

Registered number: 05702090
Charity number: 1140209

Community Resources for Change
(A company limited by guarantee)

Unaudited

Trustees' report and financial statements
for the year ended 31 March 2023

Community Resources for Change
(A company limited by guarantee)

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Community Resources for Change
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Reference and administrative details of the Charity, its Trustees and advisers
for the year ended 31 March 2023

Trustees

Avril McIntyre
Sally Dixon
Rachel Wright
John Singleton
Elspeth Paisley (resigned 9 August 2022)
Nzilani Kaunda (appointed 9 February 2023)

Company registered number

05702090

Charity registered number

1140209

Registered office

Lifeline House
25 Neville Road
Dagenham
Essex
RM8 3QS

Accountants

Kreston Reeves LLP
Chartered Accountants
Montague Place, Quayside
Chatham Maritime, Chatham
Kent, ME4 4QU

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

Independent Examiner

Susan Robinson BA FCA FCIE DChA
Kreston Reeves LLP
Chartered Accountants
Montague Place, Quayside
Chatham Maritime, Chatham
Kent, ME4 4QU

Community Resources for Change
(A company limited by guarantee)

Trustees' report
for the year ended 31 March 2023

The Trustees present their annual report together with the financial statements of the Community Resources for Change for the year 1 April 2022 to 31 March 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable 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 (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

- the advancement of education and training and the relief of unemployment including (but not so as to limit the generality of the foregoing) assistance to find employment particularly but not exclusively amongst asylum seekers and refugees in Dagenham and in such other parts of the United Kingdom or the world as the Trustees from time to time may think fit.
- the relief of financial hardship and of sickness and the promotion and preservation of good health by the provision of funds, goods or services of any kind in such parts of the United Kingdom or the world as the Trustees from time to time may think fit.
- the provision of community facilities for recreational and other leisure time occupation in the interests of social welfare for persons who have need by reason of their youth, poverty or social and economic circumstances with the object of improving their conditions of life in Dagenham and in such other parts of the United Kingdom or the world as the Trustees may from time to time think fit and to fulfil such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Charity.

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, including the guidance 'Public benefit: running a charity (PB2)'.

b. Main activities undertaken to further the Charity's purposes for the public benefit

In planning the activities of the Charity, the Trustees have given consideration to the guidance on public benefit issued by the Charity Commission, in particular to ensure that:

- There are identifiable benefits.
- Benefits are to the public or a section of the public.
- The benefits relate closely to the charitable objectives.

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Trustees' report (continued)
for the year ended 31 March 2023

Achievements and performance

a. Review of activities

Activity Report

The work of Community Resources has gone from strength to strength this year with new levels of engagement with a range of participants, secured funding which ensures the work is sustainable and a growing number of volunteers. The reach both within the local Barking & Dagenham area and wider through Peaced Together is significant and it is a charity that demonstrates strong local connection with a strategic influence, shaping the landscape of the local social sector. We are grateful to our funders for the ongoing support; Barking & Dagenham Council, Mercers Charitable Foundation, Garfield Weston Foundation and Trusthouse Charitable Foundation.

The budget for 2023-24 is breakeven and so we are pleased to note that we have been able to transfer a further £20,000 into reserves from this year's surplus. We will actively pursue funding as we recognise that most of the current funding ends in the next financial year. We are confident that with the excellent work happening across the charity that we will be able to secure the necessary funds.

Peaced Together

We have seen a benefit with expanding the team with the new administration and communications support over this year. It has enabled us to delve further into data analysis and develop our impact report. The funding with the Lancaster Foundation, who have funded Peaced Together for nearly 6 years is due to end Dec 23 and we are being proactive in exploring additional funding sources next year. The income from licenses and training continues to support the work, but we do also need grant funding to meet the demands of new bases. We are also keen to find the resource to promote the Junior Peaced Together. We have trialed this in a few places and now have 6 license places but keen to widen sphere. We are in conversations with The Cinnamon network to run the Junior course as a separate project so that it can be promoted to a different audience, we are working out how to take that forward currently.

Successes:

We continue to see growth of the adult course and have constant interest from new Churches even with limited promotion. We are excited to be able to go back to Belfast in May for our first training there since the lockdown. A few of our locations want to expand their training to include the Peaced Together with creative English resources as there is a growth in the need for supporting women who have English as a second language. With the Ukraine war some of our Churches who didn't previously have this need have had an influx of those who could benefit from these resources. The Peaced Together course at our Dagenham base was run predominantly for Ukrainians and there are stories of how it has helped them process things and begin to find some peace.

Numbers: We have 50 locations who delivered at least one of our courses and currently there are 35 locations delivering one of our courses. To date the total number of courses is 231 and the total number of participants is 1,676.

Neighbourhood Team:

The work, previously known as Castle Point Hub, has grown and developed. We now call this team the Neighbourhood Team because since the pandemic, much of the work take place beyond our building in Dagenham. The activities continue to be mainly volunteer led, supported by the staff team and include:

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Trustees' report (continued)
for the year ended 31 March 2023

Achievements and performance (continued)

Family Support Training

We received funding from Trusthouse Charitable Foundation over 3 years to train 10 volunteers to support other families. We are currently training our first cohort of seven women. They include women who are dealing with their challenges in their own family situations and want to draw on these experiences to make a difference to others. Two of the women attend Tots and Tinies and have set up the Friday group for isolated mums (see below). We are drawing on our Open Doors experience of the last 20+ years and have developed 5 initial sessions looking at themes such as our values, belonging, teamwork, accountability. There is a real responsiveness to this training. The women attend consistently and are enthusiastic both during and after the sessions. They always take the notes and handouts away and tell us how they share these with family members and friends. It reminds us that what we take for granted is often fresh and new for others. One notable thing has been the increased liveliness of the whatsapp chat that they have set up for the Friday group. Since the session on how we can build belonging, these women have been even more proactive in using whatsapp to share photos, ask questions and advice and especially to arrange times to meet up with each other and encourage each other to come to the sessions.

Mums' group

A group of mums from Tots and Tinies started an additional group which runs on a Friday morning. They applied for funding from the Neighbourhood Networks initiative so that they could include activities such as Pilates for Mums and Tots, input from a nutritionist as well as some new equipment. The group is attracting around 20 mums with their babies and toddlers.

Increased 1:1/family support

We are finding ourselves increasingly involved in helping people navigate complex and stretched support systems. Housing is a particular issue – particularly for lone parents and their families who are finding themselves being evicted and having no way of finding affordable housing locally.

We continue to work closely with council departments as we demonstrate our long-term, consistent and reliable commitment to people in need. For example, the young Ukrainian man who was discovered sleeping in a tent in a local field. Many hours have been spent in helping him to stabilise his life – previously he had slipped through the gaps in the system at every turn. He has now secured his immigration status, housing and has enrolled on an engineering course and part-time work.

Expansion of food collection

We continue to collect food that would otherwise be wasted and this is a huge benefit to us in the kitchen and to people who are finding it difficult to make ends meet. One of our volunteers is particularly passionate about this and makes regular trips each week to collect. We are also trying to work with other voluntary groups by being part of BD Collective's food network to make this process more efficient to save time and wastage.

Kitchen team

This team has recently increased and there is a strong sense of ownership and camaraderie. We have noticed how Ely has grown in confidence as team leader and is more able to delegate as her team also develop their skills and confidence.

Greater sense of connection

People are meeting together outside of activities at Castle Point without the staff team initiating. We hear a lot of stories from people who tell us how they have found a place of belonging and friendship which they never had before.

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Trustees' report (continued)
for the year ended 31 March 2023

Achievements and performance (continued)

Andrews Corner drop in

Each week we still see an average of 20 'walkins'. These are new people who pass by and pop in for the first time out of curiosity. After a few weeks we see these folk staying for a cup of tea and joining the regular posse that gather there. Our regulars bring tea bags and biscuits and help sort out the clothes and Hoover the floor. We get to know about their lives and sometimes have the opportunity to share stories and be part of their journey. Here's some quotes :

" I make friends here and have good conversations, otherwise I'd sit indoors alone "

"It's so good to get out and meet people"

" It's very central, easy to see and get into, also by bus. I look out of my window and I can see if its open"

" It's a friendly community building for everyone"

" people are curious as they walk by and then just come in, and next thing they are our friends"

Wider borough involvement

Joining the Dots group is continuing to bring voluntary sector organisations and council services together to find solutions to difficult situations. To increase its reach it will become part of the Localities work.

Community Resources has become a member of the new Faith Leaders Network and the Migrants Network.

BD_Collective

The work of BD_Collective continues and the extension of the infrastructure contract (Year 5) starts in July 2023. Looking towards the recommissioning of the contract next year, we are working with the Collective leadership team to establish it as an 'entity' that will be governed directly by members.

We have the final learning report from Ratio, our Learning and this will be followed up with 4 events in the early summer involving high profile speakers to stimulate the conversation around civil society leading the way in a broken system.

There have been many successes and the Collective has secured £2.2 million in commissioned contracts/grants over the last 2 years. This year, we have established the localities model commissioned by the Council through 2 different funds (Health Inequalities and cost of living support = £550,000). Community Resources is the lead organisation, co-ordinating a localised partnership approach with 5 social sector organisations leading the partnership. This has had a mixed success and there has been much learning both on how to really know what is happening in the localities, breaking down suspicions so that organisations are willing to work together and building effective partnerships. The Health Inequalities fund also commissioned £100,000 for a consortium of youth providers supporting young people with mental health issues, led by BDCVS and also £40,000 (match funded by the Council) for organisations offering support to people referred to social prescribing. In addition, the council commissioned BD_Collective to develop consortium for early help for families. £450,000 has been allocated, with a similar amount expected next year, for 7 providers to develop a community based model for early help. This is funded via the Department for Education, Start 4 Life fund.

There has been considerable activity around the 7 active networks and also BD_Collective has been exploring different models around asset transfer, capacity building for smaller organisations and consortia funding approaches.

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Trustees' report (continued)
for the year ended 31 March 2023

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity 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

Community Resources for Change reserves policy sets the level of reserves to be held as:

Two months full running costs

A further two months of salary costs

This equates to a minimum free reserves level of approximately £80,000. At present the Charity holds sufficient reserves to exceed this target.

This level of reserves is designed to provide an orderly reduction in charity activity should income decline for any reason.

c. Results for the year

GLW Management Services Ltd have continued to provide our financial management, supported by our bookkeeper here. This is working well and the Trustees are satisfied that we now have robust monthly management accounts.

At the year end, the Charity's reserves include a balance of £26,140 (2022: £28,861) of restricted funds which comprise unexpended balances of grants and donations held for specific purposes.

The Charity has a surplus of £120,676 (2022: £3,145). This enables Community Resources to continue to move towards a more sustainable future.

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Trustees' report (continued)
for the year ended 31 March 2023

Structure, governance and management

a. Constitution

The Charity is a company limited by guarantee, as well as registered charity and as such is a non-profit making organisation. It was incorporated on February 2006 and its governing document is the Memorandum and Articles of Association.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

c. Risk management

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The first of the two main risks affecting the Charity is limited staff capacity impacting the delivery of work. Management regularly review and adjust the staff responsibilities. Avril McIntyre meets with Project Leads to ensure they are managing their own workload and that their team is working well.

The other main risk the Charity faces is the ability to obtain additional secured funding, post the Reaching Communities grant. An application has been submitted and management expect to hear the outcome of this by late August. Management are also identifying other possible funders to apply as well.

Plans for future periods

We recognise that our website is very out of date and have relied on pro-bono support to get that developed. However, we recognise this is now a priority and will invest some of this year's surplus in making sure that effectively represents our work.

We have the opportunity to second Dr Anne Smith for a day a week over the next year from FaithAction to support us with how we measure impact. Anne has extensive experience of developing effective ways to measure connection and belonging and we expect this to be a significant investment both to understand why what we do is so successful as well as support with future funding applications.

Funds held as custodian

On occasion the Charity receives money on behalf of other charities, which it banks and then pays out to these charities. This income is received as agent for these other charities and the income, and the related payments, are excluded from the Statement of financial activities; any money that has not been distributed by the year end is recognised as a creditor.

The Charity acts as an agent for Lankelly Chase, and in that capacity held £4,317 of funds as at 31 March 2022. During the current financial year funds of £2,198 were paid out, leaving a balance of £2,119 to carry over at 31 March 2023.

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Trustees' report (continued)
for the year ended 31 March 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity 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 Charity and of its income and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

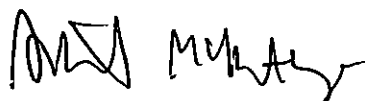
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the Board of Trustees on
on their behalf by:

17 July 2023

and signed



Avril McIntyre
Trustee

Community Resources for Change
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Independent examiner's report
for the year ended 31 March 2023

Independent examiner's report to the Trustees of Community Resources for Change ('the Charity')

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2023.

Responsibilities and basis of report

As the Trustees of the Charity (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 Charity 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 Charity'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.

Independent examiner's statement

Since the Charity'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 the Institute of Chartered Accountants in England and Wales, 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 Charity 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.

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Independent examiner's report (continued)
for the year ended 31 March 2023

This report is made solely to the Charity'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 Charity'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 Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:



Susan Robinson

Dated: 21 July 2023

BA FCA FCIE DChA

Kreston Reeves LLP

Chartered Accountants

Montague Place, Quayside

Chatham Maritime, Chatham

Kent, ME4 4QU

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Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 March 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	122,085	361,572	483,657	265,051
Charitable activities	5	450,937	-	450,937	18,174
Investments	6	2,371	-	2,371	34
Total income		575,393	361,572	936,965	283,259
Expenditure on:					
Charitable activities	7,8	451,996	364,293	816,289	280,114
Total expenditure		451,996	364,293	816,289	280,114
Net movement in funds		123,397	(2,721)	120,676	3,145
Reconciliation of funds:					
Total funds brought forward		172,188	28,861	201,049	197,904
Net movement in funds		123,397	(2,721)	120,676	3,145
Total funds carried forward		295,585	26,140	321,725	201,049

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 28 form part of these financial statements.

Community Resources for Change
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Registered number: 05702090

Balance sheet
as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Current assets			
Debtors	11	2,667	2,600
Cash at bank and in hand		392,943	321,449
		<u>395,610</u>	<u>324,049</u>
Creditors: amounts falling due within one year	12	(73,885)	(123,000)
Net current assets		<u>321,725</u>	<u>201,049</u>
Total net assets		<u><u>321,725</u></u>	<u><u>201,049</u></u>
Charity funds			
Restricted funds	13	26,140	28,861
Unrestricted funds	13	295,585	172,188
Total funds		<u><u>321,725</u></u>	<u><u>201,049</u></u>

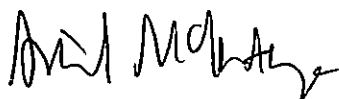
The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on
17 July 2023 and signed on their behalf by:



Avril McIntyre
Trustee

The notes on pages 14 to 28 form part of these financial statements.

Community Resources for Change
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Statement of cash flows
for the year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	69,123	96,149
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	2,371	34
	<hr/>	<hr/>
Net cash provided by investing activities	2,371	34
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	71,494	96,183
Cash and cash equivalents at the beginning of the year	321,449	225,266
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	392,943	321,449
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 14 to 28 form part of these financial statements

Community Resources for Change
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Notes to the financial statements
for the year ended 31 March 2023

1. General information

Community Resources for Change is a Charitable Company limited by guarantee incorporated in England and Wales. The registered office is Lifeline House, 25 Neville Road, Dagenham, Essex, RM8 3QS. The Charity's principal objectives are as set out in the Trustees Report on page 2.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Community Resources for Change 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.

2.2 Company status

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

2.3 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.4 Income

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

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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Notes to the financial statements
for the year ended 31 March 2023

2. Accounting policies (continued)

2.5 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 on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Government grants

Government grants are credited to the statement of financial activities as the related expenditure is incurred.

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.8 Taxation

The Charity 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 Charity 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.

2.9 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.

2.10 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.

2.11 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 Charity 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 in the statement of financial activities as a finance cost.

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Notes to the financial statements
for the year ended 31 March 2023

2. Accounting policies (continued)

2.12 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.14 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.

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 Charity 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.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The Charity does not currently have any significant accounting estimates or areas of judgement.

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Notes to the financial statements
for the year ended 31 March 2023

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	41	-	41	8,164
Grants	122,044	361,572	483,616	256,699
Government grants	-	-	-	188
	<u>122,085</u>	<u>361,572</u>	<u>483,657</u>	<u>265,051</u>
Total 2022	<u>161,826</u>	<u>103,225</u>	<u>265,051</u>	

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Charitable activities	<u>450,937</u>	<u>450,937</u>	<u>18,174</u>
Total 2022	<u>18,174</u>	<u>18,174</u>	

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6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	2,371	2,371	34
Total 2022	34	34	

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Charitable activities	451,996	364,293	816,289	280,114
Total 2022	164,557	115,557	280,114	

8. Analysis of expenditure by activities

	Direct costs 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Charitable activities	810,067	6,222	816,289	280,114
Total 2022	275,448	4,666	280,114	

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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	124,869	124,869	150,849
Depreciation	-	-	279
Property costs	18,532	18,532	16,367
Business development	91,884	91,884	3,600
Communication, marketing and administration	61,684	61,684	48,462
Project delivery costs	503,279	503,279	55,722
Coffee shop running costs	-	-	169
Repayments to funders	9,819	9,819	-
	<u>810,067</u>	<u>810,067</u>	<u>275,448</u>
Total 2022	<u>275,448</u>	<u>275,448</u>	

Analysis of support costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Independent examination fees	1,950	1,950	1,386
Professional fees	4,272	4,272	3,280
	<u>6,222</u>	<u>6,222</u>	<u>4,666</u>
Total 2022	<u>4,666</u>	<u>4,666</u>	

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9. Staff costs

	2023 £	2022 £
Wages and salaries	123,912	147,786
Social security costs	-	1,472
Pension costs	957	1,591
	<u>124,869</u>	<u>150,849</u>

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

	2023 No.	2022 No.
	11	12
	<u>11</u>	<u>12</u>

The average headcount expressed as full-time equivalents was:

	2023 No.	2022 No.
	3	4
	<u>3</u>	<u>4</u>

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

The total remuneration and benefits received by the Charity's key management personnel, including employer's national insurance contributions, amounted to £38,221 (2022: £42,380).

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10. Trustees' remuneration and expenses

During the year, one Trustee, Sally Dixon, received remuneration and benefits in her role as a project co-ordinator, as follows:

		2023	2022
		£	£
Sally Dixon	Remuneration	11,933	16,529
	Pension contributions paid	171	263

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

11. Debtors

	2023	2022
	£	£
Due within one year		
Trade debtors	125	2,600
Prepayments	2,542	-
	2,667	2,600

12. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	588	268
Other taxation and social security	982	335
Other creditors	3,255	4,729
Accruals and deferred income	69,060	117,668
	73,885	123,000

	2023	2022
	£	£
Deferred income at 1 April 2022	108,988	11,250
Resources deferred during the year	36,826	108,988
Amounts released from previous periods	(108,988)	(11,250)
Deferred income at 31 March 2023	36,826	108,988

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13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
B&D Social Infrastructure	45,804	-	(125,460)	98,479	18,823
Peaced Together	-	-	-	5,700	5,700
Health Inequalities Fund	-	-	-	53,092	53,092
Cost of Living Fund	-	-	-	76,740	76,740
	<u>45,804</u>	<u>-</u>	<u>(125,460)</u>	<u>234,011</u>	<u>154,355</u>
General funds					
General Funds	126,384	575,393	(326,536)	(234,011)	141,230
	<u>126,384</u>	<u>575,393</u>	<u>(326,536)</u>	<u>(234,011)</u>	<u>141,230</u>
Total Unrestricted funds	<u>172,188</u>	<u>575,393</u>	<u>(451,996)</u>	<u>-</u>	<u>295,585</u>
Restricted funds					
The Corner Coffee Shop Grants	9,819	-	(9,819)	-	-
Valence Park	8,152	-	-	(8,152)	-
Lankellychase BD Collective	10,890	-	(4,400)	-	6,490
LBBB Community Chest	-	88,518	(88,518)	-	-
Lankelly Chase - Ratio	-	30,000	(30,000)	-	-
Neighbourhood Network BD Lottery	-	52,700	(52,700)	-	-
Lankelly Disruptive Explorers	-	25,025	(22,612)	-	2,413
Lankelly Chase Social Isolation	-	20,000	(20,000)	-	-
Peaced Together Lancaster Grant	-	15,000	(15,000)	-	-
Neighbourhood Team CR	-	130,329	(121,244)	8,152	17,237
	<u>28,861</u>	<u>361,572</u>	<u>(364,293)</u>	<u>-</u>	<u>26,140</u>
Total of funds	<u>201,049</u>	<u>936,965</u>	<u>(816,289)</u>	<u>-</u>	<u>321,725</u>

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13. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
B&D Social Infrastructure	51,963	99,879	(78,643)	(27,395)	45,804
General funds					
General Funds	106,320	80,155	(85,914)	25,823	126,384
Total Unrestricted funds	158,283	180,034	(164,557)	(1,572)	172,188
Restricted funds					
Reaching Communities	8,426	57,250	(67,248)	1,572	-
Lancaster Foundation Grant	-	15,000	(15,000)	-	-
The Corner Coffee Shop Grants	9,988	-	(169)	-	9,819
Health at The Hub	1,805	-	(1,805)	-	-
Valence Park	8,512	-	(360)	-	8,152
Lankellychase BD Collective	10,890	30,975	(30,975)	-	10,890
	39,621	103,225	(115,557)	1,572	28,861
Total of funds	197,904	283,259	(280,114)	-	201,049

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Designated Funds:

Designated B&D Social Infrastructure - This grant runs from July – June each year and so the budget for this project runs across the financial year 2022-23 – 2023-24. We will have expended the grant by the end of June 2023.

Designated Peaced Together Lancaster Foundation Grant - is funding to be used specifically for the Peaced Together project for both salary and other project costs.

Designated Health Inequalities Fund - This contract was budgeted across the year Oct 2022 – Sept 2023. We will have expended the full amount within that period.

Designated Cost of Living Fund - This contract was budgeted across the year Oct 2022 – Sept 2023. We will have expended the full amount within that period.

Restricted Funds:

Reaching Communities is a restricted fund which is specifically for Community Hub activities.

Lancaster Foundation is a restricted fund that was formed upon the receipt of grant funding to be used for the Peaced Together project for both salary and project specific costs.

The Corner Shop Coffee Grant - was originally for the development of the Corner Coffee shop to provide an excellent local place for people to connect, unfortunately the development of the project was halted and the funds were fully repaid to the funder.

The Health at the Hub fund is a small contract to deliver exercise activities.

Valence Park - is an activation programme to network and engage people in the local community to use their local park, due to Covid this was suspended. During the year, discussions were held with the funder, and it was agreed with the funder that the surplus funds could be used by the Neighbourhood Team for local project expenses.

Lankellychase Disruptive Explorers - This fund was for expenses relating to a group of organisations coming together to explore solutions to poverty in Barking & Dagenham. The balance has now been transferred to BD Giving, a local charity who is now leading on this work.

Lankelly Social Isolation was a grant with an open-ended end point. It was for small organisations in Barking & Dagenham to develop projects relating to social isolation. The grant was fully expended during the 22 to 23 financial year.

Neighbourhood Team CR - This is a combination of 3 grants (Mercers, Tudor and Trusthouse) that run across financial years. These restricted funds are budgeted to be spent in full by the end of the year (2023-24).

See the Trustees Report for details of any other funds not discussed separately above.

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14. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Designated funds	45,804	-	(125,460)	234,011	154,355
General funds	126,384	575,393	(326,536)	(234,011)	141,230
Restricted funds	28,861	361,572	(364,293)	-	26,140
	<u>201,049</u>	<u>936,965</u>	<u>(816,289)</u>	<u>-</u>	<u>321,725</u>

Summary of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	51,963	99,879	(78,643)	(27,395)	45,804
General funds	106,320	80,155	(85,914)	25,823	126,384
Restricted funds	39,621	103,225	(115,557)	1,572	28,861
	<u>197,904</u>	<u>283,259</u>	<u>(280,114)</u>	<u>-</u>	<u>201,049</u>

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Current assets	356,101	39,509	395,610
Creditors due within one year	(60,516)	(13,369)	(73,885)
Total	<u>295,585</u>	<u>26,140</u>	<u>321,725</u>

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15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Current assets	224,527	99,522	324,049
Creditors due within one year	(52,339)	(70,661)	(123,000)
Total	172,188	28,861	201,049

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	120,676	3,145
Adjustments for:		
Depreciation charges	-	279
Dividends, interests and rents from investments	(2,371)	(34)
Increase in debtors	(67)	(1,800)
Increase/(decrease) in creditors	(49,115)	94,559
Net cash provided by operating activities	69,123	96,149

17. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	392,943	321,449
Total cash and cash equivalents	392,943	321,449

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18. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	321,449	71,494	392,943
	<u>321,449</u>	<u>71,494</u>	<u>392,943</u>

19. Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £957 (2022: £1,591). Contributions totalling £Nil were payable to the Charity at the Balance sheet date and are included in debtors (2022: £36).

20. Operating lease commitments

At 31 March 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	As restated 2022 £
Not later than 1 year	11,667	20,000
Later than 1 year and not later than 5 years	-	11,667
	<u>11,667</u>	<u>31,667</u>

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21. Related party transactions

Two of the Trustees, Avril McIntyre and John Singleton, both served as Trustees of Lifeline Community Projects (LCP) and Lifeline Enterprises (LE) during the financial year. Avril McIntyre resigned from each Trusteeship, on 6 May 2022 and 30 April 2022 respectively.

As well as this, Avril McIntyre is a Trustee of both Lifeline Church and Lifeline Network International.

The Charity, LCP, has provided back office administrative and financial support to Community Resources for Change during the financial year. A monthly recharge invoice is processed to reflect such transactions. In total, during the 2022/23 financial year, Community Resources for Change (CRC) have paid expenditure to LCP of £4,052 (2022: £6,734), and expenses were recharged from CRC totalling £3,435 (2022: £Nil). At the Balance sheet date CRC owes LCP £191 (2022: £268).

There have been no transactions during the financial year between CRC and LE (2022: £Nil), and there are no amounts outstanding at the Balance sheet date (2022: CRC owed LE £3).

During the year the Charity had the following transactions with Lifeline Church (LC)), a charity of which Avril McIntyre is also a Trustee:

- Expenses were recharged from LC totalling £19,699 (2022: £18,459).
- Expenses were recharged to LC totalling £937 (2022: £1,334).
- At the Balance sheet date there were no balances outstanding between LC and CRC (2022: £Nil).

During the year the Charity had the following transactions with Lifeline Network International (LNI), a charity of which A McIntyre is also a Trustee:

- Expenses were recharged from LNI totalling £126 (2022: £Nil).
- Expenses were recharged to LNI totalling £6,854 (2022: £6,804).
- At the Balance sheet date there were no balances outstanding between CRC and LNI (2022: £Nil).