

Registered number: 04865661
Charity number: 1136057

LANCASHIRE BME NETWORK LTD
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

LANCASHIRE BME NETWORK LTD
(A company limited by guarantee)

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LANCASHIRE BME NETWORK LTD
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees

Nweeda Khan, Chair
Ishwer Tailor
Charubala Ainscough, Company Secretary
Shahida Hanif
Sadar Uddin
Christine Blythe, Treasurer
Joanne Birkner (resigned 29 June 2021)
Atiquah Vohra
Rafique Malik
Saba Iftikhar
Claire Smith (appointed 23 March 2021)
Omar Zaman

Company registered number

04865661

Charity registered number

1136057

Registered office

Suite 405
Daisyfield Business Centre
Appleby Street
Blackburn
Lancashire
BB1 3BL

Company secretary

Charubala Ainscough

Accountants

CW Accountants Limited
Chartered Certified Accountants
The Boulevard Centre
45 Railway Road
Blackburn
Lancashire
BB1 1EZ

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Advisers (continued)

Bankers

The Co-operative Bank Plc
PO Box 250
Delf House
Southway
Skelmersdale
WN8 6WT

LANCASHIRE BME NETWORK LTD
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements for the 1 September 2020 to 31 August 2021. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the charitable company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. OBJECTIVES

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit.

The objectives of the charitable company are to advance the education of the public, primarily but not exclusively the Asian, African, Caribbean, and other minority ethnic communities in the county of Lancashire, by whatever charitable means the board of trustees think fit, with the object of improving the conditions of life of the said beneficiaries.

b. ACTIVITIES FOR ACHIEVING OBJECTIVES

The following activities are used for achieving our objectives:

- Training Courses
- Networking meetings & events
- Representation & voice
- Research and consultation
- Organisational development
- Strategy development
- Governance support
- Partnership working
- Funding advice
- Health Equity work
- Advice and Guidance
- Capacity Building
- Employment Support
- Wellbeing Services
- Race & Equality work

We would like to thank all of our funders, supporters and stakeholders who have made it possible for us to deliver our services and activities in the last year.

c. VOLUNTEERS

LBN had 16 registered volunteers in the year 2020-2021 and they contributed to the overall running of the organisation.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and performance

a. REVIEW OF ACTIVITIES

Chief Officers Report:

Over the course of the pandemic, LBN has seen a great deal of change; from internal changes in staffing, focus and identity, to larger national changes in funder priorities and strategies.

The last year has been dominated by the impact of the pandemic:

- The disproportionate health implications for people from Black, Asian and Minority Ethnic (BAME) backgrounds;
- The closure of many services, as well as many of the support networks that our beneficiaries depend on;
- The reality of the very high levels of digital exclusion, especially amongst the BAME community;
- The mental health impact of the long periods of enforced isolation.

I am incredibly proud of the rapid response that my team had to the pandemic, and how they ensured that we, as an organisation, understood how the needs of Lancashire were changing. This allowed us to adapt the way we deliver our services, and make sure that the right resources were available to our communities. The increased demand in areas such as our bilingual Counselling service really highlighted the impact of COVID-19 in Lancashire.

We are hopeful at Lancashire BME Network, that in the coming years we can start the process of rebuilding and supporting the communities of Lancashire so that they may overcome adversity, grow and thrive. We cannot ignore the fact that COVID-19 is still here, and world events continue to have an impact on what happens both in Lancashire, and in the UK as a whole. However, through dedication and commitment, we can aim to minimize the negative effects felt by individuals and communities.

In the last year we have continued to work hard to challenge discrimination and inequalities and built upon the work we did in 2020. We are proud that the Independent Race & Equality Panel (I-REP) is now established, and we are fortunate that we have the support of key partners who are committed to the EDI agenda.

Our successes in the last year are down to the fantastic work of the LBN team, including our Trustees, Staff, Members and Volunteers. Without this support, we are simply a name; with this support, we are a movement. I would like to thank everyone that has been part of our journey and seen us through some difficult times, we look forward to your continued support. Ensuring that power is allocated and distributed as evenly, openly and transparently as possible, and the responsibility to tackle these structures of inequality is even more acute and I very much look forward to prioritising these challenges in the future.

Naz Zaman
Chief Officer

Achievements and performance

Our programmes over the last year have been varied, with many being adapted to suit the new ways of working due to COVID-19. These services and activities include:

Covid-19, capacity building and representation:

We have seen our membership continue to grow and now have more than 150 members, both organisations and individuals. We continue to support them by whatever means possible, given the constraints on funding and resources. Our work with members included:

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

1. Electronic updates to share: funding and partnership opportunities, good practice, knowledge and ideas.
2. Support around governance, policies and strategy development.
3. Access to online training platforms for staff and volunteers
4. Distribution of Personal Protective Equipment
5. Distribution of grant funding

We are still in the process of undertaking a review of our membership offer and looking into how best to support them without adding extra work and burden to people and groups who are already working very hard and on limited resource.

Our work at a national level is ongoing and we are still involved in the Phoenix Way which looks to reduce the disparity in funding for Black, Asian and minority ethnic voluntary sector organisations.

Talk Me Happy (Wellbeing Services)- This service offers a culturally sensitive, bilingual service. It has 3 primary functions to provide 1:1 counselling support, provide a befriending / bereavement service and community interventions such as group therapy which helps to reduce stigma around the subject matter and to increase uptake of mainstream provision. Our unique approach has allowed us to screen and assess clients within the 72-hour time frame. In this financial year the service was accessed by 125 individuals with the majority reporting an improvement in their emotional wellbeing.

Energy 360- This service helps families improve their home energy efficiency whilst reducing their bills and carbon footprint by providing free impartial energy advice. The service was delivered across Pennine Lancashire to households and families either in, or at risk of fuel poverty. Through our membership we secured Pennine based delivery partners who were trained to provide specialist energy advice to households to help prevent fuel poverty.

Fuel Voucher scheme- We distributed 355 fuel vouchers to households who were experiencing difficulties in paying their bills. Families who were vulnerable due to their personal circumstances were supported by the scheme. Many voucher recipients reported that the scheme had allowed to be able to keep their homes warm and put food on the table.

Your Best Friend-Working with 10 national partners to deliver a tampon tax funded campaign for girls and young women. LBN created the branding for Your Best Friend as well as providing compliance guidelines. LBN co-produced and piloted focus group resources with young people before coordinating focus groups to be delivered by our members.

Global Majority Fund- The Fund was launched by Comic Relief in early 2021. LBN were selected as an Intermediary Partner to distribute funds to organisations who work with communities facing racial inequality in Lancashire. During this financial year we recruited and trained Grant assessors, developed and launched our rolling micro grants scheme through which we distributed £48k. The small grants scheme was developed and launched Aug 2021.

Lancashire Encounter Festival 2021-A biennial festival across Preston celebrating the diverse cultures of Lancashire. LBN have been acting as a in the capacity of administrators for the festival and the first line of contact for all the performers and production companies.

Preston COVID Community Champions programme- Preston City Council successfully applied for funding from MHCLG as part of a national programme to deliver support to people shown to be most at risk from Coronavirus (COVID-19), including those from an ethnic minority background, disabled people and others. LBN worked closely with Preston City Council to recruit Preston based delivery partners to deliver a programme, aiming to encourage communities to follow safer behaviours and reduce the impact of the virus on themselves and those around them.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Publish me happy- This project aimed to work with a group of refugee men to tackle mental wellbeing/issues within the refugees' community. The approach we took was based on the therapeutic intervention -Problem Management Plus PM+.

Develop a book of different themes chosen by the men group, to be printed/published.

Learn Your Way-A project to help develop digital skills and prepare individuals to gain employment and (re)enter the job market. Individuals were given one-to-one tailored support to ensure they received the help they needed. This service was for residents from Burnley, Pendle, and Preston.

Muslim Young Men's Project- This pilot project supported ten individuals who had been released from prison with their rehabilitation process so they could build better relationships within their community in an effort to reduce reoffending rates. The project also delivered Citizens Juries to empower local people to be actively involved in tackling issues in their communities.

Independent Race & Equality Panel (IREP)- The I-REP was established in October 2020 as a response to the increased recognition of the systematic marginalisation of minority ethnic and other minority communities across Lancashire, and due to their under-representation within the public sector. During the year we developed the model, recruited and trained members and started to develop the vision, mission and purpose. The IREP hopes to formally launch in the next year.

Support 360- This is the final year of this successful project which provides information, advice and guidance in Burnley and Pendle to those most in need. The work is being delivered by four LBN member organisation, all of whom have excelled in achieving the targets and soft outcomes.

Consultancy and Research

We have continued to deliver consultancy and research services for a number of organisations and bodies and hope to build on this activity by offering expert/specialist services.

Financial review

a. GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. RESERVES POLICY

The trustees of LBN agreed to hold 6 months running costs as reserves in a separate account in the event that the charity is unable to secure funding to continue operating. The funds will cover day to day running costs, redundancies and 6 months' salary for core staff to allow the charity to fulfil any contractual obligations.

c. SURPLUS

The charitable company made a surplus of £ to August 2021 (2020 - a surplus of £110,895). This surplus is fully made up of unspent grant monies at the year end due to timing differences.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management

a. CONSTITUTION

The charitable company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association 14 January 2010 and is a registered charity number 1136057.

On 18 September 2013 the charitable company changed its name from Lancashire Black and Minority Ethnic (BME) Pact Ltd to Lancashire BME Network Ltd.

The charitable company merged with Lancashire Women's Network (charity number 1088125) on 31 July 2014.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

Lancashire BME Network has a robust trustee recruitment process, underpinned by our governing document which states "we are to have no more than 13 trustees and no less than 7". LBN are a membership based organisation and as such we source our trustees from the membership, however there is a stipulation that to become a trustee they have to have been a member for 12 months. Trustees are recruited if there are vacancies on the board or a skills/knowledge gap is identified. There are one of two ways trustees can be appointed:

- At the Annual general meeting
- Through co-option

Each recruitment method has its own process to follow, however all potential trustees have to complete an application form and attend a meeting with the Chair of LBN prior to being invited to join the board.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Individuals who have been successful in their application to become a trustee are supplied with and asked to complete the following paperwork:

Complete a confidentiality form
Show Proof of ID
Complete a trustee details form
Complete and sign the declaration of interest form, to be retained by LBN

Sign a Fit & Proper person Declaration

Agree and sign two copies of the code of conduct, one to be retained by the Trustee and the other by LBN.

All new trustees are asked to attend the offices to receive an induction, covering policies, processes, role description, expectations and operational activity.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

Strategic direction is provided by the Board of Trustees whose responsibilities include, ensuring compliance and achievement against the aims and objectives. Strategic and operational management is provided by the Chief Officer who oversees the day to day running of the organisation.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

e. RISK MANAGEMENT

Working closely with the Chief Officer, the Trustees are working to assess any major risks to which the charitable company is exposed, in particular those related to the operations and finances of the charitable company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. A task and finish group will be established to carry out a full review of all risks as highlighted in the Charity Code of Governance. The charitable company has a risk management statement which is reviewed regularly and contains information on the following risks; Governance, Financial, Environmental, Compliance and Operational

Two major potential risks, their impact and what steps could be put in place to avoid these are explored below;

Governance: Potential Risk The charity lacks direction, strategy and forward planning **Potential Impact** • lacks direction, strategy and forward planning • the charity drifts with no clear objectives, priorities or plans • issues are addressed piecemeal with no strategic reference • needs of beneficiaries not fully addressed • financial management difficulties • loss of reputation **Risk Management/mitigation** • create a strategic plan which sets out the key aims, objectives and policies • create short to medium term financial plans and budgets • monitor financial and operational performance • obtain regular feedback from beneficiaries and funders

Financial: Potential Risk Dependency on limited income sources **Potential Impact:** • cash flow and budget impact of loss of income source **Risk Management/mitigation** • identify major dependencies • implement adequate reserves policy • consider, develop, and execute diversification plans LBN held a development day with staff and board members in March 2018, as a result of this, a strategy is being developed for the next three years.

Plans for future periods

a. FUTURE DEVELOPMENTS

As an organisation, we are working towards becoming as self-sustaining as it is possible within our sector. Although it will take time to make this a reality, we hope to develop ways to generate income so that it may be used alongside grants and funding to create a positive impact in Lancashire.

MEMBERS' LIABILITY

The Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees, on 22/06/2022 and signed on their behalf by:

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

NWEEBA IKHAN.

Trustee

J. CHRISTINE BLITHE

Trustee

N. Khan.

J. Christine Blithe.

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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees (who are also directors of Lancashire BME Network 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).

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 the 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 then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LANCASHIRE BME NETWORK LTD (the 'charitable company')

I report to the charity Trustees on my examination of the accounts of the charitable company for the year ended 31 August 2021.

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charitable company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Trustees as a body, for my work or for this report.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the charitable company (and 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 charitable 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 the charitable company's accounts 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.

LANCASHIRE BME NETWORK LTD
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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

INDEPENDENT EXAMINER'S STATEMENT

Since the charitable 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 Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I can 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 charitable 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.

Signed:



Dated:

22/06/2022

Courtney Wright BA FCCA

For and On Behalf of CW Accountants Limited

Chartered Certified Accountants

The Boulevard Centre
45 Railway Road
Blackburn
Lancashire
BB1 1EZ

LANCASHIRE BME NETWORK LTD
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Charitable activities	2	903,799	87,566	991,365	432,952
TOTAL INCOME		<u>903,799</u>	<u>87,566</u>	<u>991,365</u>	<u>432,952</u>
EXPENDITURE ON:					
Charitable activities	3	787,664	9,148	796,812	322,057
TOTAL EXPENDITURE	4	<u>787,664</u>	<u>9,148</u>	<u>796,812</u>	<u>322,057</u>
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		116,135	78,418	194,553	110,895
NET MOVEMENT IN FUNDS		116,135	78,418	194,553	110,895
RECONCILIATION OF FUNDS:					
Total funds brought forward		184,450	133,987	318,437	207,542
TOTAL FUNDS CARRIED FORWARD		<u>300,585</u>	<u>212,405</u>	<u>512,990</u>	<u>318,437</u>

The notes on pages 16 to 29 form part of these financial statements.

LANCASHIRE BME NETWORK LTD
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REGISTERED NUMBER: 04865661

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	7		-		-
CURRENT ASSETS					
Debtors	8	13,094		9,674	
Cash at bank and in hand		500,500		311,121	
		<u>513,594</u>		<u>320,795</u>	
CREDITORS: amounts falling due within one year	9	(604)		(2,358)	
NET CURRENT ASSETS			<u>512,990</u>		<u>318,437</u>
NET ASSETS			<u>512,990</u>		<u>318,437</u>
CHARITY FUNDS					
Restricted funds	10		300,585		184,450
Unrestricted funds	10		212,405		133,987
TOTAL FUNDS			<u>512,990</u>		<u>318,437</u>

The charitable company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the charitable company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charitable company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the Trustees on 22/06/2022 and signed on their behalf, by:


Trustee **NWEEHA KHAN**


Trustee **CHRISTINE BLYTHE**

The notes on pages 16 to 29 form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	12	189,379	<i>135,636</i>
Change in cash and cash equivalents in the year		189,379	<i>135,636</i>
Cash and cash equivalents brought forward		311,121	<i>175,485</i>
Cash and cash equivalents carried forward	13	500,500	<i>311,121</i>

The notes on pages 16 to 29 form part of these financial statements.

LANCASHIRE BME NETWORK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Lancashire BME Network Ltd 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.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

1.3 Company status

The charitable company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

1.4 Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charitable company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charitable company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charitable company, or the charitable company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charitable company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charitable company's educational operations, including support costs and costs relating to the governance of the charitable company apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.6 Cash flow

The financial statements do not include a Statement of cash flows because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment - unrestricted	-	25% reducing balance
Office equipment - restricted	-	25% straight line

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 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.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Taxation

The charitable company 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 charitable company 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.

LANCASHIRE BME NETWORK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.13 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 charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs 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.

2. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Charitable activities	903,799	87,566	991,365	432,952
<i>Total 2020</i>	-	432,952	432,952	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Consultancy	42,469	-
Flow Funding	1,000	-
The National Lottery - Community Fund	85,714	166,841
Good Things Foundation	-	946
LCC SRP	-	96,807
NAVCA	14,250	-
NHSBT	-	2,091
NPS Sodexo	29,604	-
ESF Volunteering	-	(6,665)
BBO CF	27,220	22,758
Comic Relief	250,000	-
BBO Reach IT	-	2,716
Lancashire Community Foundation	-	4,839
TNL Community Fund	-	90,630
Lloyds Community Foundation	15,000	33,000
BWD Borough Council	-	9,990
ESF Strengthening Communities	8,908	2,948
Government JRS / Kickstart	11,101	2,540
East Lancs CCG	-	2,305
PCC - Preston Community Champions	154,177	-
The Cadbury Barrowford Grant	20,000	-
ESOL	31,807	-
Safelives - Your Best Friend	15,750	-
WEA ESF	11,665	-
Sundry - Other	2,189	1,206
Energy 360	137,135	-
Energy Redress Vouchers	133,376	-
Total	<u>991,365</u>	<u>432,952</u>

3. GOVERNANCE COSTS

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Accountancy fees	-	804	804	401
Legal and Professional	-	6,025	6,025	908
	<u>-</u>	<u>6,829</u>	<u>6,829</u>	<u>1,309</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2021 £	Other costs 2021 £	Total 2021 £	Total 2020 £
Charitable activities	251,830	538,153	789,983	320,748
Expenditure on governance	-	6,829	6,829	1,309
	<u>251,830</u>	<u>544,982</u>	<u>796,812</u>	<u>322,057</u>
Total 2020	<u>140,234</u>	<u>181,823</u>	<u>322,057</u>	

ANALYSIS OF CHARITABLE EXPENDITURE

	2021 £	2020 £
Staff salaries	232,901	129,052
Staff employers national insurance	9,387	5,541
Staff employers pension costs	9,542	5,641
Travel and subsistence	937	1,896
Project costs	492,077	142,994
Rent, Rates and Utilities	14,020	21,661
Telephone and fax	2,116	437
Stationery, printing and photocopying	2,299	1,839
Insurance	2,340	1,412
Sundry expenses	1,332	622
Advertising and PR	381	159
Website development and IT costs	10,874	5,116
Training	6,518	1,500
Equipment purchase and repairs	4,891	2,644
Subscriptions	368	234
Total	<u>789,983</u>	<u>320,748</u>

5. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2021 £	2020 £
Pension costs	<u>9,542</u>	<u>5,641</u>

During the year, no Trustees received any remuneration (2020 - £NIL).

During the year, no Trustees received any benefits in kind (2020 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2020 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

6. STAFF COSTS

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	232,901	129,052
Social security costs	9,387	5,541
Other pension costs	9,542	5,641
	<u>251,830</u>	<u>140,234</u>

The average number of persons employed by the charitable company during the year was as follows:

	2021 No.	2020 No.
Chief officer	1	1
Project officer	11	7
Admin and Finance officer	1	1
Admin Apprentice	1	1
	<u>14</u>	<u>10</u>

No employee received remuneration amounting to more than £60,000 in either year.

7. TANGIBLE FIXED ASSETS

	Office equipment £
Cost	
At 1 September 2020 and 31 August 2021	<u>34,059</u>
Depreciation	
At 1 September 2020 and 31 August 2021	<u>34,059</u>
Net book value	
At 31 August 2021	<u>-</u>
At 31 August 2020	<u>-</u>

LANCASHIRE BME NETWORK LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. DEBTORS

	2021 £	2020 £
Accrued income	13,094	7,754
Trade debtors	-	1,920
	<u>13,094</u>	<u>9,674</u>

9. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Pension contributions	-	689
Accruals and deferred income	604	1,669
	<u>604</u>	<u>2,358</u>
Deferred income		£
Deferred income at 1 September 2020		3,082
Resources deferred during the year		-
Amounts released from previous years		<u>(3,082)</u>
Deferred income at 31 August 2021		<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Designated funds				
Designated Fund 1	43,376	-	-	43,376
General funds				
General Funds	90,611	87,566	(9,148)	169,029
Total Unrestricted funds	133,987	87,566	(9,148)	212,405
Restricted funds				
TNL	65,337	85,714	(136,969)	14,082
Flow Funding	-	1,000	(1,000)	-
NAVCA	-	14,250	(6,167)	8,083
BBO CF	1,073	27,220	(25,708)	2,585
WEA ESF	-	11,665	(17,850)	(6,185)
The Cadbury Barrowford Grant	-	20,000	(20,000)	-
ESF Strengthening Communities	1,474	8,908	(10,382)	-
Lloyds Bank Foundation	33,000	-	(27,271)	5,729
NPS - Sodexo	-	29,604	(29,604)	-
TNL Community Fund	83,566	-	(83,566)	-
Global Majority Fund - Comic Relief	-	250,000	(49,208)	200,792
Preston Community Champions	-	154,177	(130,197)	23,980
Safelives - Your Best Friend	-	15,750	(10,056)	5,694
Energy 360	-	137,135	(137,135)	-
Energy Vouchers	-	133,376	(102,551)	30,825
Lloyds Infrastructure	-	15,000	-	15,000
	184,450	903,799	(787,664)	300,585
Total of funds	318,437	991,365	(796,812)	512,990

Designated Funds

Designated Fund 1 - This is for 6 months running and redundancy costs as explained in the reserves policy.

General Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes. This also includes unrestricted project funds.

LANCASHIRE BME NETWORK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. STATEMENT OF FUNDS (continued)

Restricted Funds

(Please refer to the activities of the year in the trustees report for further details)

TNL

This project is funded by the Big Lottery to deliver information, advice and guidance in Burnley and Pendle to those most in need.

BBO Changing Futures - Wider Disadvantage

Similar to the above two restricted funds, this was funded by the Big Lottery and ESF. It is to engage with those individuals who have multiple barriers and are the furthest away from the job market

ESF LACVS

This is a fund based on strengthening communities volunteering programmes and supporting people across Lancashire in education/ training/ volunteering and employment. Similarly, to the above project, monies were outstanding at the year end.

ESF Strengthening Communities

This is an EU funded programme to engage people in volunteering who are furthest away from the labour market.

Lloyds Bank Foundation

This funding will assist and support the delivery of the Elbowing programme.

TNL Community Fund

This is to support our members with capacity building, develop LBN to deliver services in a COVID safe way and develop an Independent Race and Equality Panel (IREP)

Global Majority Fund - Comic Relief

LBN were selected as an Intermediary Partner to distribute funds to organisations who work with communities facing racial inequality in Lancashire

Preston Community Champions

This fund is to deliver a programme, aiming to encourage communities to follow safer behaviours and reduce the impact of the virus on themselves and those around them.

Safelives - Your Best Friend

Working with 10 national partners to deliver a tampon tax funded campaign for girls and young women.

Energy 360 and Redress

This service helps families improve their home energy efficiency whilst reducing their bills and carbon footprint by providing free impartial energy advice. The fuel voucher scheme provides vouchers to the most disadvantaged households.

Lloyds Infrastructure

This is a funding specifically to look at and enhance the infrastructure of LBN.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Balance at 31 August 2020 £</i>
Designated Fund 1	43,376	-	-	-	43,376
General Funds	<u>98,183</u>	<u>108,899</u>	<u>(119,924)</u>	<u>3,453</u>	<u>90,611</u>
Restricted funds					
TNL	57,273	166,841	(158,777)	-	65,337
BBO CF	788	22,758	(22,473)	-	1,073
LA CVS CF	3,142	-	-	(3,142)	-
ESF LACVS	311	-	-	(311)	-
NHSBT	250	2,091	(2,341)	-	-
Healthier Lancashire and South Cumbria	4,146	-	(4,146)	-	-
Good Things Foundations	73	946	(1,019)	-	-
ESF Strengthening Communities	-	2,948	(1,474)	-	1,474
Lloyds Bank Foundation	-	33,000	-	-	33,000
Lancashire Community Foundation	-	4,839	(4,839)	-	-
TNL Community Fund	-	90,630	(7,064)	-	83,566
	<u>65,983</u>	<u>324,053</u>	<u>(202,133)</u>	<u>(3,453)</u>	<u>184,450</u>

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Designated funds	43,376	-	-	43,376
General funds	<u>90,611</u>	<u>87,566</u>	<u>(9,148)</u>	<u>169,029</u>
	133,987	87,566	(9,148)	212,405
Restricted funds	<u>184,450</u>	<u>903,799</u>	<u>(787,664)</u>	<u>300,585</u>
	<u>318,437</u>	<u>991,365</u>	<u>(796,812)</u>	<u>512,990</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS - PRIOR YEAR

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Balance at 31 August 2020 £</i>
Designated funds	43,376	-	-	-	43,376
General funds	98,183	108,899	(119,924)	3,453	90,611
	<u>141,559</u>	<u>108,899</u>	<u>(119,924)</u>	<u>3,453</u>	<u>133,987</u>
Restricted funds	65,983	324,053	(202,133)	(3,453)	184,450
	<u>207,542</u>	<u>432,952</u>	<u>(322,057)</u>	<u>-</u>	<u>318,437</u>

LANCASHIRE BME NETWORK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Current assets	300,585	213,009	513,594
Creditors due within one year	-	(604)	(604)
	<u>300,585</u>	<u>212,405</u>	<u>512,990</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Current assets	184,450	136,345	320,795
Creditors due within one year	-	(2,358)	(2,358)
	<u>184,450</u>	<u>133,987</u>	<u>318,437</u>

12. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	194,553	110,895
Adjustment for:		
(Increase)/decrease in debtors	(3,420)	23,556
(Decrease)/increase in creditors	(1,754)	1,185
Net cash provided by operating activities	<u>189,379</u>	<u>135,636</u>

13. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	500,500	311,121
Total	<u>500,500</u>	<u>311,121</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. PENSION COMMITMENTS

The charitable company contributed to personal pension plans in 2021.

15. OPERATING LEASE COMMITMENTS

At 31 August 2021 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts payable:		
Within 1 year	-	3,616
	<u> </u>	<u> </u>

16. RELATED PARTY TRANSACTIONS

LACVS

Christine Blythe who is a director of LACVS is also a director of Lancashire BME Network and Naz Zaman who is the chief officer of Lancashire BME Network is also a director of LACVS. Throughout the financial year Lancashire BME Network have received funding for project delivery.

Northern Community Network

Rafique Malik is a director of Northern Community Network and Lancashire BME Network LTD. Northern Community Network were a partner of the Support 360 project throughout the financial year.

Bangladeshi Welfare Association

Sadar Uddin is a director of Bangladeshi Welfare Association and Lancashire BME Network LTD. Bangladeshi Welfare Association was a partner of the Support 360 project throughout the financial year.

17. POST BALANCE SHEET EVENTS

There have been no significant events affecting the company since the year-end.

18. CONTROLLING PARTY

The charitable company is controlled by the Trustees listed on page one of the accounts.