

Company Registration No 06883717 (England and Wales)

COMPASSION IN ACTION
(COMPANY LIMITED BY GUARANTEE)

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
28 APRIL 2022**

COMPASSION IN ACTION
(COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 APRIL 2022

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COMPASSION IN ACTION
(COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 28 APRIL 2022

The directors present their annual report and accounts for the year ended 28 April 2022.

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 (Resigned 9 August 2022)
Mr C Gilligan
The Lady J Smith

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 YEAR ENDED 28 APRIL 2022

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 continues to support all our tenants and community on a daily basis. Our community village of inclusion has offered 'Heat and Retreat' for everyone who is struggling with the current crisis and have offered support at all 3 sites.

Our emotional wellbeing project has proven to be a much needed service with over 5,000 people on the books for day to day therapeutic counselling which has highlighted the need for our non clinical therapeutic short stay. The two services achieve the 'Whole Person Care' vision of the charity and support is ongoing within the charity.

The welfare reform provision continues to help our most vulnerable families in the community. Our christmas project was a huge success and helped 504 families with christmas lunch and 854 families with 3 presents per child.

The president, board members, patrons, ambassador and staff remain loyal, committed and supportive of the charity. The CEO/founder whose dedication and commitment on a daily basis enables the charity to grow from strength to strength.

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 £239,195.

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 YEAR ENDED 28 APRIL 2022

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 YEAR ENDED 28 APRIL 2022

I report to the charity trustees on my examination of the accounts of the company for the year ended 28 April 2022, 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 Directors 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 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 YEAR ENDED 28 APRIL 2022

	Notes	Restricted Funds 2022 £	Unrestricted Funds 2022 £	TOTAL Funds 2022 £	TOTAL Funds 2021 £
Income and endowments:					
Income and endowments from generated funds					
Voluntary income	2	-	159,054	159,054	142,792
Furlough claims		-	-	-	6,670
Donations		-	755,835	755,835	360,000
Total income and endowments		-	914,889	914,889	509,462
Expenditure on:					
Charitable activities		-	692,311	692,311	287,294
Other costs		-	-	-	157,222
Total expenditure		-	692,311	692,311	460,363
Net movement in funds		-	222,578	222,578	49,099
Reconciliation of funds	8				
Total funds brought forward		48,890	16,617	65,507	16,408
Total funds carried forward		48,890	239,195	288,085	65,507

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 YEAR ENDED 28 APRIL 2022

	Notes	2022		2021	
		£	£	£	£
TANGIBLE FIXED ASSETS	5		151,140		116,263
CURRENT ASSETS					
Cash at Bank		143,523		54,139	
Debtors	6	65		-	
CREDITORS					
Amounts falling due within one year	7	(6,643)		(104,895)	
			136,945		(50,756)
NET ASSETS			288,085		65,507
THE FUNDS OF THE CHARITY					
Unrestricted Funds	8		239,195		16,617
Restricted Funds			48,890		48,890
TOTAL CHARITY FUNDS			288,085		65,507

For the financial year ended 28 April 2022 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 YEAR ENDED 28 APRIL 2022

	Note	2022	2021
		£	£
Cash flows from operating activities			
Net cash used in operating activities	10	147,698	63,462
Cash flows from investing activities			
Purchase of tangible fixed assets		(58,314)	(20,512)
Cash flows from financing activities			
		-	-
		<hr/>	<hr/>
Increase (decrease in cash and cash equivalents in the year		89,384	42,950
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		54,139	11,189
		<hr/>	<hr/>
Total cash and cash equivalents at the end of the year		143,523	54,139
		<hr/>	<hr/>

COMPASSION IN ACTION
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 APRIL 2022

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 2022

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

2 VOLUNTARY INCOME	Restricted Funds	Unrestricted Funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Donated facilities	-	-	-	-
Donations	-	159,054	159,054	142,792
	-	159,054	159,054	142,792

3 NET INCOMING RESOURCES FOR THE YEAR	2022	2021
	£	£
Independent Examination Fees	2,400	2,000

4 INFORMATION ON EMPLOYEES	2022	2021
The average monthly number of employees, calculated on a full time equivalent basis, analysis by function was:		
Administration	4	4
Charitable activities	8	5
	12	9

5 TANGIBLE FIXED ASSETS	Fixtures & fittings	Plant & equipment	Total
	2022	2022	2022
Cost	£	£	£
Brought forward	256,524	3,560	260,084
Adjustment	-	-	-
Additions	58,314	-	58,314
Disposals	-	-	-
Carried forward	314,838	3,560	318,398
Depreciation			
Brought forward	141,034	2,787	143,821
Charge for the year	23,321	116	23,437
Carried forward	164,355	2,903	167,258
Net book value			
At 28 April 2022	150,483	657	151,140
At 28 April 2021	115,490	773	116,263

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

6 DEBTORS: Amounts falling due within one year	2022	2021
	£	£
Other debtors	65	-
Prepayments	-	-
	65	-

7 CREDITORS: Amounts falling due within one year	2022	2021
	£	£
Accruals and deferred income	2,400	4,800
Taxation and social security	-	1,943
Other creditors	4,243	98,152
	6,643	104,895

8 RECONCILIATION OF FUNDS	As at 28 April 2021	Income	Expenditure	As at 28 April 2022
Unrestricted funds	16,617	914,889	(692,311)	239,195
Restricted funds	48,890	-	-	48,890
	£65,507	£914,889	(£692,311)	£288,085

9 DIRECTORS REMUNERATION

No directors remuneration was paid during the year.

10 CASH USED IN OPERATING ACTIVITIES	2022	2021
	£	£
Net movement in funds	222,578	49,099
Add back		
(Increase) / Decrease in debtors	(65)	-
Increase / (Decrease) in creditors	(98,252)	(4,539)
Depreciation	23,437	18,902
	147,698	63,462

MANAGEMENT INFORMATION

FOR THE PERIOD ENDED 28 APRIL 2022

COMPASSION IN ACTION
(COMPANY LIMITED BY GUARANTEE)
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 28 APRIL 2022

	Total 2022 £	Total 2021 £
Income and endowments from:		
Grants	755,835	360,000
Donations	159,054	142,792
Furlough claims	-	6,670
Total income and endowments	914,889	509,462
Expenditure on:		
Community projects	168,972	101,580
Wages	241,378	176,576
Employers national insurance	11,263	7,402
Pension	2,600	2,023
Insurances	3,831	3,753
Rent	35,215	21,009
Light, heat and utilities	25,576	23,479
Telephone	5,835	5,029
Printing, postage and stationery	10,118	7,507
Computer costs	4,091	3,601
Entertaining	811	27
Repairs and refurbishments	46,201	30,215
Donations	808	-
Motor expenses	3,384	3,158
Travelling expenses	4,761	29
Food and catering	37,601	17,145
Volunteer expenses	29,268	23,854
Legal & professional	3,700	3,810
Advertising & marketing	17,654	3,600
Staff training	3,603	75
Accountancy	3,957	336
Uniforms	1,439	280
Bank charges	751	1,158
Sundry	6,057	5,815
Depreciation	23,437	18,902
Total expenditure	692,311	460,363
Net (deficit) / profit for the year	222,578	49,099