

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 2023

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
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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 2023.

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 (Co-Chair from August 2023)
H-R Burch
A Gale
J Gough (Resigned October 2023)
C Groves
J Leigh (Co-Chair from August 2023)
J Stewart (Chair, Resigned August 2023)
S Sisson (Resigned September 2023)
S Sleeman (Resigned March 2023)
C Trevena (Appointed August 2023)
B Ellenbroek (Appointed August 2023)
P Lucock (Appointed February 2024)
K Ogilvie (Appointed August 2023)

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 Malling
ME19 4TA

Unity Trust Bank plc
Nine Brindley Place
Birmingham
B1 2HB

Solicitors

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

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Cornwall Neighborhoods 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 changeover of trustees in 2023 with 4 new appointments and 4 resignations. There remains a good balance of professional trustees mixing with community trustees, who have 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 now Co Chairs 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 monthly. 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. Post pandemic there has been a return to office-based working with occasional homeworking where required.

The focus for 2023 has been on driving performance on the end of ESF programmes, developing our learning provision, increasing programmes for health and wellbeing, and developing St Austell as a community hub. Of particular note are the Communities Working Together and Foundations for Work ESF programmes, TOAST the Young People's Learning programme, Gateway and place-based Community Health Workers.

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.

2023 has continued to be a time of challenge financially and health wise for those who we work with. The impact of the pandemic on those who were already struggling with loneliness or mental health mean that they 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

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persistent hardship. We have been able to work with people to support them to overcome their challenges. The majority of programmes performed on target or within tolerance levels.

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 enabled us to better measure the impact, quality and quantity of our work.

Vision and Mission

There have been no changes to the vision during 2023 following review in 2022. It remains:

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.

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The Trustees and Strategic Leadership Team recognise that some of the language that forms the objects of the charity is out of date, and will be working on updating this over the next year.

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 2023 were:

Better Lives – Many people face deep and complex challenges to meeting their basic needs leaving them 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 online 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 – The cost of living crisis and impact of the pandemic have highlighted fears about financial insecurity. Some fear losing long-term benefits to insecure work on minimum wage. This is compounded by experiences of the system being slow, judgmental or unresponsive to changed need. Many people want to work but are often unemployed, underemployed or in a job that just doesn't pay enough especially if they have low qualifications. Employers have vacancies 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. 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 neighborhoods. 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

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in poverty are positively encouraged to participate by the organisation providing free services in their neighborhood including support with childcare, transport or other costs.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

Strategic Development

2023 has been a challenging year as the charity copes with the end of EU funding. Historically around 2/3rds of the charity's income in each and every year of the last two decades has come from this source. Transition to other sources was planned over a two year period, and by the year end significant alternative funds had been sourced. However, during the year this did result in significant downsizing of 50% which was followed by 50% growth again by year end. We were able to secure extensions on some of our ESF activity to stretch to the end of 2023 and the last date for EU funding spend. The significant sources of funding were for Community Health Workers from the ICB, for Parent Power from Shared Prosperity and for St Awesome from TNL Community Fund. These all support that the charity is a going concern for the foreseeable future.

Turnover has exceeded £1million for the fourth year in a row and a surplus position is report for the fifth 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 was a decrease in staff numbers at the start of the year but there has been growth in the last quarter moving from 61 (49 FTE) at the end of 2022 to 36 (26 FTE) at the end of 2023. The initial downsizing was planned and predicted. The rate of growth in quarter 4 gave reassurance that the business model is working effectively.

The reputation of the company continues to be good with ongoing inclusion in countywide 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 program 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.

The locality and cross-organisational working model introduced in 2021 continues to be augmented by the use 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 has eased programme transition and provides a move 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 organizations who offered their support.

The Business Plan for 2024 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-

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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 regeneration activities in Cornwall. We continue to work on a partnership and provider basis on skills and employment funded programmes supporting people from exclusion into activity, learning and work though our work here has decreased with the retraction of EU funding. We continue to deliver mainstream contracts for learning delivery with Cornwall College and Step Into Learning and see significant growth in our work with young people. We completed our 7 year programmes through BBO ESF as well as local partnerships for Foundations for Work and Communities Working together. Both the Community Led Local Development funding of 4 Work and The Engine Room programme completed their assistance for people seeking to enter self-employment or to start a social enterprise or CIC.

There has been a transition from EU funding to Shared Prosperity Fund, the successor to European funded programmes and the Charity has secured funding for its work with families. 2023 will be the first time in the Charity's history that there are no significant programmes for supporting unemployed single people back towards employment. The Shared Prosperity runs until March 2025. We are already being involved with plans for future skills and employment strategies.

Our relationship with Health continues to grow as PCNs strengthen their understanding of the importance of wellness provided through community activities. Social prescribing retracted rapidly in Q1 2023. These have been replaced by Peer Support, Locality Gateway and Community Health Workers. Augmented by Community Hub investment in Redruth and St Austell these programmes assist people with long term medical conditions and anxiety to become less isolated and more active in their communities as well as meeting immediate need and alleviating crisis.

Our work around mental health is increasing and we have secured funding through the mental health alliance led by CVSF, for work with Young people and in early 2024 secured funding for suicide prevention through community activity from the Department for Health and Social Care.

There are significant funds secured into 2024 showing that the company is a going concern for the next year. Business planning over the next two years will focus on the long-term operational model of the charity as we move to a more varied funding base increasing resilience for the future.

Cash flow has been tight at times during 2023 due to the payment in arrears methodology of many of the ESF grant funded programmes. However, this has eased across the back end of the year and into 2024 as the final payments are received. The cash flow assistance support from Cornwall Council has now been repaid in full. Cash flow projection across 2024 is positive.

Operational Delivery in 2023

As we came to the end of ESF programmes there has been a further consolidation of the company's operational delivery. This has coincided with a retraction from social prescribing by local health providers but this has more than been replaced by ICB and Cornwall Wide purchase of Health and Well Being, Peer Support and Locality Gateway purchase of community well being services. Managers continue to work well together to adopt a cross-organisational approach to the benefit of clients and the company. Programmes are listed on page 25 but of considerable note are:

- TNLCE ESF Positive People programmes in Coast 2 Coast and South and East areas with SEETEC end May 2023

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- ESF Foundations for Work and Communities Working Together programmes with LPCo ended Dec 2023
- Learning contracts for Cornwall College
- Step Into Learning – young people's learning delivery and adult accredited programmes
- Mental Health support through a variety of local and national funds
- Community Health Work – a significant new programme for Redruth and Illogan funded by ICB
- St Awesome – a three year revenue programme for community development in St Austell funded by TNL Community Fund.

Volunteering

Volunteering continues to be a key area of growth in 2023 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 activities for 2024.

Young People

Our continued relationship with Step Into Learning has seen maintenance of our contract for 2023/24 with future negotiation on contract for 24/25 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. Just Be which runs in the evening to provide a safe and creative place for vulnerable young people continues through a variety of funding pots. We are extending our work through out of school activities for those who can't attend mainstream and to Ukrainian teenagers.

VIVA – Community Designers

Our group of community designers continue to develop 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 undertaken commissioned work and are now taking their model out into other communities.

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 2023 regarding fundraising activities.

FINANCIAL REVIEW

Overview

The company ended the 2023 financial year with a surplus of £139,720 (2022: £122,265). Incoming resources amounted to £1,558,281 which was £473,395 lower than in 2022. Operating expenditure totaled £1,400,561 which was £508,850 lower than in 2022.

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 2023 were £554,354 (2022: £534,429) and free reserves were £122,566 (2022: £111,096). 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.

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 have not been changed during 2023. 2024 will be a time of settlement of the charity following the turbulence of 2023. The planned downsizing and transition of the charity during the end of 2023 and into 2024 has occurred. As new funds have been secured the charity has recommenced moderate growth and will now stabilise through 2024 and into 2025.

Our key areas for development will be with Health and for mainstream learning programmes. Our rent yield for the Hubs has stabilised with some slight projections for growth toward the end of 2024. We continue to strengthen our corporate and personal donations base with regular campaigns now being run on Crowdfunder.

We are confident that the charity is a going concern. Trustees have agreed to invest up to £100k of unrestricted reserves to maintain the core staff team at current levels across 2024 as new funding streams are secured for the longer term.

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 2024 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 6 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.

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. We will provide specialist Ukrainian family support service to support trauma and integration.

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.

Digital Skills – we will work with people who are digitally excluded to bring them the skills and technical kit to overcome barriers.

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. We will produce a Pantomime in late 2024.

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.

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

T Bryan - Trustee

Date: 25 September 2024

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Opinion

We have audited the financial statements of Cornwall Neighbourhoods for Change Limited (A Company Limited by Guarantee) (the 'charitable company') for the year ended 31 December 2023 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 2023 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. 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 this gives rise to a material misstatement in the financial statements themselves. 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 charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Independent Auditor's Report
For the Year Ended 31 December 2023

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

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Independent Auditor's Report
For the Year Ended 31 December 2023

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/auditorsresponsibilities>. 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.

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

26 September 2024

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 2023

	Notes	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £
Income					
Voluntary income	2	47,228	23,832	71,060	132,998
Income from charitable activities	3	476,248	991,614	1,467,862	1,893,609
Investment income	4	19,359	-	19,359	5,069
Total income		542,835	1,015,446	1,558,281	2,031,676
Expenditure on:					
Charitable activities	5	449,144	951,417	1,400,561	1,909,411
Total expenditure		449,144	951,417	1,400,561	1,909,411
Net losses on Investments		(18,000)	-	(18,000)	-
Net income before transfers		75,691	64,029	139,720	122,265
Gross transfers between funds		(55,766)	55,766	-	-
Net movement in funds		19,925	119,795	139,720	122,265
Total funds brought forward		534,429	257,750	792,179	669,914
Total funds carried forward		554,354	377,545	931,899	792,179

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 2023

	Notes	2023 £	2022 £
Fixed Assets			
Tangible assets	10	429,665	508,233
Investment property	11	86,000	104,000
		515,665	612,233
Current assets			
Debtors	12	303,918	538,871
Cash in bank and in hand		297,121	56,849
		601,039	595,720
Creditors: amounts falling due within one year	13	(38,697)	(253,432)
Net current assets		562,342	342,288
Total assets less current liabilities		1,078,007	954,521
Creditors: amounts falling due after more than one year	14	(146,108)	(162,342)
Total net assets		931,899	792,179
Charity funds:			
Unrestricted funds	16		
- Designated funds		266,786	
- General fund		287,568	
		554,354	534,429
Restricted funds	17	377,545	257,750
Total charity funds	18	931,899	792,179

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 25 September 2024.

Signed on its behalf by **T Bryan – Trustee**

Company registration number: 04228103

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Statement of Cash Flows
For the Year Ended 31 December 2023

	Notes	2023 £	2022 £
Net cash (used in)/generated by operating activities	22	342,785	(51,626)
Cash flows from investing activities			
Purchase of tangible fixed assets		(5,205)	(89,193)
Investment income		19,359	5,069
Cash flows from financing activities			
Repayment of borrowings		(116,667)	(19,327)
Increase in cash and cash equivalents		240,272	(155,077)
Cash and cash equivalents at the beginning of the year		56,849	211,926
Total cash and cash equivalents at the end of the year		297,121	56,849

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2023

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 2023

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 on the basis that all of these operations are essential to the running of the organisation, even though they are not directly related to delivery of services.

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 2023

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 2023

2. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted 2022 £
Government grants	47,228	23,832	71,060	132,998

Cornwall Council – grants have been received totalling £71,060 (2022: £132,998) to assist with the following projects:

Participant Grant - £240 (2022: £Nil)

Reading Fund - £200 (2022: £Nil)

Spring Term EHCP - £31,563 (2022: £Nil)

Time 2 Move Holiday Programme – £15,225 (2022: £16,400).

4 Work - £23,832 (2022: £Nil)

Ukraine Support – £Nil (2022: £25,670).

Bodmin Community Co-Creation – £Nil (2022: £24,846).

Local Restrictions Support Grant – £Nil (2022: £29,802).

Suicide Prevention – £Nil (2022: £24,830).

Tackling Health Inequalities – £Nil (2022: £11,450).

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2023

3. Income from charitable activities

Activity	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Access Foundation Grant	-	69,826	69,826	-
Affordable Food Club	1,222	-	1,222	-
Communities Working Together	-	206,822	206,822	266,514
Community Health & Wellbeing	28,095	-	28,095	-
Compass	-	26,317	26,317	27,100
Cornwall Community Foundation	-	-	-	720
Foundation for Work	-	347,974	347,974	168,269
Boosting Careers (In Work Poverty)	-	69,994	69,994	69,395
Gateway	94,000	-	94,000	-
Just Be	10,000	-	10,000	-
Ukraine Fund	1,450	-	1,450	-
Learning	-	-	-	216
Make A Difference	-	69,470	69,470	-
Multiply	21,768	-	21,768	-
People in Mind	19,993	-	19,993	-
Pluss Building Better Opportunities – C2C	-	21,785	21,785	198,706
Pluss Building Better Opportunities – SE	-	34,396	34,396	242,482
Residents Resource	24,969	-	24,969	53,477
St Austell Premises	-	-	-	2,150
St Awesome	-	82,421	82,421	-
Support for Christmas Activities	2,046	-	2,046	4,310
TCCG (Cornwall College)	51,460	-	51,460	58,789
Time To Move	750	-	750	-
Viva	3,900	-	3,900	-
Volunteer Cornwall – Social Prescribing	5,271	-	5,271	43,750
Volunteer Cornwall – Social Prescribing 2	55,422	-	55,422	279,401
V-Learning	135,902	-	135,902	112,903
V-Learning 19+	-	-	-	54
YTKO Engine Room	-	31,880	31,880	91,353
4 Work	-	(36,722)	(36,722)	24,610
Warmth Hub	20,000	-	20,000	20,000
Widening Participation	-	67,451	67,451	223,785
Wild	-	-	-	5,625
Incoming Resources from charitable activities:	476,248	991,614	1,467,862	1,893,609

Of the £1,467,862 received in 2023 (2022: £1,893,609), £991,614 was restricted funds (2022: £1,377,348) and £476,248 was unrestricted funds (2022: £516,261).

4. Income from investments

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted 2022 £
Investment property income	16,540	-	16,540	4,850
Bank interest	2,819	-	2,819	219
Incoming Resources from investments:	19,359	-	19,359	5,069

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2023

5. Expenditure on charitable activities

Activity	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
4 Work	-	29,391	29,391	77,409
Affordable Food Club	6,680	-	6,680	-
Arnold Clark Foundation	-	-	-	338
Arts Council	-	8,640	8,640	-
Boosting Careers (In Work Poverty)	-	69,452	69,452	69,164
Capital Reserve	3,040	-	3,040	2,960
Clothworkers	-	1,440	1,440	-
COMF Funding	-	-	-	27,360
COMF Funding Commitments	805	-	805	81,329
Communities Working Together	-	170,991	170,991	258,205
Compass	-	24,705	24,705	27,440
Cornwall Community Foundation	-	-	-	720
Electric Bike Shed	1,331	-	1,331	-
Foundation for Work	-	336,482	336,482	171,835
Elms – SWRDA	-	46,800	46,800	-
Gateway	35,450	-	35,450	-
HeadStart Kernow	-	-	-	610
Learning	-	-	-	70
Magic Cupboard	280	-	280	-
Make A Difference	-	38,636	38,636	-
Multiply	15,393	-	15,393	-
Pluss Building Better Opportunities C2C	-	23,824	23,824	198,706
Pluss Building Better Opportunities SE	-	49,030	49,030	233,301
Reaching Communities	-	-	-	472
Residents Resource	113,578	-	113,578	31,769
St Awesome	-	111	111	-
Social Enterprise Investment Fund	-	15,120	15,120	-
St Austell Premises	18,009	-	18,009	7,438
Step in to Learning	108,975	-	108,975	-
Support for Christmas Activities	3,388	-	3,388	5,193
TCCG (Cornwall College)	24,819	-	24,819	43,233
The Elms Renovation Fund	7,432	-	7,432	-
Time to Move	17,195	-	17,195	6,305
Ukraine Fund	16,295	-	16,295	9,987
Viva	1,298	-	1,298	-
V Learning Net	-	-	-	98,098
V Learning 19+	25	-	25	439
Volunteer Cornwall Social Prescribing	19,219	-	19,219	38,138
Volunteer Cornwall Social Prescribing 2	45,120	-	45,120	210,552
Walking into Winter	-	128	128	-
Warmth Hub	10,812	-	10,812	1,706
Widening Participation	-	91,416	91,416	199,820
Wild	-	8,046	8,046	5,812
YTKO Engine Room	-	37,205	37,205	101,002
Resources expended on charitable activities	449,144	951,417	1,400,561	1,909,411

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2023

Of the £1,400,561 of costs incurred in 2023 (2022: £1,909,411), £951,417 related to restricted funds (2022: £1,387,119) and £449,144 related to unrestricted funds (2022: £522,292).

6. Total expenditure

	Direct Costs £	Support Costs £	Total 2023 £	Total 2022 £
Staff costs and other related expenditure	906,041	37,907	943,948	1,381,603
Beneficiary & other project costs	103,590	11,369	114,959	162,113
Contracted services	33,496	34,219	67,715	128,838
Office costs	39,208	102,930	142,138	139,965
Marketing and communications	500	-	500	5,467
Bank charges	2,326	185	2,511	1,363
Loan and overdraft interest	18,035	-	18,035	21,092
Sundry costs	1,025	3,862	4,887	3,895
Bad debts	8,616	-	8,616	47,404
Depreciation	11,773	-	11,773	2,960
Revaluation of tangible fixed assets	72,000	-	72,000	-
Governance costs:				
Staff costs	-	4,935	4,935	4,935
Legal & professional fees	-	24	24	1,200
Auditors' remuneration	-	8,520	8,520	8,576
Total resources expended	<u>1,196,610</u>	<u>203,951</u>	<u>1,400,561</u>	<u>1,909,411</u>

7. Net income for the year

	Total 2023 £	Total 2022 £
This is stated after charging:		
Operating leases	20,075	18,236
Auditor's remuneration – audit fee	6,240	4,950
Auditor's remuneration – other services	2,280	3,626

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2023

8. Staff costs and trustees' remuneration

The average number of persons employed by the company (excluding trustees) during the year was 37 (2022: 60). These were employed as follows.

	2023	2022
Charitable activities	29	32
Project management and administration of the charity	6	11
Full time equivalent	35	43
Average staff numbers	37	60

The aggregate payroll costs of these persons were as follows:

	2023	2022
	£	£
Wages and salaries	840,398	1,217,340
Social security costs	62,459	95,192
Other pension costs (note 9)	28,321	36,619
	931,178	1,349,151

Included within wages and salaries are redundancy costs of £13,820 (2022: £Nil).

One employee received emoluments between £60,000 & £70,000 during the year (2022: None).

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 £75,881 (2022: £69,629).

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 £28,321 (2022: £36,619). The outstanding contribution at the year-end was £Nil (2022: £6,747).

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2023

10. Tangible fixed assets

	Freehold Premises £	Integral Fixtures & Fittings £	Furniture and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2023	416,000	89,193	191,315	10,780	707,288
Additions	-	-	5,205	-	5,205
Revaluation	(72,000)	-	-	-	(72,000)
At 31 December 2023	344,000	89,193	196,520	10,780	640,493
Depreciation					
At 1 January 2023	-	-	190,959	8,096	199,055
Charge for year	-	7,432	1,657	2,684	11,773
At 31 December 2023	-	7,432	192,616	10,780	210,828
Net book value					
At 31 December 2023	344,000	81,761	3,904	-	429,665
At 31 December 2022	416,000	89,193	356	2,684	508,233

The market value of the freehold property was determined on an open market basis by Bruton Knowles LLP in November 2023. This professional valuation determined the open market value to be lower than the carrying value. The revaluation loss has been charged to the Statement of Financial Activities

11. Investment property

	2023 £	2022 £
Valuation as at 1 January 2023	104,000	104,000
Revaluation	(18,000)	-
Valuation as at 31 December 2023	86,000	104,000

12. Debtors

	2023 £	2022 £
Trade debtors	295,863	525,088
Prepayments	8,055	7,894
Sundry debtors	-	5,889
	303,918	538,871

Cornwall Neighbourhoods for Change Limited
(A Company Limited by Guarantee)
Notes to the Accounts
For the Year Ended 31 December 2023

13. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Bank loans (note 14)	18,894	19,327
Cornwall Council loan (note 14)	-	100,000
Trade creditors	12,350	23,475
Other taxes and social security	-	61,385
Other creditors	1,213	3,937
Accruals	6,240	30,308
Deferred income (note 15)	-	15,000
	38,697	253,432

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

	2023	2022
	£	£
Bank loan (falling due in less than five years)	75,576	77,308
Bank loan (falling due after five years)	70,532	85,034
	146,108	162,342

The rate of interest payable on the loan is 4% above Base Rate subject to a minimum rate of 4%. The bank loan of £165,002 (2022: £181,669) is secured over The Elms by Unity Trust Bank.

15. Deferred income

	2023	2022
	£	£
Deferred income is included within:		
Creditors due within one year	-	15,000
Deferred income at 1 January 2023	15,000	-
Released from previous years	(15,000)	-
Amounts deferred in the year	-	15,000
Deferred income at 31 December 2023	-	15,000

Included within deferred income of £Nil (2022: £15,000) 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 2023

16. Unrestricted funds

	At 1 January 2023 £	Incoming £	Outgoing £	Transfer £	At 31 December 2023 £
Designated funds:					
Capital Reserve	3,040	-	(4,341)	5,205	3,904
COMF Funding	4,254	-	(805)		3,449
The Elms – ERDF	131,677	-	-	(1,333)	130,344
The Elms – Renovation Fund	89,193	-	(7,432)	-	81,761
Electric Bikes & Bike Shed	11,000	-	(30)	(5,205)	5,765
Just Be	-	10,000	-	-	10,000
Time 2 Move	2,500	-	-	(2,500)	-
Toast	-	-	-	31,563	31,563
	241,664	10,000	(12,608)	27,730	266,786
General fund	292,765	532,835	(454,536)	(83,496)	287,568
	534,429	542,835	(467,144)	(55,766)	554,354

Unrestricted funds

Project

Capital reserve
COMF Funding
The Elms

The Elms – Renovation Fund
Electric Bikes & Bike Shed
Just Be

Time 2 Move
Toast

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.
Weekly activity for young people up to the age of 25 to support mental health & social confidence
School holiday activity to supplement activities.
A second chance learning and work experience programme.

Prior year 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

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17. Restricted funds

	At 1 January 2023	Incoming	Outgoing	Transfer	At 31 December 2023
	£	£	£	£	£
4 Work	329	(12,890)	(29,390)	41,951	-
Access Foundation Grant	-	69,826	-	-	69,826
Arts Council	24,172	-	(8,640)	-	15,532
Boosting Careers	231	69,994	(69,452)	-	773
Clothworkers	4,403	-	(1,440)	-	2,963
Communities Working Together	8,309	206,822	(170,991)	6,735	50,875
Compass	-	26,317	(24,705)	-	1,612
Elms - SWRDA	135,180	-	(46,800)	-	88,380
Foundation for Work	-	347,974	(336,482)	-	11,492
Make A Difference	-	69,470	(38,636)	(5,738)	25,096
NHG	907	-	-	-	907
Pluss Building Better Opportunities C2C	-	21,785	(23,824)	2,039	-
Pluss Building Better Opportunities SE	9,181	34,396	(49,031)	5,454	-
Social Enterprise Investment Fund (SEIF)	42,899	-	(15,120)	-	27,779
St Awesome	-	82,421	(111)	-	82,310
Walking into Winter	128	-	(128)	-	-
Widening Participation	23,965	67,451	(91,416)	-	-
Wild	8,046	-	(8,046)	-	-
YTKO Engine Room	-	31,880	(37,205)	5,325	-
	257,750	1,015,446	(951,417)	55,766	377,545

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Project	Purpose
4 Work	Social recruitment agency
Access Foundation Grant	Empower participants to connect digitally, through lessons in how to use IT equipment and by providing laptops for those completing the courses.
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
Make a Difference	Supporting the community through the winter to reduce isolation and provide access to warm spaces and food.
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)	Making St Austell Awesome through one-to-one support and group activities to benefit mental and physical health.
St Awesome Fund	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 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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18. Analysis of net assets between funds

2023	Unrestricted £	Restricted £	Total £
Tangible fixed assets	295,011	134,654	429,665
Investment property	86,000	-	86,000
Net current assets	319,451	242,891	562,342
Creditors: Amounts falling due after more than one year	(146,108)	-	(146,108)
	554,354	377,545	931,899

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

19. Commitments

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

	Land & buildings 2023 £	Land & buildings 2022 £	Other 2023 £	Other 2022 £
Operating leases which expire:				
Within one year	10,500	10,500	7,372	8,281
In second to fifth years inclusive	2,625	13,125	23,957	4,831
	13,125	23,625	31,329	13,112

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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

	2023	2022
	£	£
Net movement in funds	139,720	122,265
Deduct investment income	(19,359)	(5,069)
Loss on Investments	18,000	-
Loss on revaluation of tangible fixed assets	72,000	-
Decrease/(increase) in debtors	234,953	(230,205)
(Decrease)/increase in creditors	(114,302)	58,423
Depreciation charge	11,773	2,960
Net cash generated by/(used in) operating activities	<u>342,785</u>	<u>(51,626)</u>

23. Auditors' liability limitation agreement

For the year ended 31 December 2023, the charity entered into a liability limitation agreement with its auditors, the principal terms of which limit the liability of the auditors to £1,500,000 in relation to their responsibilities as auditors of the charity. The date this was agreed by the charity was 18 March 2024.