue to communicate well with each other, with their staff teams, and with internal and external stakeholders.

A key value of the charity is participation of people from its target groups in service design and delivery. As part of the development of new funding bids the Charity continues to invest time and resources into Co-design and Co-production groups which has included participants from potential target groups from young people and vulnerable adults. This has moved on-line during the pandemic with the development of a new weekly sounding board Community Conversations and with various informal discussions through the social and learning activities including the Leisure Lounge, Quiz, and Community Learning groups. One significant development has been the Level 2 accredited course Developing Your Community - all participants are guaranteed an interview for entry level roles. Of the two cohorts so far 4 have moved into work with CN4C and 3 into work with other agencies.

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Cornwall Neighbourhoods for Change Limited (the 'company') has now established an important market position in a number of key neighbourhood renewal and community regeneration activities in Cornwall. We continue to work on a partnership and provider basis on ESF, ERDF, DWP and ESFA Funded programmes supporting people from exclusion into activity, learning and work. We continue to deliver mainstream contracts for learning delivery with Cornwall College and V Learning Net. We deliver significant inclusion and employability programmes through BBO ESF working with a number of providers and have secured funding from Community Led Local Development to establish our social recruitment agency 4 Work. The Engine Room programme continues to assist people seeing to enter self-employment or to start a social enterprise or CIC.

Our relationship with Health continues to grow as PCNs strengthen their understanding of the importance of wellness provided through community activities. Social prescribing contracts in North Kerrier have continued to grow. These assist people with long term medical conditions and anxiety to become less isolated and more active in their communities by "prescribing" social activities.

Strategic areas of influence have been prioritised with considerable effort going into shaping the Shared Prosperity Fund which will be the successor to European funded programmes through our CEO's role on the ITI board which oversees the current EU programme in Cornwall. We continue to challenge and drive better working across Cornwall on Inclusion, Equalities and Diversity and are assisting in the design of Climate Change agendas with Cornwall Council.

Fund raising and business development continue on an ongoing basis for new or continuation work. The revised budget for 2022 now stands at a turnover of £1.7m. This is predominantly through securing additional ESF contracts and additional growth in social prescribing. There has been strong performance on the young people's learning provision contracted through V Learning Net and named by the young participants TOAST (an acronym for Taking Our Achievements and Successes Together). We have continued to deliver community learning through Cornwall College however, all accredited learning across Cornwall was decommissioned in August 2021.

There are significant funds secured into 2023 showing that the company is a going concern for the next year and a half. This gives a strong platform to build future sustainability. Business planning over the next two years will focus on the long-term operational model of the charity attempting to give it a more varied funding base increasing resilience post Brexit and pandemic.

Cash flow has been tight at times during 2021 due to the payment in arrears methodology of many of the ESF grant funded programmes. The cash flow assistance support from Cornwall Council and the match grant for 4Work ease the cash flow position as does improved performance on earned income programmes, predominantly learning alongside Cornwall Council grants for COVID business support. Some of this has been awarded to support the new community venture in St Austell. Plans had to be paused during the pandemic but are now starting to be refreshed.

Operational Delivery in 2021

Despite the significant operational challenges in 2021, there was a further consolidation of the company's operational delivery. Managers have worked well together to adopt a cross organisational approach to the benefit of clients and the company. Programmes are listed on page 24 but of considerable note are:

- Social Prescribing contracts with NHS and Volunteer Cornwall
- TNLCF ESF Positive People programmes in Coast 2 Coast and South and East areas with SEETEC
- TNLCF ESF Communities Working Together programme with LPCo
- Learning contracts for Cornwall College

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- V Learning net – young people's learning delivery and adult accredited programmes
- Widening participation ESF with Plymouth University
- ERDF Engine Room with YTKO and Outset Cornwall
- 4Work Social Recruitment Agency – ESF and ERDF through CLLD
- Cornwall CAN – COMF award from Cornwall Council

Volunteering

Much volunteering had to be put on hold during the pandemic due to risk of infection from COVID and the vulnerability of many of our volunteers. This will be a key area of growth prioritise in 2022 including the recruitment of a Volunteering Coach which will enhance the quality and quantity of service that we are able to provide as well as giving valuable opportunities to the volunteers themselves.

Young People

Our continued relationship with V Learning Net has seen growth in our contract for 2021/22 with further growth already secured for 2022/23. Our relationship with Cornwall Council is also growing as the level of support required for the young people with an Education Health and Care Plan grows.

Fundraising

CN4C's fundraising is undertaken on the basis of generating funds for individual projects via grants or contracts, with the intention that each project is able to cover the cost of its activities from this income. Donations received for community activities are entirely voluntary, as are contributions made by individuals and local businesses. CN4C is now registered for Gift Aid. The website has a 'donate' area which facilitates donations, and an option to set up a fundraising page for those wishing to support a specific project. CN4C does not work with, or have any oversight of, any commercial participators or professional fundraisers. No complaints were received in 2021 regarding fundraising activities.

FINANCIAL REVIEW

Overview

The company ended the 2021 financial year with a surplus of £284,282 (2020: £56,649). Incoming resources amounted to £1,873,914 which was £742,131 higher than in 2020. Operating expenditure totalled £1,589,632 which was £514,498 higher than in 2020.

Reserves policy

The company's reserves policy is based on a prudent approach to its finances. Specifically the reserves policy allows for the holding of undesignated unrestricted funds to:

- bridge the company's cashflow when grant funding and payment by result contracts are paid in arrears
- enable the organisation to plan for growth and to grasp new opportunities when these arise and
- maintain a fund for the orderly closure of the Company should this become necessary.

The unrestricted balances at 31st December 2021 were £408,014 (2020: £113,673) and free reserves were £63,347 (2020: £12,933). For details of restricted and unrestricted funds see notes 16 and 17 of the accounts.

Sufficient resources should be retained under each of the restricted funds to meet the charity's obligations under that fund.

The level of reserves is monitored and reviewed by the Trustees quarterly.

Fund accounting policy

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure, which meets these criteria, is identified to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources receivable or generated for the general work of the Charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes

Risk Management

The Trustees have examined the major strategic, business and operational risks that the charity faces and have drawn comfort in that risks have been adequately identified. An annual risk map is completed using the NCVO best practice framework. This was updated to take account of risks presented by the pandemic in May 2020 and was updated as part of our business planning in November. Key risks have been identified and appropriate policies and procedures are in place to manage risk in our operational delivery and to reduce risk wherever possible. We work with various professionals to ensure compliance. This has been revised as part of the annual business planning cycle. During the year risks were advised on a quarterly basis to the Board and in regular monthly meetings between the Chair and CEO following weekly consideration by the Senior Management Team.

New funding opportunities are presented to the Trustees quarterly identifying any risks that may be associated with the funding proposal which are then taken into consideration before any approval is given.

The systems detailed above ensure that the sustainability of the company is monitored regularly, and risks are kept to a minimum.

Investment policy

Surplus cash is placed on bank deposit in order to maximise interest receivable subject to security of the funds and their availability to meet the needs of the business. The charity may maintain in an interest-bearing current account up to one month's anticipated expenditure.

PLANS FOR FUTURE PERIODS

The Vision and Mission are being reviewed as part of business planning in spring 2022. In 2021 they were assessed to still be relevant and appropriate, as were the business aims. Priorities for development were identified as health and well being with a particular focus on social prescribing and personal budgets, community development, learning and further partnerships for housing. The management team has had due regard to these in the development of new funding proposals. The management team and trustees are working on a longer term plan to ensure that this final European funded project is treated as an investment to sustain the long term activities of the charity with a move towards more social prescribing, social care focus to meet the higher levels of needs demonstrated in service users. This will drive the principles and focus on an organisational restructure which has taken place in 2021, focusing on the shift to locality working and cross organisational, cross programme working.

More mainstream learning provision will underpin skills development and mainstream back to work contracts will be sought to support people looking to return to employment developing the social recruitment agency and community learning models further.

The detailed business plan for 2022 shows significant development on each of the three operational headings: Better Lives, Better Off and Better Sense.

Better Lives:

Clubs & Activities: Working with our community to design and deliver useful and fun activities that bring people together to learn and share.

Help in a Crisis: We will help people to secure their basic needs including food, water, clothing and shelter through assistance and advice.

Food: We will distribute surplus food and alleviate food poverty and social isolation through growing, harvesting, cooking and eating meals together.

Health: We will work with the health service to develop social prescribing models that support people to change their lifestyle.

Safer Community: We will work with Probation and Safer Stringer Cornwall to support rehabilitation for people and families involved in the criminal justice system.

Families: Our "Why Don't You..?" Club on Saturdays, afterschool and holidays will support families and inspire aspiration and achievement.

Better Off:

Information, Advice and Guidance: We will help people find their way through the maze of life. If we can't help, we will find someone who can.

Learning: We will offer community learning from fun activities to basic skills, from entry level to professional qualifications. We will help people to start their journey and to progress. We will help people of all ages from pre-school children to senior citizens to find new interests and knowledge and to aspire for greatness.

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Work: We will run work clubs and pathways to employment services to support people to prepare and present themselves for work. We will build their confidence and employment networks and develop their portfolios through our qualification programmes, coaching and through volunteering and work placements. We will help them to find temporary and permanent, part and full-time work through our social recruitment agency, 4 Work.

Traineeships: We will continue to develop our own traineeships for young people and adults, giving a first step on a career ladder.

Better Sense:

Community Resources: We will work with Cornwall Council, the VCSE, Transformation Cornwall and local community activists to re-shape community services through local delivery at local centres, improving use and creating resilience for the future. We will use The Elms as an exemplar, we will work on redeveloping the community bank in St Austell.

Inclusion, Diversity and Equality underpins all activity by collaborating and driving community cohesion for inclusion. We will develop meaningful and practical strategies and actions to make Cornwall fairer for One and All and challenge inequality and discrimination including work on Cornwall Council's economic development strategy to ensure inclusion of all.

Voice & Influence: Community champions will co-design our vision for the future and will be supported to hold decision makers and service providers to account.

Business Support for Social Enterprises and self-employment: will be provided and we will campaign to ensure that social enterprise plays a full role in shaping the local economy and society.

Funding

The company is pursuing a mixed income funding strategy to reduce its reliance on any single source or stream of funding. The board has noted over the last few years the difficulties created for the company by the payment of grant funding in arrears and continues to seek to reduce the impact of this problem through its reserves policy and the diversification of the company's funding strategy.

RESPONSIBILITIES OF TRUSTEES

The trustees (who are also directors of CN4C for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and 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 the income and expenditure, of the charitable company for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate 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.

In so far as the trustees are aware:

- there is no relevant information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken as trustees to make themselves aware of any relevant information and to establish that the auditor is aware of that information.

On behalf of the Board of Trustees



Judith Hann - Trustee

Date: 27/6/2022

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Opinion

We have audited the financial statements of Cornwall Neighbourhoods for Change Limited (A Company Limited by Guarantee) (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including 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)*.

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure 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.

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 are independent of the charitable company in accordance with the ethical requirements that are 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

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.

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

In our evaluation of the directors' conclusion, we considered the risks associated with the company's business, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit. We analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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.

In connection with our audit of the financial statements, 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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:

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- 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 trustees' 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 determine 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 charity'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.

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.

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which they operate. We determined that the laws and regulations surrounding health and safety, GDPR and the safeguarding of vulnerable groups were most significant to the charity as well as the laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Companies Act 2006 and compliance with the Charities Statement of Recommended Practice.

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Discussion with management as to how compliance with these laws and regulations is monitored;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness and evaluating the business rationale of significant transactions outside the normal course of business.

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Independent Auditor's Report
For the Year Ended 31 December 2021

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RRL LLP

Mark Williams FCA DChA (Senior Statutory Auditor)

for and on behalf of RRL LLP

Chartered Accountants

Statutory Auditor

Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

27 June 2022

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Statement of Financial Activities
(Including Income and Expenditure Account)
For the Year Ended 31 December 2021

	Notes	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Income					
Voluntary income	2	350,988	10,600	361,588	38,334
Income from charitable activities	3	267,770	1,242,019	1,509,789	1,032,624
Investment income	4	2,537	-	2,537	60,825
Total income		621,295	1,252,619	1,873,914	1,131,783
Expenditure on:					
Charitable activities	5	305,290	1,284,342	1,589,632	1,075,134
Total expenditure		305,290	1,284,342	1,589,632	1,075,134
Net income/(expenditure) before transfers		316,005	(31,723)	284,282	56,649
Gross transfers between funds		(21,664)	21,664	-	-
Net movement in funds		294,341	(10,059)	284,282	56,649
Total funds brought forward		113,673	271,959	385,632	328,983
Total funds carried forward		408,014	261,900	669,914	385,632

There are no recognised gains or losses in the year, other than those included in the statement of financial activities.

All of the company's operations are classed as continuing.

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Balance Sheet
As at 31 December 2021

Company registration number: 04228103

	Notes	2021 £	2020 £
Fixed Assets			
Tangible assets	10	422,000	424,761
Investment property	11	104,000	104,000
		526,000	528,761
Current assets			
Debtors	12	308,666	242,127
Cash in bank and in hand		211,926	164,429
		520,592	406,556
Creditors: amounts falling due within one year	13	(96,053)	(237,177)
Net current assets		424,539	169,379
Total assets less current liabilities		950,539	698,140
Creditors: amounts falling due after more than one year	14	(280,625)	(312,508)
Total net assets		669,914	385,632
Charity funds:			
Unrestricted funds	16		
- Designated funds		344,667	
- General fund		63,347	
		408,014	113,673
Restricted funds	17	261,900	271,959
Total charity funds	18	669,914	385,632

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved and authorised for issue by the Board of Trustees on 27 June 2022



Signed on its behalf by **Judith Hann - Trustee**

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Statement of Cash Flows
For the Year Ended 31 December 2021

	Notes	2021 £	2020 £
Cash generated by operating activities	22	76,843	59,170
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(3,330)
Investment income		2,537	60,825
Cash flows from financing activities			
Repayment of borrowings		(31,883)	(12,197)
Increase in cash and cash equivalents		47,497	104,468
Cash and cash equivalents at the beginning of the year		164,429	59,961
Total cash and cash equivalents at the end of the year		211,926	164,429

1. Accounting policies

Basis of preparation and accounting convention

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy applicable in the UK and Republic of Ireland (FRS 102).

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The charity is a Public Benefit Entity as defined by FRS 102.

Income recognition

Items of income are recognised and included in the accounts when all of the following criteria are met:

- the charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of:

- the date on which the charity is aware that probate has been granted;
- the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made; or
- when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Capital grants are accounted for on a receivable basis and relate to capital projects and acquisitions.

Donated services and facilities

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2021

The charity benefits from the involvement and support of its volunteers, details of which are given in the Trustees' Annual Report. In accordance with accounting standards, the economic contribution of general volunteers is not measured in the accounts.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of providing services and other activities undertaken to further the purposes of the charity and their associated support costs.

Termination benefits

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee.

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. These costs have been allocated to expenditure on charitable activities.

Operating leases

Rentals applicable to operating leases are charged to the SOFA on a straight line basis over the term of the lease.

Funds

Restricted funds are to be used for the specific purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overhead and support costs.

Unrestricted funds are donations and other incoming resources received or generated for charitable purposes which are expendable 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 are unrestricted funds earmarked by the trustees for a specific purpose.

Investment income and gains are allocated to the appropriate fund.

Transfers are made to restricted funds in order to cover any deficit made on any individual projects.

Tangible fixed assets

Tangible fixed assets are stated at cost/valuation less accumulated depreciation. Such cost includes costs directly attributable to making the asset capable of operating as intended. Only tangible fixed assets costing more than £1,000 are capitalised.

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2021

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

Freehold premises	2% straight line
Furniture and equipment	25% straight line
Motor vehicles	25% straight line

Investment property

A proportion of the freehold premises was transferred to investment property to reflect the amount of the property used to generate a rental income. Investment property is measured at fair value each reporting date with changes recognised in 'net gains/(losses) on investments' in the Statement of Financial Activities.

Debtors

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

Cash at bank and in hand

Cash at bank and cash 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.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The trust 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 with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

Pension costs

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 amount charged to the SOFA represents contributions payable to the scheme in respect of the accounting year.

Legal status of the charity

The charity is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The members of the charity are the trustees named on page 3. The registered office is The Elms, 61 Green Lane, Redruth, TR15 1LS.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2021

2. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	2020 £
Government grants	350,988	10,600	361,588	38,334

Cornwall Council – grants have been received of £24,143 (2020: £38,334). The local restrictions support grant has been issued to help businesses during the national lock downs and Covid-19 outbreak.

G7 Inspire a Generation – grants have been received of £630 (2020: £Nil).

Time 2 Move Holiday Programme – grants have been received of £325,891 (2020: £Nil).

First Aid and Food Hygiene Course – grants have been received of £324 (2020: £Nil).

Future Hope Project – grants have been received of £10,600 (2020: £Nil).

3. Income from charitable activities

Activity	Unrestricted Funds £	Restricted Funds £	Total 2021 £	2020 £
Communities Working Together	-	41,453	41,453	-
Compass	-	9,697	9,697	-
Cornwall College Partnership	-	-	-	59,678
Cornwall Community Foundation	-	-	-	4,927
Food for Change	-	-	-	79,449
Foundation for Work	-	28,980	28,980	-
In Work Poverty	-	50,896	50,896	-
Learning Partnership A&M	-	-	-	85,590
Pluss Building Better Opportunities – C2C	-	211,595	211,595	187,028
Pluss Building Better Opportunities – SE	-	209,826	209,826	170,964
Residents Resource	33,273	-	33,273	937
Smartline	2,127	-	2,127	-
St Austell Premises	600	-	600	56
Support for Christmas Activities	1,151	-	1,151	1,909
TCCG (Cornwall College)	-	61,498	61,498	-
University of Plymouth – Widening Participation	-	-	-	15,750
Volunteer Cornwall – Social Prescribing	-	81,460	81,460	31,454
Volunteer Cornwall – Social Prescribing 2	-	193,067	193,067	74,646
V-Learning	211,818	-	211,818	103,473
V-Learning 19+	18,801	-	18,801	-
YTKO Engine Room	-	108,335	108,335	102,916
4 Work	-	90,739	90,739	51,299
Cornwall Community-led Local Development	-	3,599	3,599	(291)
ERASMUS	-	-	-	2,982
Reaching Communities	-	14,696	14,696	50,282
MAGA Food Provision	-	16,156	16,156	6,975
Walking into Winter	-	7,400	7,400	2,600
Widening Participation	-	112,622	112,622	-
Incoming Resources from charitable activities:	267,770	1,242,019	1,509,789	1,032,624

Of the £1,509,789 received in 2021 (2020: £1,032,624), £1,242,019 was restricted funds (2020: £866,571) and £267,770 was unrestricted funds (2020: £166,053).

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2021

4. Income from investments

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	2020 £
Investment property income	2,530	-	2,530	60,769
Bank interest	7	-	7	56
Incoming Resources from investments:	<u>2,537</u>	<u>-</u>	<u>2,537</u>	<u>60,825</u>

Of the £2,537 received in 2021 (2020: £60,825), £Nil was restricted funds (2020: £Nil) and £2,537 was unrestricted funds (2020: £60,825).

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2021

5. Expenditure on charitable activities

Activity	Direct Costs	Support Costs	2021	2020
	£	£	£	£
Arnold Clark Foundation	30	-	30	-
Communities Working Together	47,004	8,103	55,107	-
Compass	7,887	1,470	9,357	-
COMF Funding	78,443	80	78,523	-
Cornwall College Partnership	-	-	-	50,641
Food for Change	-	-	-	93,876
Foundation for Work	25,541	5,134	30,675	-
In Work Poverty	86,108	12,650	98,758	-
Learning Partnership A&M	-	-	-	84,979
Pluss Building Better				
Opportunities C2C	198,929	24,943	223,872	179,137
Pluss Building Better				
Opportunities SE	200,705	21,571	222,276	171,656
Residents Resource	12,536	66,393	78,929	75,675
Smartline	1,652	63	1,715	-
St Austell Premises	7,147	-	7,147	26,357
Support for Christmas Activities	1,389	-	1,389	1,909
TCCG (Cornwall College)	54,869	5,957	60,826	-
Time to Move	1,526	-	1,526	-
University of Plymouth - Widening Participation	-	-	-	15,867
Volunteer Cornwall Social Prescribing	49,241	7,469	56,710	33,206
Volunteer Cornwall Social Prescribing 2	164,285	20,650	184,935	44,403
YTKO Engine Room	101,043	13,609	114,652	106,887
4 Work	40,097	5,676	45,773	53,054
Cornwall Community-led Local Development	3,599	-	3,599	384
ERASMUS	-	1,118	1,118	1,864
Reaching Communities	34,607	1,729	36,336	50,282
V Learning Net	115,627	13,009	128,636	78,642
V Learning 19+	4,808	-	4,808	-
MAGA Food Provision	16,055	1,506	17,561	3,715
Walking into Winter	7,168	104	7,272	2,600
Widening Participation	99,886	13,262	113,148	-
Wild	2,011	356	2,367	-
Why Don't You Club	2,587	-	2,587	-
Resources expended on charitable activities	1,364,780	224,852	1,589,632	1,075,134

Of the £1,589,632 of costs incurred in 2021 (2020: £1,075,134), £1,284,342 related to restricted funds (2020: £841,910) and £305,290 related to unrestricted funds (2020: £233,224).

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2021

6. Total expenditure

	Direct Costs £	Support Costs £	Total 2021 £	2020 £
Staff costs and other related expenditure	1,024,673	81,627	1,106,300	825,442
Beneficiary & other project costs	49,877	2,710	52,587	47,574
Contracted services	115,991	5,822	121,813	51,920
Office costs	45,306	88,177	133,483	116,220
Marketing and communications	3,371	10,448	13,819	306
Bank charges	-	231	231	134
Loan and overdraft interest	10,673	-	10,673	14,147
Sundry costs	2,861	2,413	5,274	48
Bad debts	111,130	14,515	125,645	-
Depreciation	898	1,863	2,761	2,198
Governance costs:				
Staff costs	-	4,935	4,935	4,935
Legal & professional fees	-	3,786	3,786	3,457
Auditors' remuneration	-	8,325	8,325	8,753
Total resources expended	1,364,780	224,852	1,589,632	1,075,134

7. Net income for the year

	Total 2021 £	Total 2020 £
This is stated after charging:		
Operating leases	16,601	20,313
Auditor's remuneration	8,325	8,753

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2021

8. Staff costs and trustees' remuneration

The average number of persons employed full time (or equivalent) by the company (excluding trustees) during the year was 45 (2020: 40). These were employed as follows.

	2021	2020
Charitable activities	28	26
Project management and administration of the charity	14	3
Full time equivalent	42	29
Average staff numbers	45	40

The aggregate payroll costs of these persons were as follows:

	2021 £	2020 £
Wages and salaries	961,404	737,832
Social security costs	74,329	54,454
Other pension costs (note 9)	27,096	21,563
	1,062,829	813,849

No employee received emoluments exceeding £60,000.

None of the trustees received remuneration or expenses during the current or prior year.

The charity trustees and the chief executive are considered to comprise the key management personnel of the charity. The remuneration of key management personnel totalled £56,796 (2020: £65,054).

9. Pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the fund and amounted to £27,096 (2020: £21,563). The outstanding contribution at the year end was £6,114 (2020: £5,518).

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2021

10. Tangible fixed assets

	Freehold Premises £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2021	416,000	191,315	10,780	618,095
Additions	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	416,000	191,315	10,780	618,095
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 2021	-	190,626	2,708	193,334
Charge for year	-	67	2,694	2,761
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	-	190,693	5,402	196,095
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 2021	416,000	622	5,378	422,000
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	416,000	689	8,072	424,761
	<hr/>	<hr/>	<hr/>	<hr/>

The market value of the freehold property was determined on an open market basis by Burnett Davies Chartered Surveyors on 16th December 2010. The Trustees do not believe that the open market value has changed significantly since the date of the above valuation.

11. Investment property

	2021 £	2020 £
Valuation as at 1 January 2021	104,000	104,000
Revaluation	-	-
	<hr/>	<hr/>
Valuation as at 31 December 2021	104,000	104,000

12. Debtors

	2021 £	2020 £
Trade debtors	266,431	218,347
Prepayments	10,521	12,513
Sundry debtors	31,714	11,267
	<hr/>	<hr/>
	308,666	242,127

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2021

13. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank loans (note 14)	20,371	8,859
Trade creditors	19,655	12,678
Other taxes and social security	21,922	30,238
Other creditors	11,956	17,252
Accruals	22,149	40,417
Deferred income (note 15)	-	127,733
	96,053	237,177

14. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Bank loan (falling due in less than five years)	81,484	35,436
Bank loan (falling due after five years)	99,141	177,072
Cornwall Council loan (falling due in less than five years)	100,000	100,000
	280,625	312,508

The bank loan is repayable over 25 years. The rate of interest payable on the loan is 2% above Base Rate subject to a minimum rate of 4%. The bank loan of £200,996 (2020: £221,367) is secured over The Elms.

Pluss Projects Building Better Opportunities Loan - Support for the long term unemployed to improve employability, health and wellbeing and personal development

15. Deferred income

	2021	2020
	£	£
Deferred income is included within:		
Creditors due within one year	-	127,733
Deferred income at 1 January 2021	127,733	9,850
Released from previous years	(127,733)	(9,850)
Amounts deferred in the year	-	127,733
Deferred income at 31 December 2021	-	127,733

Included within deferred income of £NIL (2020: £127,733) is income received in advance from Volunteer Cornwall – Social Prescribing, MAGA Food Provision, Walking into Winter, Reaching Communities, V-Learning and Cornwall Council.

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2021

16. Unrestricted funds	At 1 January 2021 £	Incoming £	Outgoing £	Transfer £	At 31 December 2021 £
Designated funds:					
Capital Reserve	8,761	-	-	(2,761)	6,000
COMF Funding	-	-	(3,683)	230,000	226,317
The Elms – ERDF	91,979	-	-	20,371	112,350
	100,740	-	(3,683)	250,371	344,667
General fund	12,933	621,295	(301,607)	(272,035)	63,347
	113,673	621,295	(305,290)	(21,664)	408,014

Unrestricted funds

Project	Purpose
Capital reserve	NBV of furniture & equipment and motor vehicles
COMF Funding	Cornwall Council grant for COVID recovery – designated by CN4C
The Elms – ERDF	Support towards the development of a community and social enterprise hub in Redruth

Prior year unrestricted funds

	At 1 January 2020 £	Incoming £	Outgoing £	Transfer £	At 31 December 2020 £
Designated funds:					
Capital reserve	7,629	-	-	1,132	8,761
Cornwall College Partnership	-	59,678	(50,641)	(9,037)	-
Support for Christmas Activities	-	1,909	(1,909)	-	-
Residents Resource	-	71,537	(75,675)	4,138	-
St Austell Premises	-	28,615	(26,357)	(2,258)	-
The Elms – ERDF	79,782	-	-	12,197	91,979
V Learning Net	-	103,473	(78,642)	(24,831)	-
	87,411	265,212	(233,224)	(18,659)	100,740
General fund	8,173	-	-	4,760	12,933
	95,584	265,212	(233,224)	(13,899)	113,673

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2021

17. Restricted funds

	At 1 January 2021 £	Incoming £	Outgoing £	Transfer £	At 31 December 2021 £
Arts Council	24,172	-	-	-	24,172
Clothworkers	4,403	-	-	-	4,403
Elms - SWRDA	135,180	-	-	-	135,180
Communities Working Together	-	41,453	(55,107)	13,654	-
Compass	-	9,697	(9,357)	-	340
Foundation for Work	-	28,980	(30,675)	1,695	-
In Work Poverty	-	50,896	(98,758)	47,862	-
NHG	907	-	-	-	907
Pluss Building Better Opportunities C2C	7,891	211,595	(223,872)	4,386	-
Pluss Building Better Opportunities SE	3,512	209,826	(222,276)	8,938	-
Social Enterprise Investment Fund (SEIF)	42,899	-	-	-	42,899
Volunteer Cornwall – Social Prescribing	-	81,460	(56,710)	(24,750)	-
Volunteer Cornwall – Social Prescribing 2	30,243	193,067	(184,935)	(38,375)	-
TCCG (Cornwall College)	-	61,498	(60,826)	-	672
YTKO Engine Room	-	108,335	(114,652)	6,317	-
4 Work	-	90,739	(45,773)	-	44,966
Cornwall Community-led Local Development	-	3,599	(3,599)	-	-
ERASMUS	1,118	-	(1,118)	-	-
Reaching Communities	21,634	14,696	(36,336)	6	-
MAGA Food Provision	-	16,156	(17,561)	1,405	-
Walking into Winter	-	7,400	(7,272)	-	128
Wild	-	10,600	(2,367)	-	8,233
Widening Participation	-	112,622	(113,148)	526	-
	271,959	1,252,619	(1,284,342)	21,664	261,900

Cornwall Neighbourhoods for Change Limited
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Notes to the Accounts
For the Year Ended 31 December 2021

Restricted funds

Project	Purpose
Arts Council	A voluntary, community and social enterprise hub – a capital programme
Clothworkers	Fit out of social enterprise spaces at The Elms
Elms - SWRDA	A voluntary, community and social enterprise hub – a capital programme.
Communities Working Together	Outreach activities for the local community in Camborne, Pool and Redruth
Compass	Support for young people age 16-25 to access employment, education or training
Foundation for Work	Support for adults and their families across Cornwall to access employment, education or training
In Work Poverty	Providing support for people to access employment, education or training the Penwith area and developing their skills to better their employment opportunities
NHG	Provision of community activities in Camborne
Pluss Building Better Opportunities	Support for the long term unemployed to improve employability, health and wellbeing and personal development.
C2C and SE	
Social Enterprise Investment Fund (SEIF)	A voluntary, community and social enterprise hub – a capital programme
Volunteer Cornwall (Social Prescribing)	Working with GPs to improve health through social activities
TCCG (Cornwall College)	Community learning (non-accredited courses) for adults age 19+
YTKO Engine Room	Social Enterprise and Self Employment Support
4 Work	Social recruitment agency
Cornwall Community-led Local Development	Match to 4 work from Cornwall Council
ERASMUS	Young people's learning and history project
Reaching Communities	Social inclusion activities
MAGA Food Provision	Emergency food provision for vulnerable households
Walking into Winter	Building resilience through walking activities
Wild	Funding for family activities including a residential trip
Widening Participation	Accredited learning and taster sessions for adults age 19+, to encourage engagement with higher education

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Prior year restricted funds

	At 1 January 2020	Incoming	Outgoing	Transfer	At 31 December 2020
	£	£	£	£	£
Arts Council	24,172	-	-	-	24,172
Clothworkers	4,403	-	-	-	4,403
Elms - SWRDA	135,180	-	-	-	135,180
Cornwall Community Foundation	-	4,927	(4,927)	-	-
Cornwall Food Foundation - Food for Change	-	79,449	(88,949)	9,500	-
Learning Partnership A&M NHG	-	85,590	(84,979)	(611)	-
	907	-	-	-	907
Pluss Building Better Opportunities C2C	-	187,028	(179,137)	-	7,891
Pluss Building Better Opportunities SE	4,204	170,964	(171,656)	-	3,512
Social Enterprise Investment Fund	42,899	-	-	-	42,899
Volunteer Cornwall – Social Prescribing	-	31,454	(33,206)	1,752	-
Volunteer Cornwall – Social Prescribing 2	-	74,646	(44,403)	-	30,243
University of Plymouth - Widening Participation	-	15,750	(15,867)	1179	-
YTKO Engine Room	-	102,916	(106,887)	3,971	-
4 Work	-	51,299	(53,054)	1,755	-
Cornwall Community-led Local Development	-	(291)	(384)	675	-
ERASMUS	-	2,982	(1,864)	-	1,118
Reaching Communities	21,634	50,282	(50,282)	-	21,634
MAGA Food Provision	-	6,975	(3,715)	(3,260)	-
Walking into Winter	-	2,600	(2,600)	-	-
	233,399	866,571	(841,910)	13,899	271,959

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18. Analysis of net assets between funds

2021	Unrestricted £	Restricted £	Total £
Tangible fixed assets	215,346	206,654	422,000
Investment property	104,000	-	104,000
Net current assets	369,293	55,246	424,539
Creditors: Amounts falling due after more than one year	(280,625)	-	(280,625)
	408,014	261,900	669,914

2020	Unrestricted £	Restricted £	Total £
Tangible fixed assets	218,107	206,654	424,761
Investment property	104,000	-	104,000
Net current assets	104,074	65,305	169,379
Creditors: Amounts falling due after more than one year	(312,508)	-	(312,508)
	113,673	271,959	385,632

19. Commitments

Annual commitments under non-cancellable operating leases are as follows:

	Land & buildings 2021 £	Land & buildings 2020 £	Other 2021 £	Other 2020 £
Operating leases which expire:				
Within one year	2,080	8,320	8,281	8,281
In second to fifth years inclusive	-	2,080	13,112	21,393
	2,080	10,400	21,393	29,674

Amounts contracted for but not provided in the financial statements:

	2021 £	2020 £
Acquisition of tangible fixed assets	230,000	-
	230,000	-

20. Contingent liability

Income amounting to £1,027,275 was received from the European Regional Development Fund (ERDF) in prior years. This income relates to The Elms, the building that was purchased by the organisation in 2009 which is used as a community hub and the organisation's operating offices. Should the charity cease to operate then the building would be transferred to an organisation with similar objects. If this could not happen then the proceeds on sale would be repaid to the funders.

21. Related party transactions

There were no related party transactions during this or the previous financial year.

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	284,282	56,649
Deduct investment income	(2,537)	(60,825)
(Increase) in debtors	(66,539)	(83,507)
(Decrease)/Increase in creditors	(141,124)	144,655
Depreciation charge	2,761	2,198
Net cash generated by operating activities	<u>76,843</u>	<u>59,170</u>