

Communities Together Durham

**Report and Financial Statements
for the year ended 31 December 2021**

Charity number 1157214

Company number 08860961

Communities Together Durham

Report and Financial Statements for the year ended 31 December 2021

Contents	Pages
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 2021

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 (from 26.03.14; reappointed from 26.03.19; resigned 28.02.22)

The Revd Canon Sheila Bamber (from 24.01.14; reappointed 26.03.20)

The Right Reverend Sarah Clark (DBF nominee, from 01.08.19)

The Revd Joanne Thorns (from 09.03.22)

Kate Welch OBE, DL (from 26.03.14; reappointed from 26.03.19)

The Revd David Whiting (from 26.03.14; reappointed from 26.03.19)

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 January 2014. It was registered as a charity on 28 May 2014. The company is governed by its Memorandum and Articles of Association.

A review of the Memorandum and Articles of Association was completed during the year, and new articles were adopted by the members on 6 September 2021. The two members of the Company, the Church Urban Fund (CUF) and the Durham Diocesan Board of Finance (DBF) resigned and the Directors were appointed as members. The new Articles allow for the DBF to nominate one Director. Directors are appointed for a term of five years. All existing Directors continued their appointments by agreement, and the Right Reverend Sarah Clarke was nominated by the DBF. Filing the changes at Companies House was completed on 27 October 2021. During February 2022 Stuart Bain resigned, and Joanne Thorns was appointed by the Board in March 2022. We continue to seek additional directors to bring the Board up to the maximum number of nine.

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

What a year of contrasts this has been! Our annual report highlights inspiring stories of generosity, imagination, loving care, perseverance, resilience. The depth and breadth of compassion and kindness in churches, parishes and communities is overwhelming and we are thankful for being able to share in, encourage and supportsome remarkable activity, from individual acts of kindness to actions to challenge injustice on a regional and national level.

Behind all the positivity is a prevailing anxiety, uncertainty, insecurity, isolation and hardship for many people in our communities. Pre-pandemic, the North East had the highest rate of unemployment of anywhere in the UK in each of the last thirteen years; the joint highest rate of working-age poverty; the UK's lowest weekly earnings for full-time employees; the highest proportion of pupils eligible for free school meals; the highest proportion of children living in families with no or little savings to shield them from economic shocks and the highest rate of destitution, with 1% of all households in the region experiencing destitution at some point in 2019. At the end of 2021 the overall picture will hardly have changed.

The Bridge Project has been active across the Diocese in 2021, engaging with over 80 parishes and projects and having supportive conversations with many more. There were 23 significant new contacts which have the potential to develop into new action during 2022. Eight new projects are beginning to have an impact in their local communities and 10 projects have deepened their existing engagement to better contribute to the long term flourishing of their partners and participants. Other areas of work included supporting the national 'Living Wage' campaign, a well-attended 'book group', a partnership with the Just Finance Foundation to deliver 'Covid Cash Recovery' courses, and encouraging the development of social supermarkets as part of a broader response to food poverty. During the year we also assisted the Diocese of Durham to develop a range of other 'poverty priority' projects, including a new debt advice service in Jarrow, work to support parishes welcoming refugees and asylum seekers and a rural Parish Nursing (mental health) project.

Our partnership with the ecumenical Faith in Community project continues. Many community projects have adapted their activities in response to the pandemic, but are now facing significant challenges as people emerge from the constraints of lockdown with different needs and priorities. We seconded a member of our team to FIC for part of the year to help manage a period of change and the project will review its strategy and operations during 2022.

Our governance review and the review of the Bridge Project to align with a new Diocesan Strategy were successfully completed and towards the end of the year we undertook a review of our capacity to deliver the new priorities, which resulted in some changes to our staffing structure. Two posts were declared redundant and the next stage of our development will be supported by a new Lead Development Worker, supported by a Projects Administrator. We have also designated funding for the appointment of an Executive Lead to manage our overall operation. We expect this structure to be fully implemented by the end of 2022.

Financial performance

The main source of income during the year was from the Durham Diocesan Bridge Project, and the management agreement was extended for a further year, to the end of 2022. During the year we also assisted with the preparation of a series of funding bids for the Diocese and we expect to be involved in the management of the projects where these are successful. One of these projects, based in Jarrow, will begin in early 2022 and we will be providing some management and other support. A priority task for 2022 is to secure our relationship with the Diocese for a further two years (to the end of the present Bridge Project funding)

A short term secondment to Faith in Communities (FIC) Project and careful overall management kept the deficit in the general fund at £3,015. The general reserve maintains a healthy balance at £71,146. We do not have the capacity for a further secondment to FIC, and the project steering group is reviewing its strategic direction and operational needs, as it faces a challenging climate for income generation.

During the year we have agreed a staffing restructure, which includes the appointment of a part time administrator during the first half of 2022, and makes provision for the appointment of a half time 'Executive Lead' to develop the business (including fundraising) by the start of 2023. We have designated £20,000 for the costs of the Executive Lead for the first year, and our budgeted deficit for 2022 is £10,500. Together these costs will reduce our general reserves to below the agreed £48,000 or one year's core costs by the end of 2023. However, the investment in development will generate income beyond 2023. This will be challenging as we engage with a rapidly changing social and economic environment, and we will continue to spend prudently during this period.

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.

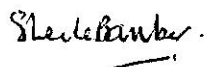
Independent examiner

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 7 June 2022 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 2021 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 7.6.22.

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 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Incoming resources	3				
Generated funds					
Voluntary income					-
Activities for generating funds		8,820		8,820	9,305
Investment income					-
Charitable activities					-
Other incoming resources			67,719	67,719	92,574
Total incoming resources		<u>8,820</u>	<u>67,719</u>	<u>76,539</u>	<u>101,879</u>
Resources expended	4				
Generation of voluntary income					-
Charitable Activities		11,835	67,166	79,001	102,220
Governance costs					-
Other resources expended					-
Total resources expended		<u>11,835</u>	<u>67,166</u>	<u>79,001</u>	<u>102,220</u>
Net income/(expenditure) for the year		<u>(3,015)</u>	<u>553</u>	<u>(2,462)</u>	<u>(341)</u>
Reconciliation of funds					
Total funds brought forward		74,161	7,802	81,963	82,304
Net movement in funds throughout year		<u>(3,015)</u>	<u>553</u>	<u>(2,462)</u>	<u>(341)</u>
Total funds carried forward		<u>71,146</u>	<u>8,355</u>	<u>79,501</u>	<u>81,963</u>

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 14 form part of these accounts.

Communities Together Durham

Balance Sheet as at 31 December 2021

	Note	Total Funds 2021 £	Total Funds 2020 £
Fixed Assets			
Tangible assets	7	-	-
<i>Total fixed assets</i>		-	-
Current Assets			
Debtors	8	18,128	21,680
Cash at bank and in hand		<u>62,746</u>	<u>63,961</u>
<i>Total current assets</i>		80,874	85,641
Liabilities			
Creditors: amounts falling due within one year	9	<u>1,373</u>	<u>3,678</u>
<i>Net current assets</i>		79,501	81,963
<i>Total assets less current liabilities</i>		79,501	81,963
Creditors: amounts falling due after more than one year		-	-
Provisions for liabilities and charges		-	-
<i>Net assets</i>		<u>79,501</u>	<u>81,963</u>
The funds of the charity	11		
Restricted income funds		8,355	7,802
Unrestricted income funds		71,146	74,161
<i>Total charity funds</i>		<u>79,501</u>	<u>81,963</u>

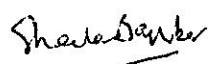
For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006; and no notice has been deposited under section 476.

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 7.6.22.

Communities Together Durham

Notes to the Financial Statements for the year ended 31 December 2021

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 2021

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 2021

Note 3 Analysis of incoming resources

	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Other Incoming resource				
Grant –				
Church Urban Fund	0	0	0	2,500
Durham Diocese	8,820	42,494	51,314	53,951
Goldsmiths College	0	0	0	2,183
Greggs	0	0	0	1,000
Faith in Community #	0	25,225	25,225	41,760
Other				485
Total incoming resources	<u>8,820</u>	<u>67,719</u>	<u>76,539</u>	<u>101,879</u>

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

Note 4 Analysis of resources expended

	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Charitable activities				
Staff costs	7,538	35,835	43,373	53,297
Travel and subsistence	418	544	962	1,426
Administration	2,168	562	2,730	2,993
Programme costs	1,150	30,125	31,275	43,018
Misc	561	100	661	1,486
Total resources expended	<u>11,835</u>	<u>67,166</u>	<u>79,001</u>	<u>102,220</u>

Note 5 Details of certain items of expenditure

5.1 Trustee expenses

No Trustees claimed expenses during 2021.

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 2021

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	
	2021 £	2020 £
Grant payments outstanding	14,523	21,328
Prepayments	3,605	352
<i>Total</i>	<u>18,128</u>	<u>21,680</u>

Note 9 Creditors and accruals

Analysis of creditors	Amounts falling due within one year	
	2021 £	2020 £
Accruals	1,373	3,678
<i>Total</i>	<u>1,373</u>	<u>3,678</u>

Note 10 Transactions and related parties

Until 6 September 2021 the Company was a joint venture between the Church Urban Fund and the Diocese of Durham. Up to that date Lord Crewe's Charity made a payment of £42,630 to the Company through the Durham Diocesan Board of Finance (DDBF). Following a change in the governance structure, there are no persons with significant control of the Company.

Notes to the Financial Statements for the year ended 31 December 2021

Note 11 Movements on funds

	Fund balance b/fwd	Incoming resources	Outgoing resources	Transfer between funds	Fund balance c/fwd
	£	£	£	£	£
Unrestricted funds					
General fund	<u>74,161</u>	<u>8,820</u>	<u>(11,835)</u>		<u>71,146</u>
Restricted Fund	0	42,494	(42,494)		0
Lord Crewe's Charity (DDBF)					
Restricted Fund	0	0	0		0
Goldsmiths College					
Restricted Fund	0	0	0		0
Greggs					
Restricted Fund					
Faith in Community	0	10,000	(10,000)		0
URC					
Lord Crewe's Charity	5,802	12,000	(9,444)	(3)	8,355
(DDBF)	0	1,225	(1,260)	35	0
Westhill Endowment	0	0	0		0
Donation					
(Back to School project)	2,000	2,000	(3,968)	(32)	0
Groundworks	0	0	0		0
Co Durham Foundation	0	0	0		0
3 Towns AAP	0		0		0
Barbour Trust					
Lord Crewe's Charity	0	0	0		0
(DDBF)	0	0	0		0
Crowd funding	0	0	0		0
Other					
Total Restricted Funds	<u>7,802</u>	<u>67,719</u>	<u>67,166</u>	<u>0</u>	<u>8,355</u>
Total funds	<u>81,963</u>	<u>76,539</u>	<u>(79,001)</u>	<u>0</u>	<u>79,501</u>

Note 12 Net assets by fund

	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Fixed assets	-	-	-	-
Net current assets	71,146	8,355	79,501	81,903
Total assets	<u>71,146</u>	<u>8,355</u>	<u>79,501</u>	<u>81,903</u>

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.