

Registered number  
04323551

London Community Resource Network

Report and Accounts

31 March 2021

Report and Accounts

**London Community Resource Network**  
**Company Information**

**Status** The organisation is a charitable company limited by guarantee

Incorporated on 15th November 2001 and registered as a charity on 30th March 2007

**Governing document** Memorandum and articles of association reviewed and adopted March 2007

**Company Number** 04323551

**Charity Number** London Community Resource Network

**Registered office** 20 Club Row  
London  
E2 9Y

**Trustees who served on LCRN's Board between 1<sup>st</sup> April 2020 and 31<sup>st</sup> March 2021**

A Adeshina	O-bay community trust
C Hall	Independent (resigned 30/9/2020)
M Hardy	Independent
B Kelly	Forest Recycling Project
G Parry	Groundwork
D Taylor	Eco Communities
K Sonnet	Independent
E Tombs	Independent (appointed 14/3/2022)

**Company Secretary** E Tombs

**Bankers** Unity Trust Bank  
Nine Brindley Place  
Birmingham  
B1 2HB

**Independent examiner** Brookfield & CO  
Chartered accountants and registered auditors  
18 Concanon Road  
London  
SW2 5TA

**Registered number**  
04323551

**Charity Reference Number**  
1118616

## **LONDON COMMUNITY RESOURCE NETWORK**

### **REPORT OF THE TRUSTEES for the year ended 31 March 2021**

The Board of Trustees presents its report and the financial statements of London Community Resource Network (LCRN) for the year ended 31 March 2021

### **STRUCTURE AND ORGANISATION**

LCRN is a Company Limited by Guarantee, and, in March 2007, registered as a charity. The company is governed by a Memorandum and Articles of Association and the directors of the company serve as Trustees of the charity. The Board of Trustees communicates regularly to manage its affairs, with the day-to-day delivery and administration being performed by paid staff, a network of associates, interns and volunteers. Two thirds of the Trustees are elected by members of the company from within the membership and one third of Trustees are appointed by the Board to bring specific skills to the company as required, up to a maximum total of 15 Trustees.

### **GROUP ACCOUNTING**

LCRN had a subsidiary, **London Reuse Limited**, company number 07114380. The company was registered on 31 December 2009 and commenced activity on 23<sup>rd</sup> August 2010. When the external funding of the subsidiary came to an end, the directors of the subsidiary put the company into administration on 10<sup>th</sup> February 2017. The company is currently in Creditors Voluntary Liquidation with Michael Kiely and Peter Kubik of Hacker Young LLP Quadrant House, 4 Thomas More Square, London, E1W 1YW.

The company is scheduled to be finally dissolved on 9<sup>th</sup> May 2022

In view of this, the Financial Statements do not consolidate the results of the charity with its formerly wholly owned subsidiary London Reuse Limited in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP).

### **VISION and MISSION**

**LCRN's vision is of London as a city where communities, enterprises and the public manage resources sustainably to maximise environmental and community benefit.**

**LCRN's mission is to enable sustainable community-based solutions to meet resource management challenges in London. Our role is to lead the application of sustainable community-based solutions to London's resource management challenges.**

We do this by working with our members to develop infrastructure, build capabilities, raise awareness and grow the market for community-based resource management.

The LCRN vision, mission and strategy have been constructed to reflect our charitable objects and to encompass the aims and objectives of our members.

The objects of the Charity are for the benefit of the public and voluntary sector organisations:

(a) the protection and preservation of the physical and natural environment in particular but not exclusively by the promotion of sustainable waste management practices in accordance with the best practicable and environment option.

(b) to advance education about all aspects of waste management, re-use and recycling.

(c) the relief of financial hardship by the provision of recycled and re-used items to people in need.



## **Public Benefit**

LCRN makes the link between the social, economic and environmental aspects of resource management, for the benefit of communities. Towards this end, our work with local authorities, housing associations, supporting a re-use network, providing skills training and supporting our community members produces public benefit in the areas of anti-poverty work, support towards employment and protection of the environment.

## **TREASURER'S REPORT**

As of 1<sup>st</sup> April 2021 Real Nappies for London (RNFL) has been administered by Womens Environmental Network with collaboration from LCRN. There has been no additional projects or income during the financial year apart from historical RNFL outstanding business. The remainder of expenditure has been used to allow the charity to remain operational with the potential to commence further projects. The brought forward negative reserves remain at negative £4.5k, with the remaining creditors fully supportive of the charity. We anticipate this negative balance will be reduced to zero at end of financial year 2022.

## **RESERVES POLICY**

The Board of Trustees would like to maintain free reserves at three months of resources expended which equates to £5,000 in general funds. At this level, the organisation would be able to continue its current level of activity for a corresponding period in the event of a significant drop in funding whilst replacement funding was sought. At present the free reserves do not reach this level and the Board of Trustees continue to seek opportunities to raise additional unrestricted funds.

## **RESPONSIBILITIES OF THE BOARD OF TRUSTEES**

Company law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the company's affairs and of its profit or loss for that period. In preparing those financial statements, the Board of Trustees is required to:

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

The Board of Trustees is responsible for keeping proper accounting records which disclose with

reasonable accuracy at any time the financial position of the company and to enable it to ensure that the financial statements comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **TRUSTEES**

The Trustees who served during the year are shown on page 2 to these statements. Every Trustee is also a Director of the company.

#### **FIXED ASSETS**

Details of movements in fixed assets during the year are set out in note 4 to the financial statements.

#### **AUDITORS / INDEPENDENT EXAMINER**

The reduced size and complexity of the charity means that a full audit is no longer needed. Brookfield & Co (who previously had carried out audit) will continue to carry out independent examination of the accounts.

This report was approved by the Board of Trustees on

28-03-2022

For and on behalf of the Board of Trustees



Edward Tombs  
Director and Trustee



**London Community Resource Network  
Independent Examiners Report  
to the shareholders of London Community Resource Network**

We report on the financial statements for the year ended 31 March 2020 which are set out on pages 6 to 9 which have been prepared on the basis of the accounting policies on page 2.

**Respective responsibilities of the Board of Directors and Independent Examiner**

The Board of Directors is responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our work, on those statements and to report our opinion to you.

**Basis of Independent Examiner's Report**

An examination includes a review of the accounting records kept by the Company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, seeking explanations from the Board of Directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently we do not express an audit opinion on the view given by these accounts.

**Independent Examiners Statement**

In connection with our examination, no matter has come to our attention which gives us a reasonable cause to believe that in any material aspects the requirements to keep the accounting records in accordance with the Companies Act 2006 and to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act have not been met or to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



J A Brookfield  
(Senior Statutory Auditor)  
for and on behalf of  
Brookfield & Co  
Accountants and Statutory Auditors  
28 March 2022

18 Concoran Road  
London  
SW2 5TA

**London Community Resource Network**  
**Statement of Financial Activities**  
**for the year ended 31 March 2021**

		<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total Funds</b>	<b>Total Funds</b>
	<b>Notes</b>	<b>2021 £</b>	<b>2021 £</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Incoming resources</b>					
<i>Incoming resources from generated funds:</i>					
Voluntary Income - Grants and donations	5	-	-	-	-
Investment income		-	-	-	1
Consultancy and other Earned Income		-	124,306	124,306	133,123
<b>Total Incoming Resources</b>		-	124,306	124,306	133,124
<b>Resources expended</b>					
Costs of generating funds		-	-	-	-
Charitable activities		-	121,504	121,504	123,088
Governance		-	625	625	650
<b>Total resources expended</b>	6	-	122,129	122,129	123,738
Net incoming resources for the Year		-	2,177	2,177	9,386
Transfers between funds		-	-	-	-
Funds brought forward		-	(6,656)	(6,656)	(16,042)
<b>Total Funds carried forward</b>		-	(4,479)	(4,479)	(6,656)

All of the above results derive from continuing charitable grants and activities and there were no recognised gains or losses other than the above results

The notes on pages 8 and 9 form part of these accounts

**London Community Resource Network**  
**Balance Sheet**  
**as at 31 March 2021**

	Notes	2021 £	2020 £
Investments		250	250
<b>Current assets</b>			
Debtors	8	19,552	17,203
Cash at bank and in hand		24,720	8,088
		<u>44,272</u>	<u>25,291</u>
<b>Creditors: amounts falling due within one year</b>	9	(49,001)	(32,197)
<b>Net Current liabilities</b>		<u>(4,729)</u>	<u>(6,906)</u>
<b>Net Liabilities</b>		<u>(4,479)</u>	<u>(6,656)</u>
<b>Funds of the Charity</b>			
General Funds	10	(4,479)	(6,656)
<b>Total Funds</b>		<u>(4,479)</u>	<u>(6,656)</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for

complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

The notes on pages 8 and 9 form part of these accounts



Edward Tombs  
 Director

Approved by the board on 28 March 2022



# 1. Basis of accounting and accounting policies

## a) Accounting Conventions

The financial statements have been prepared under the historical cost convention and on a going concern basis, which is dependent upon the availability of adequate continued funding. The nature of the charity's funding is inherently uncertain as it is only agreed by the funding bodies every one to three years. Should grant funding be discontinued in future years, the charity would have to find other sources of funding, or significantly curtail its activities. 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 for Smaller Entities published on 16/7/14, The Financial Reporting Standard for Smaller Entities (effective January 2015) 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 note(s).

Change in basis of accounting

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

## b) Incoming resources

Incoming resources are included in the SOFA when the charity becomes entitled to the resources, the Trustees are virtually certain they will receive the resources and the monetary value can be measured with sufficient certainty. Where incoming resources have related expenditure (as with fundraising for contract income), the incoming resources and related expenditure are stated gross in the SOFA. Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the funds. The value of any volunteer help received is not included in the accounts, but is described in the Trustee's annual report. Investment income is included when receivable.

## c) Resources Expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources. Resources expended include attributable VAT which cannot be recovered. Governance costs include costs on the preparation and examination of statutory accounts, the costs of Trustee meetings and costs of any legal advice to the Trustees on governance or constitutional matters. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resources e.g. Staff costs by the time spent and other costs by their usage.

## d) Restricted and Unrestricted Funds

The accounts distinguish between restricted and unrestricted funds. Restricted funds are received from donors and are subject to restrictions on the purposes for which they may be used. Unrestricted funds are those where there are no externally imposed restrictions and are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

## e) 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.

## f) Cash at bank and in hand

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

## g) 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.

## h) Legal status of the Trust

The trust is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

	2021	2020
	£	£
<b>2 Net Income for the year is stated after charging:</b>		
Independent Examiner/Auditors' Remuneration - Brookfield & Co	625	650
<b>3 Expenses paid to trustees or persons connected with trustees</b>		
The aggregate amount of expenses paid to trustees was	0	0
<b>4 Staff Costs and Emoluments</b>	<b>2021</b>	<b>2020</b>
	£	£
Gross Salaries	33,458	23,406
Social security costs	2,233	2,233
Employers Pension contributions	0	2
	<u>35,691</u>	<u>25,641</u>
<b>Numbers of full time employees or full time equivalents</b>	<b>2021</b>	<b>2020</b>
None of the Trustees received any remuneration during the year (2019: Nil)	Nos	Nos
No employees earned more than £60000 pa or more. (2019: Nil)		
<b>The average number of employees</b>		
Engaged on Project Service	1.6	1.6
Core staff	<u>0.2</u>	<u>0.2</u>
	<u>1.8</u>	<u>1.8</u>

London Community Resource Network  
Notes to the Accounts  
for the year ended 31 March 2021

**5 Voluntary Income - Grants and donations**

	2021	2020
	£	£
Grants and Donations	-	-
	<u>-</u>	<u>-</u>

**6 Resources Expended**

	2021	2020
	£	£
<b>Charitable Expenditure</b>		
Direct Project costs	82,103	92,419
Payroll	35,691	25,641
Office and premises	3,708	5,028
<b>Governance Costs</b>		
Audit/Independent examination	625	650
	<u>122,127</u>	<u>123,738</u>

**7 Fixed Assets - Investments**

	Investments in subsidiary undertakings £	Other investments £	Total £
<b>Cost</b>			
At 1 April 2020	100	250	350
Additions	-	-	-
Provision to write down value to ENil	(100)	-	(100)
At 31 March 2021	<u>-</u>	<u>250</u>	<u>250</u>

**8 Debtors**

	2021	2020
	£	£
Trade debtors	19,552	17,168
Other debtors and prepayments	-	35
	<u>19,552</u>	<u>17,203</u>

**9 Creditors: amounts falling due within one year**

	2021	2020
	£	£
Trade Creditors	26,148	26,942
Other creditors and accruals	22,853	5,255
	<u>49,001</u>	<u>32,197</u>

**10 Analysis of net assets between funds**

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Investments	-	250	250
Current Assets	-	44,272	44,272
Current Liabilities	-	(49,001)	(49,001)
	<u>-</u>	<u>(4,479)</u>	<u>(4,479)</u>

**11 Related Party Transactions**

There were no related party transactions in the year