

Company registration number: 04419371

Charity registration number: 1096954

The Community Technology Project

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 April 2023

Community Accounting Plus
Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

The Community Technology Project

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The Community Technology Project

Reference and Administrative Details

Trustees	Michael Parker
	David Chabbi
	Denise Lissenden
	Alexander Deriziotis
	Mark Gensler
Secretary	Michael Parker
Senior Management Team	Alan Buchel, Operations Manager
Charity Registration Number	1096954
Company Registration Number	04419371
Registered Office	205 Amesbury Avenue London SW2 3BJ
Independent Examiner	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL

The Community Technology Project

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 April 2023.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Michael Parker
	David Chabbi
	Denise Lissenden
	Alexander Deriziotis
	Mark Gensler

Secretary:	Michael Parker
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Structure, governance and management

Nature of governing document

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 17th April 2002. It has no share capital and the liability of each member in the event of winding-up is limited to £10.

Recruitment and appointment of trustees

Trustees are nominated by staff and trustees, interviewed and appointed by a panel of existing trustees.

Objectives and activities

Objects and aims

The Company is established to:

- (a) relieve poverty, sickness and distress of the needy anywhere in the world through the use of technology;
- (b) advance education of the public about science and the subject of technology and its beneficial uses.

In the furtherance of these objectives, the Community Technology Project (Comm-Tech) operates IT-AID, a project which provides affordable ICT support services to the non-profit and voluntary sector, supporting and fostering the IT infrastructure of organisations that are not able to benefit from in house IT expertise, or supporting their in-house expertise where available.

Public benefit

The trustees have undertaken activities during the year which all give benefit to the public in accordance with the Charity Commission's guidance.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The Community Technology Project

Trustees' Report

Achievements and performance

The company works with its clients to ensure they have the technical means and capacity to deliver their charitable aims, and to enhance their ability to do so more effectively. Over the course of this financial year we completed the upgrade of all our clients to meet the National Cyber Security Centre's Cyber Essentials Certification standards. As media stories about the catastrophic effects of ransomware or phishing attacks have shown, cybersecurity continues to be a major issue that if not properly attended to can lead to security lapses that could put the organisation out of business. Comm-Tech has always put cybersecurity front and centre in its services and training for clients, something made especially important since the rise of home working during the pandemic, and so we are glad to see this milestone reached for all our clients.

In the past, computer recycling and refurbishment, data destruction and computer collections were a key part of Comm-Tech's product offerings. While we continue to offer this, we do so on a much smaller scale in order only to provide the equipment needed by our charity clients who for environmental or economic reasons prefer low-cost, previously used machines that are nevertheless reliable and fit-for-purpose. To this end over the course of the year we refurbished and deployed approximately 50 computers and laptops. We also set up and distributed a number of devices sourced from third party refurbishers.

We continued to work with Lambeth, our local authority, for which we overhauled some of the Digital Hub community computer resources we set up for the council almost a decade ago.

We successfully migrated three clients away from local servers to cloud-based systems, migrated two clients from hardware telecoms systems to VOIP infrastructure, and undertook an entire office move for one client.

Over the course of the year we lost two smaller clients, both of which were downsizing away from having their own office premises due to the loss of funding and pandemic-related financial support. Comm-Tech managed their transition, simplifying their systems, migrating them to cloud services, and providing staff training including that which would allow them to manage themselves. We hope to see them return as clients when their situation allows it.

We took on one smaller client, and one large client, an education organisation, for which we are designing a new examination administration system. This represents a new and exciting area of work for Comm-Tech, using our extensive technical expertise to design powerful integrated systems that take full advantage of cloud services.

Financial review

Administration and finance

Over this financial year the company had 19 clients in total. We lost two smaller clients, and gained one small and one larger client. In the financial year ending April 2023, the company made around £21,000 less in revenue than the year before, leading to a loss of approximately £6,000 compared to the previous year's profit of £4,000. While regular support fee income remained consistent, the previous year had been a bumper year for migration project revenue, with many clients using Comm Tech to migrate their infrastructure to cloud based services.

Recognising that the company needs more engineers in order to provide support to a growing client base, we embarked on a recruitment operation in January 2023 and in April 2023 were delighted to welcome a new staff member on an apprenticeship programme.

The Community Technology Project

Trustees' Report

Due to the pressures brought by the pandemic to Comm-Tech's clients, the company has not raised its fees in several years. However, in response to rising costs and inflation, Comm-Tech raised its retainer fees for service contract clients in May 2022 by 20%.

We have retained our independent examiner, CA Plus in Nottingham, taken on last year, who have provided an excellent service.

Policy on reserves

The company's reserves policy is for three months of operating costs. Currently the company does not meet its reserves policy, with the existing reserves having been drawn down during this period of high inflation. However we expect to be able to return to around two months' reserves by the end of 2023-24.

Principal risks and uncertainties

We have a sufficient number of engineers for the number of clients the company supports. However there is a delicate balance required to bring on enough clients to pay the engineers required to support them, given their limited ability to pay for services. A practical approach is to bring on more larger clients who have the capacity to pay larger monthly service retainer fees in order to ensure a comfortable headroom of income over staff costs, and to ensure that Comm-Tech is able to continue providing services to its smaller charity clients with restricted incomes – which is a key part of the company's charitable aims.

One of our engineers is due to return to Italy in the coming months. While he will continue to work for Comm-Tech remotely, we will need to plan for circumstances such as remote work no longer being suitable for the company, or his finding alternative employment closer to home.

Trustees' review

In the face of soaring inflation through 2022-23 and rising costs, Comm-Tech's client base has held up well and continues to find the company's offerings an excellent service at the right price. We are not immune from cost pressures however, in our miscellaneous costs and in respect of staff salaries, and so we will need to be vigilant in keeping a lid on costs and ensuring that client fees meet or exceed those costs we must pass on.

It has been disappointing that our work developing a product for Citizens Advice Bureaus has so far not been taken up more widely by others, and this will continue to be something we will focus on in order to extract the best return on the investment in the work involved.

Looking forward to 2023-24

The wider economic situation in the UK remains difficult, with costs remaining stubbornly high despite inflation declining from its peak. This means there will be continued pressure on salary demands for engineers, with potential risks to staff retention.

For the future the company needs to focus on attracting and retaining larger clients more able to pay larger monthly retainers in order to ensure that the company has the means to continue to provide support to smaller clients, as per the company's charitable aims.

The company is also focusing on diversifying into alternative ways of supporting clients that are less complex and more cost efficient, such as supporting particular pieces of software or business processes, rather than representing the overall IT support function for the client. Representing an IT department as an external service means dealing with third parties and is inevitably more time consuming and costly. Supporting specific pieces of software or functions means we can hand-off requests outside those functions to others.

The Community Technology Project

Trustees' Report

Statement of Responsibilities

The trustees (who are also the directors of The Community Technology Project for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 23 January 2024 and signed on its behalf by:

.....
Michael Parker
Company Secretary and Trustee

The Community Technology Project

Independent Examiner's Report to the trustees of The Community Technology Project (‘the Company’)

Independent examiner's report to the trustees of The Community Technology Project ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 April 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

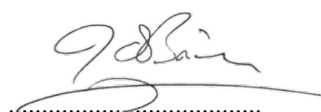
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



John O'Brien MSc, FAIA, FCCA, FCIE, employee of Community Accounting Plus
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

23 January 2024

The Community Technology Project

Statement of Financial Activities for the Year Ended 30 April 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2023 £	Total 2022 £
Income and Endowments from:				
Donations and legacies	2	-	-	2,513
Charitable activities	3	144,922	144,922	163,646
Investment income	4	38	38	4
Total income		<u>144,960</u>	<u>144,960</u>	<u>166,163</u>
Expenditure on:				
Charitable activities	5	<u>(150,988)</u>	<u>(150,988)</u>	<u>(162,216)</u>
Total expenditure		<u>(150,988)</u>	<u>(150,988)</u>	<u>(162,216)</u>
Net (expenditure)/income		<u>(6,028)</u>	<u>(6,028)</u>	<u>3,947</u>
Net movement in funds		(6,028)	(6,028)	3,947
Reconciliation of funds				
Total funds brought forward		<u>27,729</u>	<u>27,729</u>	<u>23,782</u>
Total funds carried forward		<u>21,701</u>	<u>21,701</u>	<u>27,729</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for the period is shown in note .

The notes on pages 9 to 14 form an integral part of these financial statements.

The Community Technology Project

(Registration number: 04419371)

Balance Sheet as at 30 April 2023

	Note	2023 £	2022 £
Current assets			
Debtors	8	28,402	9,227
Cash at bank and in hand	9	<u>10,659</u>	<u>46,453</u>
		39,061	55,680
Creditors: Amounts falling due within one year	10	<u>(17,360)</u>	<u>(27,951)</u>
Net assets		<u>21,701</u>	<u>27,729</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>21,701</u>	<u>27,729</u>
Total funds		<u>21,701</u>	<u>27,729</u>

For the financial year ending 30 April 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 7 to 14 were approved by the trustees, and authorised for issue on 23 January 2024 and signed on their behalf by:

.....
Michael Parker
Company Secretary and Trustee

The notes on pages 9 to 14 form an integral part of these financial statements.

The Community Technology Project

Notes to the Financial Statements for the Year Ended 30 April 2023

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The Community Technology Project meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

The Community Technology Project

Notes to the Financial Statements for the Year Ended 30 April 2023

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

The Community Technology Project

Notes to the Financial Statements for the Year Ended 30 April 2023

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2 Income from donations and legacies

	Total 2023 £	Total 2022 £
Donations and legacies;		
Donations from companies, trusts and similar proceeds	-	52
Grants, including capital grants;		
Government grants	-	2,461
	<u>-</u>	<u>2,513</u>

3 Income from charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Refurbished computers, IT support & training	122,034	122,034	142,455
Affiliation - Charity Base subscription	22,110	22,110	20,810
Insurance claim	-	-	300
Sundry income	778	778	81
	<u>144,922</u>	<u>144,922</u>	<u>163,646</u>

The Community Technology Project

Notes to the Financial Statements for the Year Ended 30 April 2023

4 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	38	38	4

5 Expenditure on charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Bank charges	15	15	100
Donations given	30	30	-
Equipment, repairs & renewals	98	98	424
Bad debts	-	-	691
Insurance	835	835	1,033
Hardware purchases	21,566	21,566	18,831
Software purchases & hosting fees	1,222	1,222	3,585
Legal & professional	6,975	6,975	6,423
Consultants	8,668	8,668	10,541
Printing, postage & stationery	31	31	118
Publications & subscriptions	79	79	79
Delivery costs	1,212	1,212	1,007
Rent & services	7,333	7,333	7,889
Staff expenses	362	362	273
Sundry payments	-	-	363
Telephone, internet & IT	2,057	2,057	1,082
Utilities	351	351	3,721
Wages, NI & pension	99,337	99,337	106,056
Apprenticeship costs	750	750	-
Staff training	27	27	-
Volunteer expenses	40	40	-
	<u>150,988</u>	<u>150,988</u>	<u>162,216</u>

The Community Technology Project

Notes to the Financial Statements for the Year Ended 30 April 2023

6 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	92,000	98,617
Social security costs	5,139	5,176
Pension costs	2,198	2,263
	<u>99,337</u>	<u>106,056</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2023 No	2022 No
Average number of employees	<u>3</u>	<u>4</u>

3 (2022 - 4) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £2,198 (2022 - £2,263).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £39,274 (2022 - £34,352).

7 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2023 £	2022 £
Independent examination	1,025	980
	<u>1,025</u>	<u>980</u>

8 Debtors

	2023 £	2022 £
Trade debtors	23,597	8,626
Prepayments	305	601
Other debtors	4,500	-
	<u>28,402</u>	<u>9,227</u>

The Community Technology Project

Notes to the Financial Statements for the Year Ended 30 April 2023

9 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	783	783
Cash at bank	9,876	45,670
	<u>10,659</u>	<u>46,453</u>

10 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	-	3,924
Other taxation and social security	15,408	21,172
Other creditors	1,952	2,855
	<u>17,360</u>	<u>27,951</u>

11 Charity status

The charity is a company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

14 Related party transactions

There were no related party transactions in the year.