

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 2022

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

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Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Trustees' Annual Report
For the Year Ended 31 December 2022

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 2022.

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

T Bryan
H-R Burch (Appointed 20 May 2022)
A Gale
J Gough (Appointed 25 February 2022)
C Groves (Appointed 21 August 2022)
J Leigh (Appointed 21 August 2022)
J Stewart (Chair)
F Owen (Resigned 21 August 2022)
S Sisson
S Sleeman (Appointed 21 August 2022, resigned 28 March 2023)
A Tellam (Resigned 21 August 2022)
C Whitwood (Resigned 25 November 2022)

Chief Executive

Tarn Lamb

Registered office

The Elms
61 Green Lane
Redruth
TR15 1LS

Principal address

The Elms
61 Green Lane
Redruth
TR15 1LS

Auditors

RRL LLP
Peat House
Newham Road
Truro
TR1 2DP

Bankers

CAF Bank
PO Box 289
West Mallory
ME19 4TA

Unity Trust Bank plc
Nine Brindley Place
Birmingham
B1 2HB

Solicitors

Bates, Wells and Braithwaite
2-6 Cannon Street
London
EC4M 6YH

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. There was some change over of trustees in 2022 with 5 new appointments and 4 resignations. There remains a good balance of professional trustees mixing with trustees with lived experience of the charity's services.

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 holds a performance and priorities catch up on a weekly basis. This forms the basis of a staff communications update on key activities once a week. The additional management model was adapted at pace during 2020 to respond to pandemic have now been stepped back. 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). There has been a return to office based working with occasional homeworking where required.

The focus for 2022 has been on driving performance on the business secured during 2021. 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.

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.

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While the direct constraints and challenges of the pandemic eased in 2022, the financial and mental health impacts have continued apace for those who we work with. Those who were struggling with loneliness or mental health conditions prior to the pandemic have felt its impact harder and for longer. For those struggling financially the impact on the economy, the cost of living crisis due to recession and the Russian invasion of the Ukraine have seen severe and persistent hardship. This has created performance issues in the earlier part of the year. These have now been resolved and the majority of programmes are on target or within tolerance levels.

We have continued with some online services that were started during the pandemic. However, the majority of our services are now back to on site and in person. Crisis support still shows considerable demand both through information, advice and guidance as well as access to emergency funds and provision of food, fuel, household goods and clothing. We have been providing support to Ukrainian refugees to settle, socialise, develop their English and find work. This has been assisted by recruiting a Ukrainian Community Worker and a partnership with Supporting Children of the Ukraine CIC.

Good progress in the partnership development at both of the hubs, in Redruth and in St Austell has helped us to meet increased demand from our communities. The development of the database has enable us to better measure the impact, quality and quantity of our work.

Vision and Mission

Towards the end of 2022 our business planning process reviewed and revised our vision and mission statements. This saw a move away from "Challenge to Change: Better lives, better off, better sense." While the three business aims were retained it was felt that our communities needed support rather than challenge and for us to focus on equity of outcome.

The new Vision is: Improved equity of outcome in Cornwall so that one and all can live better lives, are better off and that the system makes better sense.

Mission Statement

The mission has also been updated to reflect our revised operating model.

Listening to what matters to people, adopting trauma informed approaches that do not judge. Accessible, friendly, person-centred services where people are only asked to tell their story once. Building trust based relationships through advocacy and supporting people to meet their immediate wants and needs. Supporting people to find their worth and potential by offering opportunities to reach their aspirations. Finding ways for them to relate their real and lived experiences to shape service and system design, development and delivery. Working collaboratively with people, communities and agencies to make a better future for one and all.

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.

The aims and objectives of the organisation for 2022 were:

Better Lives – The pandemic has highlighted the deep challenges that many people face to meeting their basic needs and are ill, poor, homeless or hungry. We will build trust by helping people to meet their basic needs. We will connect with isolated and vulnerable people. We will help people to improve their sense of belonging and well being by bringing communities together both in person and on line for activities that matter to them. We will assist people to shape their own future through raised self awareness and planning. We will create more opportunities for volunteering.

Better Off – Money is important but the pandemic has highlighted fears about financial insecurity. Many people want to work but often are unemployed, underemployed or in a job that just doesn't pay enough. People with low qualifications find it hard to get work that pays enough to live on. Employers have vacancies that they can't fill. We will help people and employers to achieve their full potential responding to economic challenges

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. We will support grassroots community activities and campaigns to achieve change.

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

2022 has been a year of continued business growth and transition. Turnover has exceeded £2million for the first time in a decade and following a turnover of over £1million for three years 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 was early growth in staff numbers at the start of the year but this has reduced down towards the end of the year, with 40 (29 FTE) at the end of 2022. The decrease towards the year end is a reflection of the ESF life cycle of projects coming to an end during 2023. This is planned and predicted but will result in a downsizing during 2023.

The company remains a going concern and continues to manage 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 continues to be good with ongoing inclusion in county wide strategic developments. The trustees and senior staff worked well together throughout the year. The management team below the CEO level are developing 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, an Operations Director and Deputy CEO and a Resources Director. They are supported by a Progressions Manager and Strategic, Learning and Development Manager. They, in turn 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.

The locality and cross-organisational working model introduced in 2021 has been embedded This has been augmented by the implementation of a company wide database for participant and activity reporting and planning. This creates a single version of the truth of our company wide performance. This cross-organisational model will ease programme transition and provides a move sustainable model for the charity.

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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 2023 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.

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 Step Into Learning. 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.

The transition from EU funding to Shared Prosperity Fund which will be the successor to European funded programmes will be critical for the communities that we support and for the charity's future operating model. We anticipate the release of specifications during the middle of 2023.

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 terrier have continued through 2022. These assist people with long term medical conditions and anxiety to become less isolated and more active in their communities by "prescribing" social activities.

There have been significant partnerships developed for Community Health and Well Being Hubs across Cornwall. These have been led by Volunteer Cornwall and Cornwall VSF working with the new Integrated Care Board for Cornwall. CN4C has been awarded funding for The Elms in Redruth and the One & All Bank in St Austell. We are exploring further partnerships for Peer Support, as part of a Mental Health Alliance and will seek future support for further developments at a place based approach in the Core 20 most disadvantaged neighbourhoods. We also received funding for a High Intensity User Family Worker.

Growth has been secured through additional ESF contracts and growth in health related funding. There has been strong performance on the young people's learning provision contracted through Step Into Learning (renamed from V Learning Net). We have continued to deliver community learning through Cornwall College and through our ERSF Widening Participation programme in Partnership with Plymouth University.

Through 2023, European funding programmes will be ending, with the longest running programmes ending in December 2023. This will require the company to reduce in size, which will be a managed process throughout the year. The next two to three years will be challenging for the company, however Trustees agree that the organisation is a going concern, due to the skills of the leadership team in adapting to the external environment, demonstrated previously with reduction in funding, and the staff's skills continuing to be relevant to delivering services that matter to people in the community. Business planning over the next two years will focus on the long-term operational model of the charity, aiming to establish a more varied funding base, which will increase the company's resilience.

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Cash flow has been tight at times during 2022 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.

Operational Delivery in 2022

As we have emerged from the pandemic there has been 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
- ESF Foundations for Work and Communities Working Together programmes with LPCo
- Learning contracts for Cornwall College
- Step Into Learning – young people's learning delivery and adult accredited programmes
- Widening participation ESF with Plymouth University
- 4Work Social Recruitment Agency – ESF and ERDF through CLLD
- Completion of the Cornwall CAN – COMF award from Cornwall Council

Volunteering

Volunteering has been a key area of growth in 2022 to enhance the quality and quantity of service that we are able to provide as well as giving valuable opportunities to the volunteers themselves. We are making plans for future development of peer led cooking groups for 2023.

Young People

Our continued relationship with Step Into Learning has seen growth in our contract for 2022/23 with future negotiation on contract for 23/24 underway. 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. We have also secured funding for a young people's well being activity called Just Be which runs in the evening to provide a safe and creative place for vulnerable young people.

VIVA – Community Designers

Our group of community designers have really developed their activities over the last year. They have impressed professionals from housing, health and well being and local authority world's with their courage, creativity and systems insight. They have completed their website from the 2021 Appreciative Inquiry and followed this up with a book of Poetry – "Down The Rabbit Hole" – A Collective Collection of Poetry, Prose and Raps.

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 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. We have developed a number of campaigns on Crowdfunder to fundraise for specific events such as Christmas and community activities. CN4C does not work with, or have any oversight of, any commercial participators or professional fundraisers. No complaints were received in 2022 regarding fundraising activities.

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FINANCIAL REVIEW

Overview

The company ended the 2022 financial year with a surplus of £122,265 (2021: £284,282). Incoming resources amounted to £2,031,676 which was £157,762 higher than in 2021. Operating expenditure totalled £1,909,411 which was £319,779 higher than in 2021.

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 2022 were £534,429 (2021: £408,014) and free reserves were £111,096. (2021: £63,347). 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. 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.

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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 new Vision and Mission as revised at the end of 2022 are reported above. 2023 will be a challenging time for the charity as we come to the end of the delivery of EU funded programmes. We already know that the funding available through the replacement Shared Prosperity is around 1/3rd of the levels that Cornwall received from the EU. This means that we are planning a down sizing and transition of the charity during the end of 2023 and into 2024.

We have been anticipating and planning for this eventuality for the last three years and have had some success in developing relationships with Health and for mainstream learning programmes. We have also improved our rent yield for the Hubs, and though this was impacted by the pandemic, we are now seeing growth again. We have also strengthened our corporate and personal donations base with regular campaigns now being run on Crowdfunder.

We are confident that the charity will be a going concern but is likely to be of a smaller scale with a wider diversity of smaller funding streams for the foreseeable future.

We are exploring a partnership with Keystone Housing for provision of life, employment and skills support for their residents.

We are exploring the development of an EOTAS provision for 14 to 16 years olds for those who are Home Educated or for those with additional needs that mean they cannot attend mainstream provision. This will build on the successful TOAST model for 16+ young people who require additional support.

VIVA – Community Designers will be developing new ways to speak their truth to power and to influence service design across Cornwall and further afield.

The detailed business plan for 2023 shows significant development on each of the three operational headings: Better Lives, Better Off and Better Sense.

Better Lives

A Warm Welcome will be offered through the winter with advice and activities 7 days a week at the Elms and 5 days a week at The Bank.

Crisis: We will help people secure their basic needs through emergency assistance and advice.
Information, Advice and Guidance: We will help people find their way through the maze of life.

Food: We will distribute surplus food through the Community Larder, grow, harvest, cook and eat meals together.

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Health: We will deliver social prescribing to support people to change their lifestyle through community activities and therapeutic services.

Clubs & Activities: Community designed useful and fun activities that bring people together to learn and share. Just Be, Mums & Tums, Yoga, Walking Groups and many more.

Families: Our “Why Don’t You..?” Clubs on Saturdays, afterschool and holidays will support families and inspire aspiration and achievement

Better Off

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 to find new interests and knowledge and to aspire for greatness.

Toast: A second chance learning and work experience programme for those brave young people who can’t attend school or college but want to find a future path.

Our Change Coaches will work with community members on their pathway to employment. Bespoke packages will support people to prepare for, find and secure work. We will build confidence and employment networks and develop their experience through learning, volunteering and temporary work.

Boosting careers: Will upskill people who are working but stuck in low paid jobs to improve their career options and earning capacity

Better Sense

Community Resources: We will work with local communities to re-shape services through local delivery at community centres. Using The Elms as an exemplar and developing The Community Bank in St Austell.

Inclusion, Diversity and Equality underpins all activities driving community cohesion for inclusion. We will challenge inequality and discrimination by contributing to strategies and actions to make Cornwall fairer for One and All including work on Cornwall Council’s economic development, housing and joint ICB health and wellbeing strategies to ensure inclusion for all.

Voice & Influence: Community champions will co-design, visioning for the future, holding decision makers and service providers to account. We will champion non-judgmental service delivery

Business Support for Social Enterprises and self-employment will help to develop new social enterprises to shape localities.

Our resources – we will invest in our database, impact measurement, training and marketing to make sure our messages are measured and heard

Funding

The company is pursuing a mixed income funding strategy to reduce its reliance on any single source or stream of funding. Of particular note is the movement from European funding and the transition to GB Government streams of Shared Prosperity. 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.

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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 (FRS 102);
- 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

- Trustee



TAMMY BRYAN - TRUSTEE

Date:

06/09/2023

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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 2022 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 2022 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.

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.

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.

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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:

- 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.

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.

Our audit approach also considered the opportunities and incentives that may exist within the charity for fraud and identified the greatest potential for fraud being in respect of cut off and completion risk around revenue recognition. Under ISA (UK) we are also required to undertake procedures to respond to the risk of management override of controls. Our procedures included the following:

- Undertaking transactional testing on revenue
- Performing completeness testing on a sample of significant projects undertaken during the year
- Performing cut off testing on income
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for 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 2022

- Reviewing estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.

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

Josh Stevens ACA (Senior Statutory Auditor)

for and on behalf of RRL LLP

Chartered Accountants

Statutory Auditor

Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

19/09/2023

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 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Income					
Voluntary income	2	132,998	-	132,998	361,588
Income from charitable activities	3	516,261	1,377,348	1,893,609	1,509,789
Investment income	4	5,069	-	5,069	2,537
Total income		654,328	1,377,348	2,031,676	1,873,914
Expenditure on:					
Charitable activities	5	522,292	1,387,119	1,909,411	1,589,632
Total expenditure		522,292	1,387,119	1,909,411	1,589,632
Net income/(expenditure) before transfers		132,036	(9,771)	122,265	284,282
Gross transfers between funds		(5,621)	5,621	-	-
Net movement in funds		126,415	(4,150)	122,265	284,282
Total funds brought forward		408,014	261,900	669,914	385,632
Total funds carried forward		534,429	257,750	792,179	669,914

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.


The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Balance Sheet
As at 31 December 2022

	Notes	2022 £	2021 £
Fixed Assets			
Tangible assets	10	508,233	422,000
Investment property	11	104,000	104,000
		612,233	526,000
Current assets			
Debtors	12	538,871	308,666
Cash in bank and in hand		56,849	211,926
		595,720	520,592
Creditors: amounts falling due within one year	13	(253,432)	(96,053)
Net current assets		342,288	424,539
Total assets less current liabilities		954,521	950,539
Creditors: amounts falling due after more than one year	14	(162,342)	(280,625)
Total net assets		792,179	669,914
Charity funds:			
Unrestricted funds	16		
- Designated funds		241,664	
- General fund		292,765	
		534,429	408,014
Restricted funds	17	257,750	261,900
Total charity funds	18	792,179	669,914

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual financial statements required by the Companies Act 2006 and are for circulation to the members of the company.

Approved and authorised for issue by the Board of Trustees on 06/09/2023

Signed on its behalf by  Trustee

TAMMY BRYAN

Company registration number: 04228103

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Statement of Cash Flows
For the Year Ended 31 December 2022

	Notes	2022 £	2021 £
Net cash (used in)/generated by operating activities	22	(51,626)	76,843
Cash flows from investing activities			
Purchase of tangible fixed assets		(89,193)	-
Investment income		5,069	2,537
Cash flows from financing activities			
Repayment of borrowings		(19,327)	(31,883)
Increase in cash and cash equivalents		(155,077)	47,497
Cash and cash equivalents at the beginning of the year		211,926	164,429
Total cash and cash equivalents at the end of the year		56,849	211,926

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2022

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 2022

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 2022

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
Integral fixtures and fittings	8% 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 2022

2. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted 2021 £
Government grants	132,998	-	132,998	361,588

Cornwall Council – grants have been received totalling £132,998 (2021: £361,588) to assist with the following projects:

Bodmin Community Co-Creation – £24,846 (2021: £Nil).

First Aid and Food Hygiene Course – £Nil (2021: £324).

Future Hope Project – £Nil (2021: £10,600).

G7 Inspire a Generation – £Nil (2021: £630).

Local Restrictions Support Grant – £29,802 (2021: £24,143).

Suicide Prevention – £24,830 (2021: £Nil).

Tackling Health Inequalities – £11,450 (2021: £Nil).

Time 2 Move Holiday Programme – £16,400 (2021: £325,891).

Ukraine Support – £25,670 (2021: £Nil).

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2022

3. Income from charitable activities

Activity	Unrestricted Funds £	Restricted Funds £	Total 2022 £	2021 £
Communities Working Together	-	266,514	266,514	41,453
Compass	-	27,100	27,100	9,697
Cornwall Community Foundation	-	720	720	-
Foundation for Work	-	168,269	168,269	28,980
In Work Poverty	-	69,395	69,395	50,896
Learning	216	-	216	-
Pluss Building Better Opportunities – C2C	-	198,706	198,706	211,595
Pluss Building Better Opportunities – SE	-	242,482	242,482	209,826
Residents Resource	53,477	-	53,477	33,273
Smartline	-	-	-	2,127
St Austell Premises	2,150	-	2,150	600
Support for Christmas Activities	4,310	-	4,310	1,151
TCCG (Cornwall College)	-	58,789	58,789	61,498
Volunteer Cornwall – Social Prescribing	43,750	-	43,750	81,460
Volunteer Cornwall – Social Prescribing 2	279,401	-	279,401	193,067
V-Learning	112,903	-	112,903	211,818
V-Learning 19+	54	-	54	18,801
YTKO Engine Room	-	91,353	91,353	108,335
4 Work	-	24,610	24,610	90,739
Cornwall Community-led Local Development	-	-	-	3,599
Reaching Communities	-	-	-	14,696
MAGA Food Provision	-	-	-	16,156
Walking into Winter	-	-	-	7,400
Warmth Hub	20,000	-	20,000	-
Widening Participation	-	223,785	223,785	112,622
Wild	-	5,625	5,625	-
Incoming Resources from charitable activities:	516,261	1,377,348	1,893,609	1,509,789

Of the £1,893,609 received in 2022 (2021: £1,509,789), £1,377,348 was restricted funds (2021: £1,242,019) and £516,261 was unrestricted funds (2021: £267,770).

4. Income from investments

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted 2021 £
Investment property income	4,850	-	4,850	2,530
Bank interest	219	-	219	7
Incoming Resources from investments:	5,069	-	5,069	2,537

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2022

5. Expenditure on charitable activities

Activity	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
4 Work	-	77,409	77,409	45,773
Arnold Clark Foundation	338	-	338	30
Boosting Careers (In Work Poverty)	-	69,164	69,164	-
Capital Reserve	2,960	-	2,960	-
COMF Funding	27,360	-	27,360	78,523
COMF Funding Commitments	81,329	-	81,329	-
Communities Working Together	-	258,205	258,205	55,107
Compass	-	27,440	27,440	9,357
Cornwall Community Foundation	-	720	720	-
Cornwall Community-led Local Development	-	-	-	3,599
ERASMUS	-	-	-	1,118
Foundation for Work	-	171,835	171,835	30,675
Headstart Kernow	610	-	610	-
In Work Poverty	-	-	-	98,758
Learning	70	-	70	-
MAGA Food Provision	-	-	-	17,561
Pluss Building Better Opportunities C2C	-	198,706	198,706	223,872
Pluss Building Better Opportunities SE	-	233,301	233,301	222,276
Reaching Communities	-	472	472	36,336
Residents Resource	31,769	-	31,769	78,929
Smartline	-	-	-	1,715
St Austell Premises	7,438	-	7,438	7,147
Support for Christmas Activities	5,193	-	5,193	1,389
TCCG (Cornwall College)	-	43,233	43,233	60,826
Time to Move	6,305	-	6,305	1,526
Ukraine Fund	9,987	-	9,987	-
V Learning Net	98,098	-	98,098	128,636
V Learning 19+	439	-	439	4,808
Volunteer Cornwall Social Prescribing	38,138	-	38,138	56,710
Volunteer Cornwall Social Prescribing 2	210,552	-	210,552	184,935
Walking into Winter	-	-	-	7,272
Warmth Hub	1,706	-	1,706	-
Widening Participation	-	199,820	199,820	113,148
Wild	-	5,812	5,812	2,367
Why Don't You Club	-	-	-	2,587
YTKO Engine Room	-	101,002	101,002	114,652
Resources expended on charitable activities	522,292	1,387,119	1,909,411	1,589,632

Of the £1,909,411 of costs incurred in 2022 (2021: £1,589,632), £1,387,119 related to restricted funds (2021: £1,284,342) and £522,292 related to unrestricted funds (2021: £305,290).

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2022

6. Total expenditure

	Direct Costs £	Support Costs £	Total 2022 £	2021 £
Staff costs and other related expenditure	1,318,450	63,153	1,381,603	1,106,300
Beneficiary & other project costs	157,608	4,505	162,113	52,587
Contracted services	107,901	20,937	128,838	121,813
Office costs	50,471	89,494	139,965	133,483
Marketing and communications	3,947	1,520	5,467	13,819
Bank charges	1,143	220	1,363	231
Loan and overdraft interest	21,092	-	21,092	10,673
Sundry costs	2,242	1,653	3,895	5,274
Bad debts	47,404	-	47,404	125,645
Depreciation	2,960	-	2,960	2,761
Governance costs:				
Staff costs	-	4,935	4,935	4,935
Legal & professional fees	-	1,200	1,200	3,786
Auditors' remuneration	-	8,576	8,576	8,325
Total resources expended	<u>1,713,218</u>	<u>196,193</u>	<u>1,909,411</u>	<u>1,589,632</u>

7. Net income for the year

	Total 2022 £	Total 2021 £
This is stated after charging:		
Operating leases	18,236	16,601
Auditor's remuneration – audit fee	4,950	4,750
Auditor's remuneration – other services	3,626	3,575

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2022

8. Staff costs and trustees' remuneration

The average number of persons employed by the company (excluding trustees) during the year was 60 (2021: 45). These were employed as follows.

	2022	2021
Charitable activities	32	28
Project management and administration of the charity	11	14
Full time equivalent	43	42
Average staff numbers	60	45

The aggregate payroll costs of these persons were as follows:

	2022	2021
	£	£
Wages and salaries	1,217,340	961,404
Social security costs	95,192	74,329
Other pension costs (note 9)	36,619	27,096
	1,349,151	1,062,829

No employee received emoluments exceeding £60,000 during the current or prior year.

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 £69,629 (2021: £56,796).

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 £36,619 (2021: £27,096). The outstanding contribution at the year end was £6,747 (2021: £6,114).

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2022

10. Tangible fixed assets

	Freehold Premises £	Integral Fixtures & Fittings £	Furniture and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2022	416,000	-	191,315	10,780	618,095
Additions	-	89,193	-	-	89,193
At 31 December 2022	416,000	89,193	191,315	10,780	707,288
Depreciation					
At 1 January 2022	-	-	190,693	5,402	196,095
Charge for year	-	-	266	2,694	2,960
At 31 December 2022	-	-	190,959	8,096	199,055
Net book value					
At 31 December 2022	416,000	89,193	356	2,684	508,233
At 31 December 2021	416,000	-	622	5,378	422,000

The market value of the freehold property was determined on an open market basis by Burnett Davies Chartered Surveyors on 16th December 2010 and subsequently another professional valuation was obtained during 2020 which estimated the valuation at a similar level. The Trustees do not believe that the open market value has changed significantly since the date of the above original valuation.

11. Investment property

	2022 £	2021 £
Valuation as at 1 January 2022	104,000	104,000
Revaluation	-	-
Valuation as at 31 December 2022	104,000	104,000

12. Debtors

	2022 £	2021 £
Trade debtors	525,088	266,431
Prepayments	7,894	10,521
Sundry debtors	5,889	31,714
	538,871	308,666

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2022

13. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans (note 14)	19,327	20,371
Cornwall Council loan (note 14)	100,000	-
Trade creditors	23,475	19,655
Other taxes and social security	61,385	21,922
Other creditors	3,937	11,956
Accruals	30,308	22,149
Deferred income (note 15)	15,000	-
	253,432	96,053

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

	2022 £	2021 £
Bank loan (falling due in less than five years)	77,308	81,484
Bank loan (falling due after five years)	85,034	99,141
Cornwall Council loan (falling due in less than five years)	-	100,000
	162,342	280,625

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 £181,669 (2021: £200,996) is secured over The Elms.

The rate of interest payable on the loan from Cornwall Council is 4.5%.

15. Deferred income

	2022 £	2021 £
Deferred income is included within:		
Creditors due within one year	15,000	-
Deferred income at 1 January 2022	-	127,733
Released from previous years	-	(127,733)
Amounts deferred in the year	15,000	-
Deferred income at 31 December 2022	15,000	-

Included within deferred income of £15,000 (2021: £nil) is match funding income received in advance for activities in future periods.

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2022

16. Unrestricted funds	At 1 January 2022 £	Incoming £	Outgoing £	Transfer £	At 31 December 2022 £
Designated funds:					
Capital Reserve	6,000	-	(2,960)	-	3,040
COMF Funding	226,317	-	(81,329)	(140,734)	4,254
The Elms	112,350	-	-	19,327	131,677
The Elms – Renovation Fund	-	-	-	89,193	89,193
Electric Bikes & Bike Shed	-	-	-	11,000	11,000
Time 2 Move	-	-	-	2,500	2,500
	344,667	-	(84,289)	(18,714)	241,664
General fund	63,347	654,328	(438,003)	13,093	292,765
	408,014	654,328	(522,292)	(5,621)	534,429

Unrestricted funds

Project

Capital reserve
COMF Funding
The Elms

The Elms – Renovation Fund
Electric Bikes & Bike Shed
Time 2 Move

Purpose

NBV of furniture & equipment and motor vehicles
Cornwall Council grant for COVID recovery – designated by CN4C
Support towards the development of a community and social enterprise hub in Redruth
Capital costs of refurbishing the kitchen at the Elms.
Community electric bikes.
School holiday activity to supplement activities.

Prior year 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

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For the Year Ended 31 December 2022

17. Restricted funds

	At 1 January 2022 £	Incoming £	Outgoing £	Transfer £	At 31 December 2022 £
4 Work	44,966	24,610	(77,409)	8,162	329
Arts Council	24,172	-	-	-	24,172
Boosting Careers	-	69,395	(69,164)	-	231
Clothworkers	4,403	-	-	-	4,403
Communities Working Together	-	266,514	(258,205)	-	8,309
Compass	340	27,100	(27,440)	-	-
Cornwall Community Foundation	-	720	(720)	-	-
Elms - SWRDA	135,180	-	-	-	135,180
Foundation for Work	-	168,269	(171,835)	3,566	-
NHG	907	-	-	-	907
Pluss Building Better Opportunities C2C	-	198,706	(198,706)	-	-
Pluss Building Better Opportunities SE	-	242,482	(233,301)	-	9,181
Reaching Communities	-	-	(472)	472	-
Social Enterprise Investment Fund (SEIF)	42,899	-	-	-	42,899
TCCG (Cornwall College)	672	58,789	(43,233)	(16,228)	-
Walking into Winter	128	-	-	-	128
Widening Participation	-	223,785	(199,820)	-	23,965
Wild	8,233	5,625	(5,812)	-	8,046
YTKO Engine Room	-	91,353	(101,002)	9,649	-
	261,900	1,377,348	(1,387,119)	5,621	257,750

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Restricted funds

Project	Purpose
4 Work	Social recruitment agency
Arts Council	A voluntary, community and social enterprise hub – a capital programme
Boosting Careers	Support those in employment, earning under the average wage, to support them to upskill, providing more opportunities in the work place for progression.
Clothworkers	Fit out of social enterprise spaces at The Elms
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
Cornwall Community Foundation	Income for British Gymnastics participant
Elms - SWRDA	A voluntary, community and social enterprise hub – a capital programme.
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 inclusion activities
Reaching Communities	A voluntary, community and social enterprise hub – a capital programme
Social Enterprise Investment Fund (SEIF)	Community learning (non-accredited courses) for adults age 19+
TCCG (Cornwall College)	Building resilience through walking activities
Walking into Winter	Accredited learning and taster sessions for adults age 19+, to encourage engagement with higher education
Widening Participation	Funding for family activities including a residential trip
Wild	Social Enterprise and Self Employment Support
YTKO Engine Room	

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Prior year 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

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18. Analysis of net assets between funds

2022

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	301,579	206,654	508,233
Investment property	104,000	-	104,000
Net current assets	291,192	51,096	342,288
Creditors: Amounts falling due after more than one year	(162,342)	-	(162,342)
	534,429	257,750	792,179

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

19. Commitments

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

	Land & buildings 2022 £	Land & buildings 2021 £	Other 2022 £	Other 2021 £
Operating leases which expire:				
Within one year	10,500	2,080	8,281	8,281
In second to fifth years inclusive	13,125	-	4,831	13,112
	23,625	2,080	13,112	21,393

Amounts contracted for but not provided in the financial statements:

	2022 £	2021 £
Acquisition of tangible fixed assets	-	230,000
	-	230,000

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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

	2022 £	2021 £
Net movement in funds	122,265	284,282
Deduct investment income	(5,069)	(2,537)
(Increase) in debtors	(230,205)	(66,539)
Increase/(Decrease) in creditors	58,423	(141,124)
Depreciation charge	2,960	2,761
Net cash (used in)/generated by operating activities	<u>(51,626)</u>	<u>76,843</u>