

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 2023**

COMPASSION IN ACTION
(COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 APRIL 2023

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COMPASSION IN ACTION
(COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES AND DIRECTORS
FOR THE YEAR ENDED 28 APRIL 2023

The trustees and directors present their annual report and accounts for the year ended 28 April 2023.

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
Mr C Gilligan
The Lady J Smith (Appointed 20/05/2022)
Rev W Stalker (Resigned 09/08/2022)

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)
REPORT OF THE TRUSTEES AND DIRECTORS
FOR THE YEAR ENDED 28 APRIL 2023

The Trustees, who are also the Directors of the charitable company, have pleasure in presenting their report together with the independently examined financial statements for the year ended 28 April 2023 in accordance with the Companies Act 2006 and the Statement of Recommended Practice (FRS102).

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 year on year continues to support all our tenants, adults with learning difficulties, elderly and disabled.

Our provision of furniture, food and clothing supports the most vulnerable in our community daily. The heat & retreat provision across two sites has been a haven for many people.

The charity's vision from 2006 being 'whole person care' and practical, physical, social and mental has now been achieved for the benefit of the community with the introduction of our residential, daily and sessional nonclinical mental health project which was pioneered by the chief executive/founder.

The belief and support of the charity by commissioners, partners, patrons and the community is appreciated and valued.

This is our sixteenth year of the provision of three presents per child and full Christmas lunches for our most vulnerable families at Christmas.

The president, board members, patrons, ambassador and staff remain loyal, committed and supportive of the charity and the chief executive/founder whose dedication, vision, commitment daily 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 £321,116.

Reserves policy

The reserves are continuously assessed by the Trustees who work towards maintaining an appropriate level of unrestricted reserves to cover management and administration and support costs. With increased pressure on costs and resources, Trustees are mindful of changes and fluctuation in levels of reserves required going forwards considering increasing inflation.

Plans for the future

Our projects continue to give a very high level of social return.

Our plans for the future are to enhance our current services and to maintain the high level of delivery of the services we provide.

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)
REPORT OF THE TRUSTEES AND DIRECTORS CONTD/.....
FOR THE YEAR ENDED 28 APRIL 2023

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 Trustees and 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 Trustees and 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 Trustees and 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 Trustees and Directors 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.

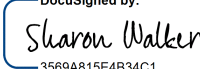
Independent examiners

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 (FRS102): Accounting and Reporting by Charities.

Approval

This report was approved by the Trustees and 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 2023

I report to the charity trustees on my examination of the accounts of the company for the year ended 28 April 2023, 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 Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 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 2023

	Notes	Restricted Funds 2023 £	Unrestricted Funds 2023 £	TOTAL Funds 2023 £	TOTAL Funds 2022 £
Income and endowments:					
Income and endowments from generated funds					
Voluntary income	2	-	63,997	63,997	159,054
Furlough claims		-	-	-	-
Grant income		-	827,000	827,000	755,835
Total income and endowments		-	890,997	890,997	914,889
Expenditure on:					
Charitable activities		-	809,076	809,076	692,311
Other costs		-	-	-	-
Total expenditure		-	809,076	809,076	692,311
Net movement in funds		-	81,921	81,921	222,578
Reconciliation of funds	8				
Total funds brought forward		48,890	239,195	288,085	65,507
Total funds carried forward		48,890	321,116	370,006	288,085

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 2023

	Notes	2023		2022	
		£	£	£	£
TANGIBLE FIXED ASSETS	5		149,968		151,140
CURRENT ASSETS					
Cash at bank		228,620		143,523	
Debtors	6	-		65	
CREDITORS					
Amounts falling due within one year	7	(8,582)		(6,643)	
			220,038		136,945
NET ASSETS			370,006		288,085
THE FUNDS OF THE CHARITY					
Unrestricted Funds	8		321,116		239,195
Restricted Funds			48,890		48,890
TOTAL CHARITY FUNDS			370,006		288,085

For the financial year ended 28 April 2023 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 2023

	Note	2023	2022
		£	£
Cash flows from operating activities			
Net cash used in operating activities	10	111,476	147,698
Cash flows from investing activities			
Purchase of tangible fixed assets		(26,379)	(58,314)
Cash flows from financing activities			
		-	-
		<hr/>	<hr/>
Increase (decrease in cash and cash equivalents in the year		85,097	89,384
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		143,523	54,139
		<hr/>	<hr/>
Total cash and cash equivalents at the end of the year		228,620	143,523
		<hr/>	<hr/>

COMPASSION IN ACTION
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 APRIL 2023

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 2023

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
	2023	2023	2023	2022
	£	£	£	£
Donated facilities	-	-	-	-
Donations	-	63,997	63,997	159,054
	-	63,997	63,997	159,054

3 NET INCOMING RESOURCES FOR THE YEAR	2023	2022
	£	£
Independent Examination Fees	3,120	2,400

4 INFORMATION ON EMPLOYEES	2023	2022
The average monthly number of employees, calculated on a full time equivalent basis, analysis by function was:		
Administration	4	4
Charitable activities	15	8
	19	12

5 TANGIBLE FIXED ASSETS	Fixtures & fittings	Plant & equipment	Total
	2023	2023	2023
Cost	£	£	£
Brought forward	314,838	3,560	318,398
Adjustment	-	-	-
Additions	26,379	-	26,379
Disposals	-	-	-
Carried forward	341,217	3,560	344,777
Depreciation			
Brought forward	164,355	2,903	167,258
Charge for the year	27,453	98	27,551
Carried forward	191,808	3,001	194,809
Net book value			
At 28 April 2023	149,409	559	149,968
At 28 April 2022	150,483	657	151,140

COMPASSION IN ACTION
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023

6 DEBTORS: Amounts falling due within one year	2023	2022
	£	£
Other debtors	-	65
Prepayments	-	-
	-	65

7 CREDITORS: Amounts falling due within one year	2023	2022
	£	£
Accruals and deferred income	3,120	2,400
Taxation and social security	102	-
Other creditors	5,360	4,243
	8,582	6,643

8 RECONCILIATION OF FUNDS	As at 28 April 2022	Income	Expenditure	As at 28 April 2023
Unrestricted funds	239,195	890,997	(809,076)	321,116
Restricted funds	48,890	-	-	48,890
	£288,085	£890,997	(£809,076)	£370,006

9 DIRECTORS REMUNERATION

No directors remuneration was paid during the year.

10 CASH USED IN OPERATING ACTIVITIES	2023	2022
	£	£
Net movement in funds	81,921	222,578
Add back		
(Increase) / Decrease in debtors	65	(65)
Increase / (Decrease) in creditors	1,939	(98,252)
Depreciation	27,551	23,437
	111,476	147,698

MANAGEMENT INFORMATION

FOR THE PERIOD ENDED 28 APRIL 2023

COMPASSION IN ACTION
(COMPANY LIMITED BY GUARANTEE)
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 28 APRIL 2023

	Total 2023 £	Total 2022 £
Income and endowments from:		
Grants	827,000	755,835
Donations	63,997	159,054
Furlough claims	-	-
Total income and endowments	890,997	914,889
Expenditure on:		
Community projects	139,890	168,972
Wages	359,385	241,378
Employers national insurance	20,225	11,263
Pension	3,994	2,600
Insurances	7,525	3,831
Rent	34,319	35,215
Light, heat and utilities	29,271	25,576
Telephone	6,140	5,835
Printing, postage and stationery	11,356	10,118
Computer costs	6,666	4,091
Entertaining	3,485	811
Repairs and refurbishments	44,346	46,201
Donations	2,660	808
Motor expenses	3,750	3,384
Travelling expenses	5,460	4,761
Food and catering	24,333	37,601
Volunteer expenses	9,834	29,268
Legal & professional	18,814	3,700
Advertising & marketing	28,621	17,654
Staff training	5,952	3,603
Accountancy	5,264	3,957
Uniforms	3,065	1,439
Bank charges	1,051	751
Sundry	6,119	6,057
Depreciation	27,551	23,437
Total expenditure	809,076	692,311
Net profit for the year	81,921	222,578