

Company Registration No 06883717 (England and Wales)

**COMPASSION IN ACTION**  
**(COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED  
28 APRIL 2021**

**COMPASSION IN ACTION**  
**(COMPANY LIMITED BY GUARANTEE)**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 APRIL 2021**

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**COMPASSION IN ACTION**  
**(COMPANY LIMITED BY GUARANTEE)**  
**DIRECTORS' REPORT**  
**FOR THE PERIOD ENDED 28 APRIL 2021**

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The directors present their annual report and accounts for the period ended 28 April 2021.

***Reference & Administrative Details***

The Charity: Compassion in Action  
Charity number: 1135920  
Company registration number: 06883717  
Address: 9 & 17 Oaklands Road  
Lowton  
Warrington  
WA3 2LA

**DIRECTORS**

Miss S Walker  
Rev W Stalker  
Mr C Gilligan

**CHIEF EXECUTIVE**

Mrs P Gilligan

**INDEPENDENT EXAMINERS**

CHW Accounting Ltd  
ICAEW Chartered Accountants  
Bedford House  
60 Chorley New Road  
Bolton  
BL1 4DA

**PRINCIPAL BANKERS**

NatWest Bank plc  
32 Market Street  
Leigh  
WN7 1DX

**COMPASSION IN ACTION**  
**(COMPANY LIMITED BY GUARANTEE)**  
**DIRECTORS' REPORT**  
**FOR THE PERIOD ENDED 28 APRIL 2021**

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**Our Aims and Objectives**

**Objectives and activities**

The principal activity of the Charity is the relief or prevention of poverty, to prevent social exclusion and support individuals experiencing social crises.

**Achievements & performance**

Compassion in Action's Community Village of inclusion for the benefit of the people continues to flourish.

Our emotional wellbeing project has grown from strength to strength and continues to prove to be a much-needed service which we have now expanded from day to day provision to a short term stay social crisis provision which enhances our current service and continues to be beneficial for the people and our borough.

With sincere thanks to an amazing team at Compassion in Action we continued our welfare reform provision throughout COVID 19.

The president, board members, patrons and staff remain loyal, committed, and supportive of the charity and all the projects.

The chairman of the board congratulated and thanked the CEO/Founder whose vision, commitment and dedication on a daily basis has enabled the Charity to grow from strength to strength from humble beginnings starting as a coffee morning in a church hall.

**Financial review**

**Review of the transactions and financial position**

The principal source of income in the year was grants and donations. The charity has received grants from a wide range of sources and is grateful for each one. At the balance sheet date the charity had a fund of restricted reserves of £48,890 and unrestricted reserves of £16,617.

**Reserves policy**

The reserves are not yet at the level the trustees would wish. The trustees would like to see unrestricted reserves at an appropriate level to cover management and administration and support costs and will be working towards achieving this level of reserves over the next few years.

**Plans for the future**

Our projects continue to give a very high level of social return and opportunities to partner with commissioners, companies, and organisations for the benefit of the community.

Our plans for the future are to enhance our current services and to maintain the high level of social return.

**Structure, Governance and Management**

**Governing document**

The organisation is a charitable company limited by guarantee, incorporated on 21 April 2009. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Each member of the company has guaranteed to contribute to the company's assets, if required, an amount not exceeding £10.

**COMPASSION IN ACTION**  
**(COMPANY LIMITED BY GUARANTEE)**  
**DIRECTORS' REPORT CONTD/.....**  
**FOR THE PERIOD ENDED 28 APRIL 2021**

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**Recruitment and appointment of directors**

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the company. Under the requirements of the Memorandum and Articles of Association the directors are required to retire by rotation. Appointment of directors is by the charity in general meeting or by the directors.

**Responsibilities of directors**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the directors should follow best practice and:

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

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for safe-guarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

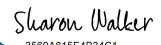
**Independent examiners**

CHW Accounting Ltd were appointed as the charitable company's independent examiners during the year.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities and in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

**Approval**

This report was approved by the directors on ..... and signed on their behalf.

DocuSigned by:  
  
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Sharon Walker  
Trustee

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF COMPASSION IN ACTION FOR THE PERIOD ENDED 28 APRIL 2021**

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I report to the charity trustees on my examination of the accounts of the company for the period ended 28 April 2021, which are set out on pages 5 to 10.

### ***Responsibilities and basis of report***

As the charity's trustees of the company (and also its directors for the purposes of the 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 report**

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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:

- 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 accounting 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.

DocuSigned by:  
  
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**I Orgill  
FCCA  
Bedford House  
60 Chorley New Road  
Bolton  
BL1 4DA**

**DATE:**

**COMPASSION IN ACTION**  
**(COMPANY LIMITED BY GUARANTEE)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE PERIOD ENDED 28 APRIL 2021**

	Notes	Restricted Funds 2021 £	Unrestricted Funds 2021 £	TOTAL Funds 2021 £	TOTAL Funds 2020 £
<b>Income and endowments:</b>					
<b>Income and endowments from generated funds</b>					
Voluntary income	2	-	142,792	142,792	120,503
Furlough claims		6,670	-	6,670	-
Donations		40,000	320,000	360,000	325,000
<b>Total income and endowments</b>		<b>46,670</b>	<b>462,792</b>	<b>509,462</b>	<b>445,503</b>
<b>Expenditure on:</b>					
Charitable activities		11,600	293,760	287,294	294,562
Other costs		-	155,003	157,222	161,110
<b>Total expenditure</b>		<b>11,600</b>	<b>448,763</b>	<b>460,363</b>	<b>455,672</b>
<b>Net movement in funds</b>		35,070	14,029	49,099	(10,169)
<b>Reconciliation of funds</b>	8				
Total funds brought forward		13,820	2,588	16,408	26,577
<b>Total funds carried forward</b>		<b>48,890</b>	<b>16,617</b>	<b>65,507</b>	<b>16,408</b>

There are no recognised gains or losses in the period other than those included in the Statement of Financial Activities.

The Statement of Financial Activities has been prepared on the basis that all operations are continuing.

**COMPASSION IN ACTION**  
**(COMPANY LIMITED BY GUARANTEE)**  
**BALANCE SHEET**  
**FOR THE PERIOD ENDED 28 APRIL 2021**

	Notes	2021		2020	
		£	£	£	£
<b>TANGIBLE FIXED ASSETS</b>	5		116,263		114,653
<b>CURRENT ASSETS</b>					
Cash at Bank		54,139		11,189	
Debtors	6	-		-	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>(104,895)</u>	<u>(50,756)</u>	<u>(109,434)</u>	<u>(98,245)</u>
<b>NET ASSETS</b>			<u><b>65,507</b></u>		<u><b>16,408</b></u>
<b>THE FUNDS OF THE CHARITY</b>					
Unrestricted Funds	8		16,617		2,588
Restricted Funds			48,890		13,820
<b>TOTAL CHARITY FUNDS</b>			<u><b>65,507</b></u>		<u><b>16,408</b></u>

For the financial year ended 28 April 2021 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.
- The trustees/directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of financial statements.

The Financial Statements on pages 5 to 10 have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2015) – (Charities SORP (FRS102)).

Approved by the board of directors on ..... and signed on their behalf by:

DocuSigned by:  
  
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**Sharon Walker**  
**Trustee**

**Company Registration No 06883717**



**COMPASSION IN ACTION**  
**(COMPANY LIMITED BY GUARANTEE)**  
**STATEMENT OF CASHFLOWS**  
**FOR THE PERIOD ENDED 28 APRIL 2021**

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	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	10	63,462	10,238
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(20,512)	(5,894)
<b>Cash flows from financing activities</b>			
		-	-
		<hr/>	<hr/>
Increase (decrease in cash and cash equivalents in the year		42,950	4,344
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		11,189	6,845
		<hr/>	<hr/>
Total cash and cash equivalents at the end of the year		54,139	11,189
		<hr/>	<hr/>

**COMPASSION IN ACTION**  
**(COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 APRIL 2021**

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**1. STATEMENT OF ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with the items which are considered material to the Charity's affairs.

**Basis of preparation of the financial statements**

The accounts have been prepared under the Historical Cost Convention, as modified by the revaluation of freehold property and the inclusion of fixed asset investments at market value, and 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 (FRS102) (effective January 2015) – (Charities SORP (FRS102)) and the Companies Act 2006.

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

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**Income and endowments**

Grants received and invoiced income is accounted for on the accruals basis.

Voluntary income and donations are accounted for as received by the charity.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

**Resources expended**

Resources expended are included in the accounts on an accruals basis, inclusive of any VAT.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and events 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.

Governance costs include those costs allocated with meeting the constitutional and statutory requirements of the charity including the independent examiner's fee.

All costs are allocated between the expenditure categories of the SOFA on the basis designed to reflect the use of the resource.

**Value Added Tax**

Value Added Tax is not recoverable by the company and as such is included in the relevant costs in the Statement of Financial Activities.

**COMPASSION IN ACTION**  
**(COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 APRIL 2021**

**Tangible Fixed Assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Plant and equipment	15% reducing balance
Fixtures and fittings	15% reducing balance
Computer equipment	33% on cost

<b>2 VOLUNTARY INCOME</b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total</b>	<b>Total</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donated facilities	-	-	-	-
Donations	-	142,792	142,792	120,503
	-	<b>142,792</b>	<b>142,792</b>	<b>120,503</b>

<b>3 NET INCOMING RESOURCES FOR THE YEAR</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Independent Examination Fees	2,000	5,400

<b>4 INFORMATION ON EMPLOYEES</b>	<b>2021</b>	<b>2020</b>
The average monthly number of employees, calculated on a full time equivalent basis, analysis by function was:		
Administration	4	4
Charitable activities	5	4
	<b>9</b>	<b>8</b>

<b>5 TANGIBLE FIXED ASSETS</b>	<b>Fixtures &amp; fittings</b>	<b>Plant &amp; equipment</b>	<b>Total</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>
Brought forward	236,012	3,560	239,572
Adjustment	-	-	-
Additions	20,512	-	20,512
Disposals	-	-	-
Carried forward	<b>256,524</b>	<b>3,560</b>	<b>260,084</b>
<b>Depreciation</b>			
Brought forward	122,268	2,651	124,919
Charge for the year	18,766	136	18,902
Carried forward	<b>141,034</b>	<b>2,787</b>	<b>143,821</b>
<b>Net book value</b>			
At 28 April 2021	115,490	773	116,263
At 28 April 2020	113,744	909	114,653

**COMPASSION IN ACTION**  
**(COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 APRIL 2021**

<b>6 DEBTORS: Amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other debtors	-	-
Prepayments	-	-
	<b>-</b>	<b>-</b>

<b>7 CREDITORS: Amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	4,800	5,400
Taxation and social security	1,943	1,971
Other creditors	98,152	102,063
	<b>104,895</b>	<b>109,434</b>

<b>8 RECONCILIATION OF FUNDS</b>	<b>As at 28 April 2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>As at 28 April 2021</b>
Unrestricted funds	2,588	462,792	(448,763)	16,617
Restricted funds	13,820	46,670	(11,600)	48,890
	<b>£16,408</b>	<b>£509,462</b>	<b>(£460,363)</b>	<b>£65,507</b>

**9 DIRECTORS REMUNERATION**

No directors received remuneration during the year.

<b>10 CASH USED IN OPERATING ACTIVITIES</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net movement in funds	49,099	(10,169)
Add back		
Increase / (Decrease) in debtors	-	-
Increase / (Decrease) in creditors	(4,539)	1,247
Depreciation	18,902	19,160
	<b>63,462</b>	<b>10,238</b>

**MANAGEMENT INFORMATION**

**FOR THE PERIOD ENDED 28 APRIL 2021**

**COMPASSION IN ACTION**  
**(COMPANY LIMITED BY GUARANTEE)**  
**DETAILED INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE PERIOD ENDED 28 APRIL 2021**

	<b>Total 2021 £</b>	<b>Total 2020 £</b>
<b>Income and endowments from:</b>		
Grants	360,000	325,000
Donations	142,792	120,503
Furlough claims	6,670	-
<b>Total income and endowments</b>	<b>509,462</b>	<b>445,503</b>
<b>Expenditure on:</b>		
Community projects	101,580	37,948
Wages	176,576	194,354
Employers national insurance	7,402	9,512
Pension	2,023	1,965
Insurances	3,753	3,637
Rent	21,009	24,608
Light, heat and utilities	23,479	22,590
Telephone	5,029	4,825
Printing, postage and stationery	7,507	7,872
Computer costs	3,601	3,928
Entertaining	27	1,181
Repairs and refurbishments	30,215	26,620
Donations	-	-
Motor expenses	3,158	7,188
Travelling expenses	29	445
Food and catering	17,145	48,631
Volunteer expenses	23,854	17,618
Legal & professional	3,810	2,810
Advertising & marketing	3,600	3,600
Staff training	75	1,270
Accountancy	336	6,641
Uniforms	280	812
Bank charges	1,158	1,107
Sundry	5,815	7,350
Depreciation	18,902	19,160
<b>Total expenditure</b>	<b>460,363</b>	<b>455,672</b>
<b>Net (deficit) / profit for the year</b>	<b>49,099</b>	<b>(10,169)</b>