

REGISTERED COMPANY NUMBER: 11875362 (England and Wales)
REGISTERED CHARITY NUMBER: 1187164

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
FOR
COMMUNITIES 1ST
(A COMPANY LIMITED BY GUARANTEE)

COMMUNITIES 1ST

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FOR THE YEAR ENDED 31 MARCH 2024

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COMMUNITIES 1ST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

STRATEGIC REPORT

Achievement and performance

Strategic Report - Achievement and Performance

'Working with you to make a bigger difference' - that's the strapline from our new four-year strategic plan which we launched this year and I am delighted to say that I believe we are doing just that. As you read through this impact report you will see how our work has moved on from the pandemic, but not eased off! It is our responsibility to be an ever-changing organisation, responding to the circumstances and the environment in which we work. It is impossible for us to do that alone and essential that we collaborate with you, our residents, volunteers, community organisations, statutory and business partners to deliver the best we can for our communities. I think we have done that and I consider it an accolade to all involved to see how much has been achieved.

Our mission

- To partner with local communities, turning knowledge and energy into action and progress.

Our vision

- Strong local communities where everyone has the opportunity to thrive and make a difference

Our values underpin everything we seek to achieve. We are:

- Inclusive
- Collaborative
- Caring
- Creative
- Striving for quality
- Working with integrity

Our goals

- To develop a more resilient, effective and representative local voluntary, community, faith and social enterprise (VCFSE) sector
- To ensure volunteering is more recognised, visible and valued in the community, providing improved community wellbeing and personal development
- To achieve improved health and wellbeing where individuals facing barriers or experiencing inequalities are supported and resilient
- To be a sustainable, inclusive and responsible organisation driven by our values

Reflecting on 2023-24, I am proud of our achievements in supporting our communities. This year has shown our strength, creativity, and dedication to our mission.

Our work with charities and community groups (the Voluntary, Community, Faith, and Social Enterprise (VCFSE) sector) has continued to be a priority. We responded to evolving community needs by establishing additional Stronger Together Network (STN) meetings, including new groups focused on community Spaces, Environment, and Net Zero. These networks have helped local groups share ideas and work together.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

A key highlight has been the launch of a comprehensive training programme to enhance professional skills within the VCFSE sector. Covering areas such as business planning, full cost recovery, bid writing, and safeguarding, these sessions have equipped our members with the tools needed to thrive and create lasting impacts.

Volunteering remains at the heart of our work. Being part of the national 'Vision for Volunteering' initiative has been instrumental in helping us create a more inclusive and supportive environment for volunteers. We've facilitated opportunities for diverse groups, including asylum seekers and young people, and promoted best practices in volunteer management through our Hertfordshire-wide accreditation scheme.

Health and wellbeing have been a central focus. We expanded our Better Days hubs to 41 locations, offering important support services across five Hertfordshire districts. Our health awareness events, targeting issues such as respiratory and cardiovascular health, have engaged with over 1,142 people and significantly benefited our community. Despite challenges like flood damage to our Community Hub in Borehamwood, we have continued to provide and expand our healthy hub services.

Our transport services grew significantly with an exponential growth in activity since last year. We successfully took over transport services in Welwyn and Hatfield and started a new Shopper Bus in Watford. These services helped many residents stay independent and healthy.

A notable milestone this year was merging with Para Dance UK in October 2023. This merger has allowed us to continue the important work of inclusive dance, offering a UK-wide programme that promotes physical activity and social inclusion for people of all abilities. There is much more to achieve in 2024-25, and we are excited about the opportunities ahead.

In the area of adult skills and learning, our initiatives have thrived. We extended our Multiply courses to new areas. Our Able2Enable project has expanded its remit, supporting individuals in developing essential skills for education, employment, and volunteering. Working with secondary schools we introduced a comprehensive work placement programme for Year 10 students and above, supporting 180 young people experience a place of work.

Sustainability has been a significant focus. Our staff and trustees took part in training on climate change and net zero strategies. We are committed to reducing our carbon footprint, with our team pledging to cut carbon emissions and save energy.

Looking ahead, we will build on our successes. We will keep focusing on a strong and effective local VCFSE sector, promoting volunteering, improving health and wellbeing, and working on our sustainability goals. Even though challenges lie ahead, our commitment and teamwork will help us to continue making a positive impact.

I want to thank our volunteers, staff, trustees, and partners. Your hard work and support are the reasons for our achievements. Together, we will keep creating strong, thriving communities where everyone has the chance to make a difference.

For more information about our projects and services, please visit: www.communities1st.org.uk

A MORE RESILIENT, EFFECTIVE AND REPRESENTATIVE LOCAL VOLUNTARY, COMMUNITY, FAITH AND SOCIAL ENTERPRISE (VCFSE) SECTOR

2023/24 facts and figures:

- £257,000 secured by local VCFSE organisations following our involvement
- 157 VCFSE organisations provided with 1:1 development support and funding advice
- 90+ attendees at our annual conference
- 48 Stronger Together Network meetings held, bringing together local groups with similar aims to share best practice
- 15 individuals attended our professional skills development training
- 9 Meet the Funder events held to help participants apply to specific funding bodies
- 450 individuals received our Funding newsletter

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

Some feedback:

- "Thanks for organising the event with Groundwork East - a really interesting session. I'm glad I joined. We will definitely be applying!"

Participant at one of our Meet the Funder events

- "I really appreciate all your ongoing support for our organisation. I champion your work and remain grateful for your team's tireless efforts."

Representative from Youth Talk, one of our member organisations

- "Communities 1st's involvement has been pivotal, bridging gaps and facilitating seamless communication between various stakeholders involved."

Participant at our STN for refugees and asylum seekers

VOLUNTEERING IS MORE RECOGNISED, VISIBLE AND VALUED IN THE COMMUNITY PROVIDING IMPROVED COMMUNITY WELLBEING AND PERSONAL DEVELOPMENT

2023/24 facts and figures:

- 2,400+ enquiries dealt with via our Volunteer Centre
- 213 volunteer applications managed via our Volunteer Centre
- 190 hours of employer-related volunteering facilitated by staff
- 180+ volunteers registered with our Let's Give online volunteering platform where organisations can search for potential volunteers by skill-set
- 162 new volunteering opportunities promoted on behalf of other organisations
- 32 local businesses engaged in skill sharing and volunteer opportunities
- 16 individuals attended training sessions for volunteer managers
- 5,400+ individuals received fortnightly Volunteer Centre newsletter

Some feedback:

"I get satisfaction in knowing that I am making a difference to someone's life, no matter how small, and that I have an opportunity to contribute to my community."

Volunteer placed with St Albans and District Talking Newspaper

"Communities 1st has helped me massively. They took steps in making it easier for me to put myself into a position where I could find some volunteer work and made the process of learning new anxiety techniques very easy."

Client of Able2Enable

"We were delighted to bring a team to the Interview Skills event at Yavneh College this morning. Big thank you to Communities 1st for organising the event."

Representative from Eurovia, a participant in our Better Business in the community programme

"Over 20% of our new volunteer recruits have come through Communities 1st."

Representative from St Albans Good Neighbour Scheme

ADULT SKILLS AND LEARNING

2023/24 facts and figures:

- 273 individuals attended 44 Multiply training courses
- 224 individuals attended air frying and slow cooking courses
- 180 work experience placements hosted
- 104 individuals registered with Able2Enable, for people who might need extra support to access volunteering opportunities
- 528 individuals attended the four weekly Para DANCE UK sessions over a period of 12 weeks
- 39 individuals attended 10 health awareness training sessions
- 8 individuals registered for Inclusive Dance Training course

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

Some feedback:

"That's so creative! Such fun activities to increase people's numeracy."

Participant of Multiply course

"The pressure that needs to be endured and the time management required are all factors people need to consider."

Student on work experience placement

"Before Able2Enable, I wasn't doing anything and now I'm looking forward to working in a charity shop. It has helped me to build my confidence and take steps forward rather than feeling like I'm stuck."

Client of Able2Enable

"This session is so educational - numbers homework that is fun! I can play the games at home too."

Participant of Multiply course

IMPROVED HEALTH AND WELLBEING

2023/24 facts and figures:

- 51,000 visits to our managed community centres
- 7,211 passenger journeys on 1,322 day trips, day centre, and Shopper Bus trips
- 2,441 attendees at our new Welcome Space Hubs
- 1,469 enquiries received and responded to via the Healthy Hubs where people can find free health and wellbeing support in Hertfordshire
- 1,142 people attended our health and wellbeing awareness events and activities
- 1,016 individuals supported through our Better Days Hubs
- 910 practical support tasks completed by our volunteers
- 315 Community Car trips to health and social care appointments
- 120 Ukrainians supported through our bespoke group sessions
- 53 Christmas wellbeing phone calls undertaken

Some feedback:

"The Shopper Bus service has been an absolute godsend. It enables me to maintain a level of independence. The drivers are always friendly and help me with the shopping right up to my doorstep."

Client of the Shopper Bus service

"Targeting health inequalities and incorporating a holistic way of engagement through all aspects of the voluntary, community, health and social care sector is invaluable."

GP attending our Health and Respiratory Awareness event

"Just a few words of appreciation for your help and friendliness towards me. I think you have gone well beyond the call of duty."

Client of handyperson service

"It is comforting to know that here is someone who is looking out for my mother when I am not around."

Relative of client receiving practical support

COMMUNITIES 1ST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

WHAT DOES THE FUTURE HOLD?

As we look forward to 2024, Communities 1st is prepared to navigate political changes and continue supporting our communities. The upcoming elections present opportunities and challenges, requiring us to stay proactive and adaptable. We will engage with all political parties to ensure they understand the needs of the voluntary sector. We will also change our programmes to meet new policies and the needs of the communities we serve.

Building on our achievements, we will expand our training and support programmes, enhance health and wellbeing initiatives, and increase volunteer engagement. Our focus on sustainability will drive efforts to reduce our carbon footprint and promote environmental education. Additionally, we will strengthen our employment support, offering comprehensive services beyond training to help individuals secure meaningful employment.

Communities 1st remains committed to being a resilient, effective, and flexible organisation. Our strategic objectives include creating impact and value in the voluntary sector, strengthening the sector's voice, improving community wellbeing, and promoting volunteering. Through tailored support services and health initiatives, we aim to reduce health disparities and support vulnerable populations.

Thank you

We couldn't do a lot of what we do without our volunteers so we'd like to say a sincere thank you to them for all their help and support. Thank you!

Financial review

Financial position

We internally record our performance against outcomes for the organisation and the sector. We are pleased with the activity we have undertaken which meets our strategic headlines and also those that add value to our communities and the sector.

We have active 7,305 volunteers - 68% identifying as female, 37% as male and 1% self-defined - with 11,318 hours of volunteering, helping us to provide individual support alongside developing and sustaining the local voluntary and community sector.

Income from all sources was £1,352,470 in the year to 31 March 2024 (2022/23: £1,765,510). Of the income received, £61,758 (2022/23: £134,000) was restricted for specific programmes and projects, made up of grant income. The remaining income of £1,290,712 (2022/23: £1,604,693) was unrestricted, comprising grants, donations, membership income as well as revenue generated through SLAs and service delivery. Unrestricted income remains important to the financial sustainability of the charity. Through our contracts and grants, we were able to fund local charities to undertake work to the value of £228,900.

	Unrestricted Funds	Restricted Funds	Total 23/24
Incoming Resources	£1,290,712	£61,758	£1,352,470
Resources Expended	£1,298,745	£21,580	£1,320,325
Surplus/(Deficit)	(£8,033)	£40,178	£32,145

Investment policy and objectives

All reserves not required for day-to-day operational costs are invested in accounts with unity trust bank.

Financial Risk Review

Internal risks are minimized by the implementation of procedures for the authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Reserves policy

It is the policy of the trustees to maintain free reserves of at least three month's running cost to enable the charity to meet all the commensurate costs in the event of extreme scenario of winding-up, the running cost reserve is £351,924 at the year end.

COMMUNITIES 1ST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

STRATEGIC REPORT

Financial review

Going concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern (see also Accounting Policies (Note 2) in our Annual Accounts 23/24). The Trustees have reviewed the financial position, budgets and cash flows for the period to March 2024 and consider that the charity is in a position to meet its financial obligations as they fall due.

The charity continues to seek ways to diversify its income to ensure a robust financial future. The charity has developed sound financial management systems and along with the support of the team has generated a positive financial outcome for the period. The charity has had success in grant application.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposure. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance. Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Net Zero

Communities 1st remains committed to reducing our carbon emissions and continues to take positive steps toward this. In July 2023, staff and trustees attended a training course to understand more about the issues contributing to climate change and develop individual and organisation-wide plans to limit our carbon footprint. Staff calculated their individual CO₂e (carbon dioxide equivalent) measure and outlined what they would do to reduce this. As part of the wider team everyone pledged to commit to reducing carbon emissions by 565 metric tons a year by recycling clothes via a regular clothes swap and increased energy saving measures in the work place. Plans are also being developed with WENTA to deliver training on Net Zero to our members.

COMMUNITIES 1ST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Gender Pay Gap

Communities 1st believes in equality of opportunity for all. Although Communities 1st employs fewer than 250 staff (55) and is therefore not required to publish gender pay gap information, we have chosen to and encourage other organisations in the sector to do so as well. At 1 April 2024, the median and mean male and female hourly earnings were as follows:

	Male hourly earnings (£)	Female hourly earnings (£)	Difference (£)	Difference (%)
Median	12.00	14.67	-2.67	-18.20%
Mean	14.37	14.99	-0.62	-4.17%

The UK gender pay gap reported by the Office for National Statistics in 2023 is 7.7% in favour of men. Communities 1st's median gender pay gap is 18.2% in favour of women and mean pay gap is 4.17% in favour of women. The gender pay gap is measured across all jobs, not of the difference in pay between men and women for doing the same job. Communities 1st's gender pay gap is not a concern, however gender pay and equal pay will continue to be monitored closely.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

11875362 (England and Wales)

Registered Charity number

1187164

Registered office

Ver House
Frogmore
St Albans
AL2 2WH

Trustees

Jason John (Chair)
Sarah Yexley (Vice-chair)
Ross Gemmell (Treasurer)
Roberta Beaton - joined in October 2023
Chris Cloke
Joy Dobbs
Ann Harrison
John Howson
Sue Pearlman
Ann Rogers
Karl Wilding

Company Secretary

S M Craker

Senior Statutory Auditor

Neil C Harding

COMMUNITIES 1ST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Bradshaw Johnson
Chartered Accountants
Statutory Auditor
Croft Chambers
11 Bancroft
Hitchin
Hertfordshire
SG5 1JQ

AUDITORS

The auditors, Bradshaw Johnson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors,
on 27 June 2024 and signed on the board's behalf by:

J J John - Trustee

COMMUNITIES 1ST

STATEMENT OF TRUSTEES' RESPONSIBILITIES **FOR THE YEAR ENDED 31 MARCH 2024**

The trustees (who are also the directors of Communities 1st for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNITIES 1ST

Opinion

We have audited the financial statements of Communities 1st (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNITIES 1ST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the Charitable Company's industry and its control environment, and reviewed the Charitable Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Charitable Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act, Charities Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable Company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the Charitable Company's rationale of any significant transactions that are unusual or outside the normal course of business.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
COMMUNITIES 1ST**

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing any correspondence with HMRC.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Neil C Harding (Senior Statutory Auditor)
for and on behalf of Bradshaw Bradshaw Johnson
Chartered Accountants
Statutory Auditor
Croft Chambers
11 Bancroft
Hitchin
Hertfordshire
SG5 1JQ

29 July 2024

COMMUNITIES 1ST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted fund £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	1,279,199	61,758	1,340,957	1,738,693
Investment income	4	11,513	-	11,513	458
Other income		-	-	-	26,359
Total		<u>1,290,712</u>	<u>61,758</u>	<u>1,352,470</u>	<u>1,765,510</u>
EXPENDITURE ON					
Charitable activities	5				
Purposes of the charity		<u>1,298,745</u>	<u>21,580</u>	<u>1,320,325</u>	<u>1,407,696</u>
NET INCOME/(EXPENDITURE)		(8,033)	40,178	32,145	357,814
Transfers between funds	15	<u>(6,189)</u>	<u>6,189</u>	<u>-</u>	<u>-</u>
Net movement in funds		(14,222)	46,367	32,145	357,814
RECONCILIATION OF FUNDS					
Total funds brought forward		900,508	134,000	1,034,508	676,694
TOTAL FUNDS CARRIED FORWARD		<u><u>886,286</u></u>	<u><u>180,367</u></u>	<u><u>1,066,653</u></u>	<u><u>1,034,508</u></u>

The notes form part of these financial statements

COMMUNITIES 1ST (REGISTERED NUMBER: 11875362)

STATEMENT OF FINANCIAL POSITION

31 MARCH 2024

	Notes	Unrestricted fund £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	11	55,364	118,609	173,973	93,711
CURRENT ASSETS					
Debtors	12	257,658	-	257,658	184,256
Cash at bank and in hand		1,013,880	61,758	1,075,638	1,019,554
		<hr/>	<hr/>	<hr/>	<hr/>
		1,271,538	61,758	1,333,296	1,203,810
CREDITORS					
Amounts falling due within one year	13	(440,616)	-	(440,616)	(263,013)
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT ASSETS		830,922	61,758	892,680	940,797
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		886,286	180,367	1,066,653	1,034,508
		<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS		886,286	180,367	1,066,653	1,034,508
		<hr/>	<hr/>	<hr/>	<hr/>
FUNDS	15				
Unrestricted funds				886,286	900,508
Restricted funds				180,367	134,000
				<hr/>	<hr/>
TOTAL FUNDS				1,066,653	1,034,508
				<hr/>	<hr/>

The financial statements were approved by the Board of Trustees and authorised for issue on 27 June 2024 and were signed on its behalf by:

J J John - Trustee

The notes form part of these financial statements

COMMUNITIES 1ST

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities			
Cash generated from operations	1	156,141	279,959
Interest paid		(939)	(992)
Net cash provided by operating activities		<u>155,202</u>	<u>278,967</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(110,631)	(44,636)
Interest received		<u>11,513</u>	<u>458</u>
Net cash used in investing activities		<u>(99,118)</u>	<u>(44,178)</u>
Change in cash and cash equivalents in the reporting period		<u>56,084</u>	<u>234,789</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,019,554</u>	<u>784,765</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,075,638</u></u>	<u><u>1,019,554</u></u>

The notes form part of these financial statements

COMMUNITIES 1ST

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.24 £	31.3.23 £
Net income for the reporting period (as per the Statement of Financial Activities)	32,145	357,814
Adjustments for:		
Depreciation charges	30,370	26,829
Interest received	(11,513)	(458)
Interest paid	939	992
(Increase)/decrease in debtors	(73,402)	225,399
Increase/(decrease) in creditors	177,602	(330,617)
	<hr/>	<hr/>
Net cash provided by operations	<u>156,141</u>	<u>279,959</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank and in hand	1,019,554	56,084	1,075,638
	<hr/>	<hr/>	<hr/>
	1,019,554	56,084	1,075,638
	<hr/>	<hr/>	<hr/>
Total	<u>1,019,554</u>	<u>56,084</u>	<u>1,075,638</u>

The notes form part of these financial statements

COMMUNITIES 1ST

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2024**

1. STATEMENT OF COMPLIANCE

Communities 1st is a charitable company limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Ver House
Frogmore
St Albans
AL2 2WH

The charitable company's financial statements have been prepared in compliance with Charities SORP (FRS 102) as it applies to the financial statements for the year ended 31 March 2024.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statement are prepared in sterling.

Communities 1st meets the definition of a public benefit entity under FRS 102.

Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charitable company.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Income is deferred when monies have been received in advance of a service being rendered. The deferred income is released at the point when the service has been rendered.

Donations

Donations are recognised when the charitable company has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charitable company before the charitable company is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charitable company and it is probable that these conditions will be fulfilled in the reporting period.

Grant receivable

Grants are recognised when the charitable company has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the statement of financial position as deferred income to be released.

COMMUNITIES 1ST

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2024**

2. ACCOUNTING POLICIES - continued

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those cost of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Tangible fixed assets

Individual fixed assets costing £150 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on the tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over the expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor vehicles	25% reducing balance
Equipment and fittings	33% reducing balance
Computer equipment	33% reducing balance

Trade debtors

Trade debtors are amounts due from voluntary organisations and individuals who have undertaken to fund or meet the cost of services provided. Trade debtors are recognised initially at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charitable company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at the amortized cost using the effective interest method.

COMMUNITIES 1ST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

3. DONATIONS AND LEGACIES

	31.3.24	31.3.23
	£	£
Donations	216,937	532,524
Contracts and SLA	853,568	807,881
Grants	270,452	398,288
	<u>1,340,957</u>	<u>1,738,693</u>

Grants received, included in the above, are as follows:

	31.3.24	31.3.23
	£	£
Covid-19	-	6,868
Hertsmere B Council	1,800	75,417
St Albans D Council	12,000	4,399
Hertfordshire County Council	97,368	-
Clarion Housing	17,036	4,022
Hoare Trust	25,000	8,700
British Red Cross VCSEP	-	6,000
Bedfordshire Luton Community	2,000	1,500
NAVCA	-	5,000
Community Action Dacorum - Staying connected	10,737	40,127
NHS Hertfordshire and West Essex ICB - Core 20+	21,250	36,000
Hertfordshire and West Essex ICB - International Recruits	-	55,500
Herts Valley CCG	-	12,639
Shopper bus	-	134,000
UKSPF	21,000	-
Healthy Hubs	18,250	-
Cadent	30,540	-
Luton able 2 enable	1,500	-
Broxbourne able 2 enable	7,976	-
Other grants	3,995	8,116
	<u>270,452</u>	<u>398,288</u>

COMMUNITIES 1ST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

4. INVESTMENT INCOME

	31.3.24	31.3.23
	£	£
Deposit account interest	11,513	458
	<u> </u>	<u> </u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Purposes of the charity	1,023,712	296,613	1,320,325
	<u> </u>	<u> </u>	<u> </u>

6. SUPPORT COSTS

	Information technology £	Other £	Governance costs £	Totals £
Purposes of the charity	51,413	238,900	6,300	296,613
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

7. NET INCOME/(EXPENDITURE)

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

	31.3.24	31.3.23
	£	£
Auditors' remuneration	6,300	6,000
Depreciation - owned assets	30,369	26,829
	<u> </u>	<u> </u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

COMMUNITIES 1ST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

9. STAFF COSTS

	31.3.24	31.3.23
	£	£
Wages and salaries	963,246	1,062,048
	<u>963,246</u>	<u>1,062,048</u>

The average monthly number of employees during the year was as follows:

	31.3.24	31.3.23
Staff	46	46
	<u>46</u>	<u>46</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.24	31.3.23
£60,001 - £70,000	1	-
	<u>1</u>	<u>-</u>

Key management personnel include the Chief Executive Officer and Deputy Chief Executive Officer. The total employee benefits of the Charity's key management personnel were £104,930.11 (2022/23: £97,793.24)

10. 2023 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,604,693	134,000	1,738,693
Investment income	458	-	458
Other income	26,359	-	26,359
Total	<u>1,631,510</u>	<u>134,000</u>	<u>1,765,510</u>
EXPENDITURE ON			
Charitable activities			
Purposes of the charity	1,392,196	15,500	1,407,696
NET INCOME	239,314	118,500	357,814
RECONCILIATION OF FUNDS			
Total funds brought forward	661,194	15,500	676,694
TOTAL FUNDS CARRIED FORWARD	<u>900,508</u>	<u>134,000</u>	<u>1,034,508</u>

COMMUNITIES 1ST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2023	36,701	74,840	39,403	150,944
Additions	931	108,457	1,243	110,631
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2024	37,632	183,297	40,646	261,575
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 April 2023	25,400	16,207	15,626	57,233
Charge for year	4,800	14,623	10,946	30,369
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2024	30,200	30,830	26,572	87,602
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 March 2024	7,432	152,467	14,074	173,973
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	11,301	58,633	23,777	93,711
	<hr/>	<hr/>	<hr/>	<hr/>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Trade debtors	164,771	158,661
Prepayments and accrued income	92,887	25,595
	<hr/>	<hr/>
	257,658	184,256
	<hr/>	<hr/>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Trade creditors	29,362	16,634
Other creditors	145,096	102,006
Accruals and deferred income	266,158	144,373
	<hr/>	<hr/>
	440,616	263,013
	<hr/>	<hr/>

Accruals and deferred income includes £214,191 (2023: £88,900) of designated funds relating to monies received in 2022-23 for 2023-24 projects and £nil (2023: £nil) of restricted funds relating to monies received in 2022-23 for 2023-24.

COMMUNITIES 1ST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.24 £	31.3.23 £
Within one year	39,429	38,129
Between one and five years	84,888	120,742
	<u>124,317</u>	<u>158,871</u>

15. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	900,508	(8,033)	(6,189)	886,286
Restricted funds				
Mini-bus grants	134,000	(21,580)	6,189	118,609
Para Dance UK	-	29,608	-	29,608
Income	-	7,150	-	7,150
Capital	-	25,000	-	25,000
	<u>134,000</u>	<u>40,178</u>	<u>6,189</u>	<u>180,367</u>
TOTAL FUNDS	<u>1,034,508</u>	<u>32,145</u>	<u>-</u>	<u>1,066,653</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,290,712	(1,298,745)	(8,033)
Restricted funds			
Mini-bus grants	-	(21,580)	(21,580)
Para Dance UK	29,608	-	29,608
Income	7,150	-	7,150
Capital	25,000	-	25,000
	<u>61,758</u>	<u>(21,580)</u>	<u>40,178</u>
TOTAL FUNDS	<u>1,352,470</u>	<u>(1,320,325)</u>	<u>32,145</u>

COMMUNITIES 1ST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	661,194	239,314	900,508
Restricted funds			
Peer to Peer support groups	5,500	(5,500)	-
Supporting International Nurses	10,000	(10,000)	-
Mini-bus grants	-	134,000	134,000
	<u>15,500</u>	<u>118,500</u>	<u>134,000</u>
TOTAL FUNDS	<u><u>676,694</u></u>	<u><u>357,814</u></u>	<u><u>1,034,508</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,631,510	(1,392,196)	239,314
Restricted funds			
Peer to Peer support groups	-	(5,500)	(5,500)
Supporting International Nurses	-	(10,000)	(10,000)
Mini-bus grants	134,000	-	134,000
	<u>134,000</u>	<u>(15,500)</u>	<u>118,500</u>
TOTAL FUNDS	<u><u>1,765,510</u></u>	<u><u>(1,407,696)</u></u>	<u><u>357,814</u></u>

Peer-to-peer - This is monies received from Hertfordshire County Council to deliver peer-to-peer support groups.

Supporting International Nurses - This is monies received from Herts Partnership University to support international nurses to integrate in local communities.

Mini-bus - This is monies received to purchase shopper buses.

COMMUNITIES 1ST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.