

# **Communities Together Durham**

**Report and Financial Statements  
for the year ended 31 December 2020**

**Charity number 1157214**

**Company number 08860961**

# **Communities Together Durham**

## **Report and Financial Statements for the year ended 31 December 2020**

<b>Contents</b>	<b>Pages</b>
Directors' and Trustees' Report	3 - 6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 - 15

# **Communities Together Durham**

## **Directors and Trustees Annual Report for the year ended 31 December 2020**

### **Reference and administration details**

Charity name:	Communities Together Durham
Registered charity number	1157214
Company number	08860961
Registered office address	Cuthbert House Stonebridge Durham DH1 3RY

The trustees under charity law, who were also the directors under company law, who served during the period and up to the date of this report were:

The Venerable Stuart Bain (CUF, from 26.3.14; reappointed from 26.3.19)

The Revd Canon Sheila Bamber (DBF, from 24.1.14; reappointed by CUF 26.3.2020)

The Right Reverend Sarah Clark (DBF, from 1.8.19)

Kate Welch OBE, DL (DBF, from 26.3.14; reappointed from 26.3.19)

The Revd David Whiting (DBF, from 26.3.14; reappointed from 26.3.19)

Independent Examiner	Mr J I Henderson 1 Silverdale Way Whickham Newcastle upon Tyne NE16 5SL
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### **Structure, governance and management**

Communities Together Durham is a company limited by guarantee (no 08860961) and a registered charity (no 1157214). The company was incorporated on 24<sup>th</sup> January 2014. It was registered as a charity on 28<sup>th</sup> May 2014. The company is governed by its Memorandum and Articles of Association.

The Directors are nominated by the members, being five nominated by the Church Urban Fund (CUF) and four nominated by the Durham Diocesan Board of Finance (DBF). Directors are appointed for a term of five years. There are currently four vacancies for trustees, three of which are CUF nominations and one a nominee of the DBF. To ensure compliance with the governing instruments, the transfer of the appointment of Sheila Bamber from the DBF to CUF was agreed during the year, pending a review of the membership which is expected to be completed in 2021. The directors are keeping this under review.

## **Objectives and activities**

The objects of Communities Together Durham are, for the benefit of the public:-

- 1.1 to promote the efficiency and effectiveness of Christian based charities in the furtherance of their objects or any one of them, mainly but not exclusively, by the provision of information, advice, support and infrastructure provision; and
- 1.2 the relief of financial hardship, either generally or individually, through the provision of grants, goods or services.

The trustees have had regard to the guidance issued by the Charity Commission on public benefit.

## **Achievements and performance**

Our work is based on a broad definition of poverty, including poverty of resources, poverty of identity (encompassing low self-esteem, low aspiration and poor mental health) and poverty of relationships (including loneliness and the expectation of being let down by others). This is a complex web of factors, and the communities within which we work will experience poverty in all its aspects. We focus on working with communities and individuals to meet immediate needs, and to build local capacity and sustained responses. In reality, the volunteers we work with are as much beneficiaries as enablers of our work.

During the year, despite the challenges of COVID 19, we successfully delivered the agreed outcomes for the Bridge Project, and the two year agreement with The Diocese of Durham has been extended for a further year, to December 2021. Face to face gatherings were suspended for much of the year and the team developed skills in the use of Zoom and other technologies that enabled continued supportive contact with parishes and projects. This will continue for at least the first half of 2021. The projects in the FIC network responded to the challenges of lockdown creatively and all are developing sustainable futures. The impact of the PhD research on the place of social enterprise in church social action is being seen in a number of areas, and the themes and learning will be shared more widely in the coming year.

This year we have facilitated responses to poverty in a number of ways:

- engaging with over 70 parishes and projects and having supportive conversations with many more. Significant engagement and encouragement with 47 church based projects working to relieve financial poverty or sickness has included 10 new projects in areas of high deprivation beginning to have an identifiable impact in their local areas.
- distributing a total of £26,000 of funding from the Lord Crewe's Charity grant to the Diocese of Durham to specific projects (the maximum amount was £5,000 towards the opening of a CAP debt centre; typically amounts were £500-£1,000; 43% of the funding was used for food distribution projects) and in almost all cases this funding was part of an overall package of resources secured by projects.
- supporting the FIC 'Back to School' project which raised £16,388. In 2020 613 children received new basic clothing items – underwear, socks and PE kit – to complement their 'upcycled' school uniforms (there is more to come as a late grant of £4,000 will be spent in 2021).
- working with Tyne and Wear Citizens to raise awareness and support campaigns for the Living Wage, reform of poor working conditions and widening access to free school meals provision.
- continuing our support for holiday clubs providing food and activities. This year meeting in person was challenging, and churches developed outdoor programmes, healthy take away packs and food delivery schemes.
- facilitating training for volunteers to signpost people to basic financial support, through the Just Finance Foundation. We also supported the establishment of new CAP debt centres in Darlington and Sunderland.

These are a few example of the many ways the groups we work with have made a real impact on individual and family wellbeing. We offer encouragement through regular contact, support and training, introductions and networking, and sometimes a bit of money, and this multiplies the impact on short and long term outcomes for the relief of financial poverty and sickness in communities across the Diocese. We produced and distributed an illustrated report.

2020 has been an unprecedented year, and the impact of national and local policy in relation to financial poverty and sickness is still emerging. Some of our regular activity, eg holiday hunger, has seen an increase of central government support. Government interventions such as increases to Universal Credit and the extended furlough scheme are revealing different groups of vulnerable individuals and families. Homelessness, evictions and rough sleeping were dramatically reduced by temporary provision in the early part of 2020 but the future remains uncertain. We are seeing significant reported increases in debt, rising concerns about mental health and an increase in domestic abuse, all across a broader range of social and economic contexts. For churches listening carefully and responding generously to the needs of neighbour has never been more important. In this context CTD is a resource for churches seeking to be with and work alongside their local communities to support and care for those in the greatest need, that all may flourish.

## **Financial performance**

Significant financial challenges in the Church Urban Fund led to a shortfall in the promised grant of £10,000, and we received only one of the quarterly payments. CUF judged that the risks of their position to the charities in which they exercised significant control (including CTD) were such that they should disaggregate, and it is expected that this will happen during 2021, with CUF ceasing membership of the organisation.

This shortfall is primarily responsible for the deficit of £6,801 in the General Fund. The overall deficit for the year was small (£341) but careful financial control continues to be important and new sources of income will be actively sought as the management agreement with the Diocese of Durham for the Bridge Project is due for review during the autumn of 2021.

Reserves were applied for the continuation of core work. We expect to maintain a reserve of £48,000 equivalent to one year's core costs (including salaries of directly employed staff). The balance will be applied to the further development of the charity. We expect the next 12 months to be challenging as we, our members and partners, assess and respond to the impact of the pandemic, and we plan for a period of consolidation and attentive engagement with emerging social and economic challenges and changes during 2021.

### **Trustees' responsibilities in respect of the financial statements**

Company Law requires the trustees, who are the directors under company law, to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company at the year end and of the net incoming/outgoing resources of the company for the year then ending. In preparing these financial statements the trustees are required to

- select suitable accounting policies;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements on a going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable it 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.

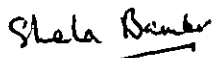
### **Independent examiner**

The trustees have taken advantage of the provisions of the Companies Act 2006 in respect of the audit requirements for small companies and opted to have an independent examination in accordance with the Charities Act.

### **Small company special provisions:**

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime as set out in Part 15 of the Companies Act 2006.

This report was approved by the trustees on 14 September 2021 and signed on their behalf by



Sheila Bamber  
Director and Trustee

# Independent Examiner's Report on the Accounts

Report to the Trustees of Communities Together Durham on the accounts for the year ended 31 December 2020 set out on pages 8 to 15

## Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

## Basis of Independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

## Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements:
  - To keep accounting records in accordance with section 130 of the Charities Act; and
  - To prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed



Date 14 September 2021

Name

Mr J I Henderson FCA

Address

1 Silverdale Way  
Whickham  
NE16 5SL

# Communities Together Durham

## Statement of Financial Activities (incorporating an Income and Expenditure Account) for the year ended 31 December 2020

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>Incoming resources</b>	3				
Generated funds					
Voluntary income					-
Activities for generating funds		8,973	332	9,305	8,820
Investment income					-
Charitable activities					-
Other incoming resources		2,500	90,074	92,574	85,169
<b>Total incoming resources</b>		<b><u>11,473</u></b>	<b><u>90,406</u></b>	<b><u>101,879</u></b>	<b><u>93,989</u></b>
<b>Resources expended</b>	4				
Generation of voluntary income					-
Charitable Activities		18,274	83,946	102,220	73,711
Governance costs					-
Other resources expended					-
<b>Total resources expended</b>		<b><u>18,274</u></b>	<b><u>83,946</u></b>	<b><u>102,220</u></b>	<b><u>73,711</u></b>
<b>Net Income/expenditure (-) for the year</b>		<b><u>(6,801)</u></b>	<b><u>6,460</u></b>	<b><u>(341)</u></b>	<b><u>20,278</u></b>
<b>Reconciliation of funds</b>					
Total funds brought forward		80,962	1,342	82,304	62,026
Net movement in funds throughout year		<u>(6,801)</u>	<u>6,460</u>	<u>(341)</u>	<u>20,278</u>
<b>Total funds carried forward</b>		<b><u>74,161</u></b>	<b><u>7,802</u></b>	<b><u>81,963</u></b>	<b><u>82,304</u></b>

All the charitable company's operations are classed as continuing and recognised gains and losses and movement on reserves are shown above.

The notes on pages 10 to 15 form part of these accounts.



# Communities Together Durham

## Balance Sheet as at 31 December 2020

	Note	Total Funds 2020 £	Total Funds 2019 £
<b>Fixed Assets</b>			
Tangible assets	7	-	-
<i>Total fixed assets</i>			
<b>Current Assets</b>			
Debtors	8	21,680	24,079
Cash at bank and in hand		<u>63,961</u>	<u>58,342</u>
<i>Total current assets</i>		<b><u>85,641</u></b>	<b><u>82,421</u></b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	9	<u>3,678</u>	<u>117</u>
<i>Net current assets</i>		<b><u>81,963</u></b>	<b><u>82,304</u></b>
<i>Total assets less current liabilities</i>		81,963	82,304
Creditors: amounts falling due after more than one year		-	-
Provisions for liabilities and charges		-	-
<i>Net assets</i>		<b><u>81,963</u></b>	<b><u>82,304</u></b>
<b>The funds of the charity</b>	11		
Restricted income funds		7,802	1,342
Unrestricted income funds		74,161	80,962
<i>Total charity funds</i>		<b><u>81,963</u></b>	<b><u>82,304</u></b>

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006; and no notice has been deposited under section 476.

### Directors' responsibilities:

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006.

Signed on behalf of the Trustees



Sheila Bamber  
Director and Trustee

Date 14 September 2021

# **Communities Together Durham**

## **Notes to the Financial Statements for the year ended 31 December 2020**

### **Note 1: Basis of preparation**

#### **1.1 Basis of accounting**

These accounts have been prepared on the basis of historic cost (except that investments are shown at market value) in accordance with the Financial Reporting Standard 102 (FRS102) as applicable to Charities (effective January 2016) comprising the Statement of Recommended Practice Accounting and Reporting by Charities ("SORP 2015").

#### **1.2 Change in basis of accounting**

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

#### **1.3 Changes to previous accounts**

No changes have been made to accounts for previous years.

### **Note 2: Accounting policies**

#### **2.1 Incoming resources**

##### **2.1.1 Recognition of incoming resources**

These are included in the Statement of Financial Activities (SoFA) when:

- The charity becomes entitled to the resource
- The trustees are virtually certain they will receive the resources and the monetary value can be measured with sufficient reliability.

##### **2.1.2 Incoming resources with related expenditure**

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

##### **2.1.3 Grants and donations**

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

##### **2.1.4 Tax reclaims on donations and gifts**

Incoming resources from tax reclaims are included in the SoFA at the same time as the gift to which they relate.

##### **2.1.5 Contractual income and performance related grants**

This is only included in the SoFA once the related goods or services have been delivered.

# Notes to the Financial Statements for the year ended 31 December 2020

## 2.1.6 Gifts in kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SoFA as incoming resources when receivable.

## 2.1.7 Donated services and facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measureable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

## 2.1.8 Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

## 2.1.9 Investment income

This is included in the accounts when receivable.

## 2.2 Expenditure and liabilities

### 2.2.1 Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

### 2.2.2 Governance costs

Include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and costs of any legal advice to trustees on governance or constitutional matters.

### 2.2.3 Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

## 2.3 Assets

### 2.3.1 Tangible fixed assets for use by charity

These are capitalised if they can be used for more than one year and cost at least £500. They are valued at cost or, if gifted, at the value to the charity on receipt.

# Notes to the Financial Statements for the year ended 31 December 2020

## Note 3 Analysis of Incoming resources

	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
<b>Other incoming resource</b>				
Grant –				
Church Urban Fund	2,500		2,500	30,000
Durham Diocese	8,820	45,131	53,951	46,818
Goldsmiths College		2,183	2,183	5,593
Greggs		1,000	1,000	
Faith in Community #		41,760	41,760	11,578
Other	153	332	485	
<b>Total Incoming resources</b>	<b><u>11,473</u></b>	<b><u>90,406</u></b>	<b><u>101,879</u></b>	<b><u>93,989</u></b>

# a full breakdown of this restricted fund is included in Note 11

## Note 4 Analysis of resources expended

	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
<b>Charitable activities</b>				
Staff costs	14,399	38,898	53,297	43,067
Travel and subsistence	301	1,125	1,426	4,695
Administration	1,881	1,112	2,993	2,994
Programme costs	233	42,785	43,018	21,968
Misc	1,460	26	1,486	987
<b>Total resources expended</b>	<b><u>18,274</u></b>	<b><u>83,946</u></b>	<b><u>102,220</u></b>	<b><u>73,711</u></b>

## Note 5 Details of certain Items of expenditure

### 5.1 Trustee expenses

Canon Sheila Bamber received £202.29 reimbursement of travel expenses during 2020.

### 5.2 Fees for the examination of the accounts

	2020 £	2019 £
Independent examiner's fees for reporting on the accounts	=	=

# Notes to the Financial Statements for the year ended 31 December 2020

## Note 6 Paid employees

During the year the organisation employed two members of staff, remunerated at £30,000 per annum (FTE). Additionally, four members of staff were seconded by Durham Diocese: all their costs were paid directly by the Diocese.

## Note 7 Tangible fixed assets

The company does not own any fixed assets.

## Note 8 Debtors and prepayments

Analysis of debtors	Amounts falling due within one year	
	2020 £	2019 £
Grant payments outstanding	21,328	23,727
Prepayments	352	352
<i>Total</i>	<b><u>21,680</u></b>	<b><u>24,709</u></b>

## Note 9 Creditors and accruals

Analysis of creditors	Amounts falling due within one year	
	2020 £	2019 £
Accruals	3,678	117
<i>Total</i>	<b><u>3,678</u></b>	<b><u>117</u></b>

## Note 10 Transactions and related parties

The Company is a joint venture between the Church Urban Fund and the Diocese of Durham. During the year CUF awarded a grant of £2,500 to the Company, and Lord Crewe's Charity made a payment of £72,673 to the Company through the Durham Diocesan Board of Finance (DDBF).

# Notes to the Financial Statements for the year ended 31 December 2020

## Note 11 Movements on funds

	Fund balance b/fwd	Incoming resources	Outgoing resources	Transfer between funds	Fund balance c/fwd
	£	£	£	£	£
<b>Unrestricted funds</b>					
General fund	80,962	11,473	18,274		74,161
<b>Restricted Fund</b>					
Lord Crewe's Charity (DDBF)	0	45,131	45,131		0
<b>Restricted Fund</b>					
Goldsmiths College	1,342	2,183	3,525		0
<b>Restricted Fund</b>					
Greggs	0	1,000	1,000		0
<b>Restricted Fund</b>					
Faith In Community					
URC	0	10,000	9,031	(969)	0
Lord Crewe's Charity (DDBF)	0	18,000	12,198		5,802
Donation (Back to School project)	0	31	0	(31)	0
Groundworks	0	2,500	1,500	1,000	2,000
Co Durham Foundation	0	4,000	4,000		0
3 Towns AAP	0	538	538		0
Barbour Trust	0	6,000	6,000		0
Lord Crewe's Charity (DDBF)	0	722	722		0
Crowd funding	0	301	301		0
Other					
<b>Total funds</b>	<b><u>82,304</u></b>	<b><u>101,879</u></b>	<b><u>102,220</u></b>	<b><u>0</u></b>	<b><u>81,963</u></b>

## Note 12 Net assets by fund

	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Fixed assets	-	-	-	-
Net current assets	74,161	7,802	81,903	82,304
<b>Total assets</b>	<b><u>74,161</u></b>	<b><u>7,802</u></b>	<b><u>81,903</u></b>	<b><u>82,304</u></b>

### **Note 13 Liability of Members**

The liability of members is limited by guarantee. In the event of the charity being wound up during the period of membership, members would be required to contribute an amount not exceeding £1.