

COMPANY REGISTRATION NUMBER: 08050352

CHARITY REGISTRATION NUMBER: 1153334

Cheshire Connect Ltd
Company Limited by Guarantee
Unaudited Financial Statements
30th April 2021

UHY HACKER YOUNG

Chartered accountants
St John's Chambers
Love Street
Chester
Cheshire
CH1 1QN

Cheshire Connect Ltd

Company Limited by Guarantee

Financial Statements

Year ended 30th April 2021

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Cheshire Connect Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30th April 2021

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30th April 2021.

Reference and administrative details

Registered charity name Cheshire Connect Ltd

Charity registration number 1153334

Company registration number 08050352

Principal office and registered office St John's Chambers
Love Street
Chester
CH1 1QN

The trustees

M G Ellis	(Retired 30th April 2021)
C P Sykes	(Appointed 8th January 2021)
T D Briggs MBE	
V L Nuttal	(Appointed 11th September 2020)
S Verity	
K Francis	

Independent examiner NS Jenkins - FCA
St John's Chambers
Love Street
Chester
Cheshire
CH1 1QN

Cheshire Connect Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) (*continued*)

Year ended 30th April 2021

Structure, governance and management

Governing document

The charity is controlled by its governing documents, the Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law and are known as members of the Management Committee.

All trustees give their time voluntarily and receive no benefits from the charity.

Organisational structure

The charity has a Management Committee which meets regularly and is responsible for the strategic direction and policy of the charity. At present the Committee comprises the five trustees and the CEO, Martin Howlett.

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

Objectives and activities

Our objectives are delivered by matching relevant skills and expertise offered pro bono from the business community to resource needs in the voluntary sector. We do this in three ways: short-term projects, or quick fixes; longer-term projects involving a range of professional skills; and, sourcing trustees, mentors, or critical friends to deliver longer-term ongoing support.

The Charity's Objects are, for the benefit of the Public:

- (A) - To promote the efficiency and effectiveness of charities,
- (B) - To promote civic responsibility and good citizenship.

The projects carried out engaged with 325 local businesses and skilled individuals and 265 charities and non-profit organisations. We are continuing our plans to create a greater percentage of High Impact Matches and we are delighted to see an increase in the number of projects which have involved a range of business skills and resulted in longer-term, higher-impact outcomes. We have also encouraged more skills exchanges between charities, leveraging the wealth of skills and experience within the sector.

Public benefit Cheshire Connect is a small charity that matches the skills and expertise of local businesses and professionals, offered free of charge, with the needs of the community and voluntary sector. We were established as a Registered Charity in 2013. Our work impacts positively on a wide range of disadvantaged individuals and groups that use and rely on the charities that we support. Skills offered by businesses include business planning, financial forecasting, website development, IT systems reviews, marketing, HR advice, and mentoring.

Cheshire Connect Ltd

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Trustees' Annual Report (Incorporating the Director's Report) (*continued*)

Year ended 30th April 2021

Achievements and performance

Charitable activities

We are developing our services to build stronger, more sustainable communities in Cheshire by helping charities and businesses to work together. By matching relevant business skills and expertise to the needs of charities we work in partnership to enable them to deliver their front line services more effectively and to build capacity where appropriate.

Our Values:

- o Collaboration - working effectively in partnership with businesses, charities and key stakeholders to develop stronger communities together;
- o Understanding - we build knowledge of our local communities and strong relationships to clearly understand how we can best direct our resources;
- o Passion - we are passionate about stimulating lasting change and building stronger communities.

Fundraising activities as at year end 30th April 2021, we have raised £155,342 which includes £69,600 in donations from local businesses, £12,742 in gift aid, £48,000 in personal donations, £25,000 in grant from Foley Foundation. We have also received £20000 in Government's Covid-grant. In addition £??,??? was received in pro bono support from local businesses.

Investment performance

The charity does not hold any investments.

Internal and external factors

Everything we do at Cheshire Connect is based on our values. We work closely with a number of partners. Local Government, Cheshire Constabulary, the Church and local charitable trusts are key stakeholders in Cheshire and play an important part in our work. As we strive to better understand our local communities it is evident that securing funding and resources is increasingly challenging, whilst demand continues to increase for services offered by charities and community organisations.

We offer three main types of skills exchanges: Short-term projects, or Quick Fixes; Longer-term projects involving a range of professional skills; and, sourcing Trustees, Mentors, or Critical Friends to deliver longer-term ongoing support.

Our team of Business Connectors develop strong relationships with voluntary sector organisations and local businesses. We work with voluntary sector organisations to identify which business skills and expertise will improve outcomes for them and their service users. Simultaneously we give local businesses an opportunity to offer Employer Supported Volunteering (ESV) experiences. Our service is aimed at providing a meaningful opportunity for employees to expand and develop their range of skills and experience whilst they use their business expertise to make a difference to the local community.

Cheshire Connect Ltd

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Trustees' Annual Report (Incorporating the Director's Report) (*continued*)

Year ended 30th April 2021

Financial review

The results for the year are shown in the Statement of Financial Activities.

Income for the year has increased to £175,347 (2020: £140,359) with a decrease in expenditure to £157,097 (2020: £159,842).

This leaves total funds at 30 April 2021 of £66,242 (2020: £47,992), none of which is restricted.

Reserves policy

Cheshire Connect Ltd needs reserves for the following reasons:

1. Covering unforeseen day-to-day operational costs.
2. A source of income, such as grant, not being renewed. Funds might be needed to give the trustees time to action if income falls below expectations.
3. Planned commitments that cannot be met by future income alone, such as plans for an asset purchase or funds for a significant project that requires Cheshire Connect Ltd to provide matched funding.
4. The need to fund short-term deficits in a cash budget.
5. The aim is to have sufficient funds to cover employee's salaries for three months.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 1st June 2021 and signed on behalf of the board of trustees by:

T D Briggs MBE
Trustee

Charity Secretary

Cheshire Connect Ltd

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Cheshire Connect Ltd

Year ended 30th April 2021

I report to the trustees on my examination of the financial statements of Cheshire Connect Ltd ('the charity') for the year ended 30th April 2021.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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 financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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).

Cheshire Connect Ltd

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Cheshire Connect Ltd (*continued*)

Year ended 30th April 2021

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.

NS Jenkins - FCA
Independent Examiner

St John's Chambers
Love Street
Chester
Cheshire
CH1 1QN

1st June 2021

Cheshire Connect Ltd

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30th April 2021

		2021	2020
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	5	155,342	155,342
Investment income	6	5	5
Other income	7	20,000	20,000
Total income		<u>175,347</u>	<u>175,347</u>
Expenditure			
Expenditure on charitable activities	8,9	157,097	157,097
Total expenditure		<u>157,097</u>	<u>157,097</u>
Net income/(expenditure) and net movement in funds		<u>18,250</u>	<u>18,250</u>
Reconciliation of funds			
Total funds brought forward		47,992	47,992
Total funds carried forward		<u>66,242</u>	<u>66,242</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 10 to 18 form part of these financial statements.

Cheshire Connect Ltd

Company Limited by Guarantee

Statement of Financial Position

30th April 2021

	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	14		785	1,046
Current assets				
Debtors	15	10,900		6,900
Cash at bank and in hand		<u>55,757</u>		<u>41,546</u>
		66,657		48,446
Creditors: amounts falling due within one year	16	<u>1,200</u>		<u>1,500</u>
Net current assets			<u>65,457</u>	<u>46,946</u>
Total assets less current liabilities			<u>66,242</u>	<u>47,992</u>
Net assets			<u>66,242</u>	<u>47,992</u>
Funds of the charity				
Unrestricted funds			<u>66,242</u>	<u>47,992</u>
Total charity funds	18		<u>66,242</u>	<u>47,992</u>

For the year ending 30th April 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

The statement of financial position
continues on the following page.

The notes on pages 10 to 18 form part of these financial statements.

Cheshire Connect Ltd

Company Limited by Guarantee

Statement of Financial Position (*continued*)

30th April 2021

These financial statements were approved by the board of trustees and authorised for issue on 1st June 2021, and are signed on behalf of the board by:

T D Briggs MBE
Trustee

The notes on pages 10 to 18 form part of these financial statements.

Cheshire Connect Ltd

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30th April 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is St John's Chambers, Love Street, Chester, CH1 1QN.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

Estimates include the depreciation rates for fixed assets.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Cheshire Connect Ltd

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 30th April 2021

3. Accounting policies (*continued*)

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Cheshire Connect Ltd

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Notes to the Financial Statements (*continued*)

Year ended 30th April 2021

3. Accounting policies (*continued*)

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computer equipment	- 25% reducing balance
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Cheshire Connect Ltd

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Notes to the Financial Statements (*continued*)

Year ended 30th April 2021

3. Accounting policies (*continued*)

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Cheshire Connect Ltd

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Notes to the Financial Statements (*continued*)

Year ended 30th April 2021

3. Accounting policies (*continued*)

Financial instruments (*continued*)

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

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

Cheshire Connect Ltd

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 30th April 2021

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Grant Awards	25,000	25,000	—	—
Corporate Donations	130,342	130,342	140,280	140,280
	<u>155,342</u>	<u>155,342</u>	<u>140,280</u>	<u>140,280</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	5	5	79	79
	<u>5</u>	<u>5</u>	<u>79</u>	<u>79</u>

7. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Covid grant	20,000	20,000	—	—
	<u>20,000</u>	<u>20,000</u>	<u>—</u>	<u>—</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Charitable activities	157,097	157,097	159,842	159,842
	<u>157,097</u>	<u>157,097</u>	<u>159,842</u>	<u>159,842</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2021 £	Total fund 2020 £
Charitable activities	157,097	157,097	159,842
	<u>157,097</u>	<u>157,097</u>	<u>159,842</u>

Cheshire Connect Ltd

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 30th April 2021

10. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<u>261</u>	<u>309</u>

11. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,560</u>	<u>1,560</u>

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	99,246	105,063
Social security costs	37,033	34,922
Employer contributions to pension plans	<u>6,745</u>	<u>6,284</u>
	<u>143,024</u>	<u>146,269</u>

The average head count of employees during the year was 6 (2020: 6). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Organiser	<u>6</u>	<u>6</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

13. Trustee remuneration and expenses

There were no trustees' remuneration or other benefits for the year ended 30th April 2021 nor for the year ended 30th April 2020.

There were no trustees' expenses paid for the year ended 30th April 2021 nor for the year ended 30th April 2020.

Cheshire Connect Ltd

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Notes to the Financial Statements (*continued*)

Year ended 30th April 2021

14. Tangible fixed assets

	Equipment £	Total £
Cost		
At 1st May 2020 and 30th April 2021	<u>2,243</u>	<u>2,243</u>
Depreciation		
At 1st May 2020	1,197	1,197
Charge for the year	<u>261</u>	<u>261</u>
At 30th April 2021	<u>1,458</u>	<u>1,458</u>
Carrying amount		
At 30th April 2021	<u>785</u>	<u>785</u>
At 30th April 2020	<u>1,046</u>	<u>1,046</u>

15. Debtors

	2021 £	2020 £
Trade debtors	<u>10,900</u>	<u>6,900</u>

16. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	<u>1,200</u>	<u>1,500</u>

17. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £6,745 (2020: £6,284).

Cheshire Connect Ltd

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 30th April 2021

18. Analysis of charitable funds

Unrestricted funds

	At 1st May 2020	Income	Expenditure	At 30th April 2021
	£	£	£	£
Retained earnings	<u>47,992</u>	<u>175,347</u>	<u>(157,097)</u>	<u>66,242</u>

	At 1st May 2019	Income	Expenditure	At 30th April 2020
	£	£	£	£
Retained earnings	<u>67,475</u>	<u>140,359</u>	<u>(159,842)</u>	<u>47,992</u>

19. Analysis of net assets between funds

	Unrestricted Funds	Total Funds
	£	£
Tangible fixed assets	785	785
Current assets	66,657	66,657
Creditors less than 1 year	<u>(1,200)</u>	<u>(1,200)</u>
Net assets	<u>66,242</u>	<u>66,242</u>

	Unrestricted Funds	Total Funds
	£	£
Tangible fixed assets	1,046	1,046
Current assets	48,446	48,446
Creditors less than 1 year	<u>(1,500)</u>	<u>(1,500)</u>
Net assets	<u>47,992</u>	<u>47,992</u>