

Charity registration number 702916

Company registration number 02456427 (England and Wales)

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs A E Bayley	(Appointed 7 June 2022)
	Ms S P Hameed	(Appointed 1 November 2022)
	Mr K Rutherford	(Appointed 1 November 2022)
	Mrs P E Smith	(Appointed 1 November 2022)
Charity number	702916	
Company number	02456427	
Registered office	The Greenway Centre 101 The Greenway Middlesbrough England TS3 9PA	
Independent examiner	Davies Tracey Swan House Westpoint Road Teesdale Business Park Stockton on Tees TS17 6BP	

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

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COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

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 2022. 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).

The past year has presented significant challenge for both CVL and people of Middlesbrough, the local area is still grappling with the aftermath of Covid-19 and with the ongoing financial pressure imposed by the government.

Externally our focus for the year has been on increasing the effectiveness of our support, on targeting services at populations and areas where there is a lack of provision and looking at all times to compliment the delivery of stakeholders. Internally we have continued the process of integrating our new North Ormesby based delivery staff and building a cohesive and flexible resource delivering across East Middlesbrough.

Objectives and activities

The objectives of Community Ventures (Middlesbrough) Ltd described in its Memorandum and Articles of Association are:

"To relieve poverty and advance education amongst persons in the United Kingdom, with particular regard to such persons who are unemployed or are suffering the consequences of unemployment, through the provision of vocational training and through such charitable means as may be deemed appropriate".

"The promotion for the public benefit of urban or rural regeneration in areas of social and economic deprivation (and in particular East Middlesbrough) ..."

To further those objects, our policies include:

- o Setting-up and ownership of sustainable community businesses
- o Directly employing people on appropriate conditions
- o Supporting measures to assist unemployed people to access available jobs
- o Linking and collaborating with other organisations
- o Community regeneration activities

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Public benefit

The trustees have compiled with the duty to have due regard to the public benefit guidance published by the Charity Commission.

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

Charitable activities

Over the time of this report, we have struggled against our own structures, and had to overcome many challenges in how we worked to be able to run more efficiently and effectively, but we've also experienced the pandemic and a merger, which came with its own struggles, taking six months longer than anticipated. We're now dealing with the impact of the current cost of living crisis and rising energy costs, which are real concerns for more and more families as they risk falling into extreme poverty.

However, we're confident in our abilities to support East Middlesbrough through this. By pushing our struggles aside, this last year has seen us complete the process of integrating services previously delivered by NONDeT, reinvigorate our childcare provision and see it rise up the ranks, restructure the organisation, gain a new chief executive, and move forward with our plans to develop a registered housing provider to work alongside the charity.

Due to all our efforts these last few years, we're now in a really strong place to not only take existing projects forward but also build new ones in sustainability, wheels-based activities, micro regeneration and maximising local job opportunities. As part of this, we're also repositioning ourselves as a niche provider, one that is personal, passionate and about the people, so that we can broaden our footprint and support as many people as possible to seize new opportunities, to improve the local environment, to lead on improving the levels of wellbeing for themselves and their neighbours and to champion Thorntree and North Ormesby.

Achievements and performance

Our safe spaces come in all shapes and sizes across East Middlesbrough, and they offer adults and young people the chance to learn and do - all while contributing to growth and all the while contributing to the growth and strength of the community.

1 Listen

We're about creating safe spaces for people to learn, do and grow in a bid to provide safe spaces, we listen to the people in our communities and move and flex our community activities based on the needs at the time. This is also why we joined forces with NONDeT, to address the failing residential rental market reported by so many people. We've since taken over ownership of rental properties in North Ormesby, with plans to take on retail and residential properties in Thorntree and we continue to work with residents to understand their needs and to help to bring life back into the area.

2 Collaborate

Between us and our new partner, NONDeT, we work with a number of local and regional partners to develop new ways of working and 2023 will see us delivering and developing as one. NONDeT bring a community-based property management offer for small private landlords. While we are working with residents and investing in plans to transform underused properties into additional opportunities for business and residents.

3 Contribute

We have taken over an allotment site and have developed Digging Deep, to help people to improve their mental health, learn new skills and boost their confidence. There will be sub plots in Digging Deep for children from Pavilion Nursery, Boys in Blue and Sheroes, as well as other community groups. We learn to grow, cook and eat vegetables with sessions in our kitchen to make soups, salads and healthy meals. Volunteer activities like this that we've built up over the last year, provide a great way to stay healthy both physically and mentally, while enhancing the life skills that impress potential employers too. Through self-care, as a community we're also contributing to the creation of another safe space where other people can connect in a supportive, friendly environment.

4 Empower

Although the areas we work in are predominately White British, our annual calendar now includes celebrations of other cultures and customs because we believe equal opportunity is extremely important, and every person we support is unique in their own way. All our activities are open to everyone without discrimination, and we've recently started running activities which positively support distinct groups, based on the needs of the community. Since taking over the management of Pavilion Nursery in North Ormesby, we're able to provide additional holiday activities, covering a larger footprint and offer a vital sensory room to increasing numbers of young people with additional needs. This increased activity also offers opportunities to provide apprenticeships and train local people.

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

To maintain an active profile of support and social networking, CVL continued and developed its membership and participation national, regional, and local organizations. These include:

- NCVO
- Vonne
- YGT
- Locality
- Living Wage Foundation

We continued to invest in and to provide training for staff and volunteers and saw a number access new employment opportunities as a result.

The board remains confident that the organisation has a strong platform from which to build our support for ongoing charitable activity.

Financial review

The charity continues to apply the funds at its disposal for the benefit of the community.

Reserves policy

The Trustees and Directors have given careful consideration to an appropriate reserve policy. The unrestricted reserves of the charity are £81,889 (2022: £75,023). The Trustees and Directors aim to maintain a reserve level equal to six months operating costs. These reserves, when available, will be for the use at the Trustees' and Directors' discretion, in furtherance of the charity's objects.

In particular, such reserves shall be maintained for use against future uncertainties, for example:

- o to take advantage of change an opportunity
- o to absorb setbacks
- o to provide for contingencies
- o to minimise business risks

Unallocated reserves will be maximised for their use in benefiting the charity subject to company needs and statutory requirements.

Structure, governance and management

Governing document

The Charity is a charitable company, limited by guarantee. Each member has agreed to guarantee an amount of £1 in the event of the charity's being wound up. At 31 March 2023 there were 183 members.

It was incorporated on 29 December 1989 and is governed by a Memorandum and Articles of Association, which were amended on 15 December 2000, at which time the company changed its name from East Middlesbrough Community Venture to Community Ventures (Middlesbrough) Ltd.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr D Coates	(Resigned 20 June 2022)
Mr M P Jenkins	(Resigned 1 November 2022)
Mr M Milen	(Resigned 22 December 2022)
Mrs A E Bayley	(Appointed 7 June 2022)
Ms S P Hameed	(Appointed 1 November 2022)
Mr K Rutherford	(Appointed 1 November 2022)
Mrs P E Smith	(Appointed 1 November 2022)
Ms R Gault	(Appointed 1 November 2022 and resigned 1 August 2023)

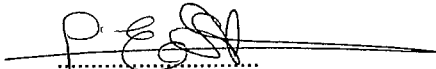
COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

As set out in the Articles of Association, the Board of Trustees (who are also the Directors) comprises no more than 7 members.

All Trustees are elected at each Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.



Mrs P E Smith
Chair of Trustees

Date: 26.09.2023

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

I report to the trustees on my examination of the financial statements of Community Ventures (Middlesbrough) Ltd. (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Craig McBride

FCA

Davies Tracey

Chartered Accountants and Business Advisers

Swan House

Westpoint Road

Teesdale Business Park

Stockton on Tees

TS17 6BP

Dated: 2/10/2023

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Income and endowments from:</u>			
Charitable activities	3	240,990	179,941
Other income		5,000	12,124
Total income		<u>245,990</u>	<u>192,065</u>
<u>Expenditure on:</u>			
Charitable activities		<u>239,124</u>	<u>245,938</u>
Net income/(expenditure) for the year/ Net movement in funds		6,866	(53,873)
Fund balances at 1 April 2022		<u>75,023</u>	<u>128,896</u>
Fund balances at 31 March 2023		<u><u>81,889</u></u>	<u><u>75,023</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	8		24,440		34,671
Current assets					
Debtors	9	33,897		3,186	
Cash at bank and in hand		31,634		46,329	
		65,531		49,515	
Creditors: amounts falling due within one year	10	(8,082)		(9,163)	
Net current assets			57,449		40,352
Total assets less current liabilities			81,889		75,023
Income funds					
Unrestricted funds			81,889		75,023
			81,889		75,023


The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 26.09.2023 and were signed on its behalf by:


.....
Mrs P E Smith
Chair of Trustees

Company registration number 02456427

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Community Ventures (Middlesbrough) Ltd. is a private company limited by guarantee incorporated in England and Wales. The registered office is The Greenway Centre, 101 The Greenway, Middlesbrough, TS3 9PA, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold extension	over 7 years
Equipment	over 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

	Charitable Income 2023 £	Charitable Income 2022 £
Provision of charitable services	240,990	179,941

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Depreciation	10,231	-	10,231	10,890	-	10,890
Exchange Losses	-	-	-	8,723	-	8,723
Postage and stationery	2,542	-	2,542	1,286	-	1,286
Advertising	333	-	333	11,956	-	11,956
Sundries	28,384	-	28,384	14,144	-	14,144
Travel	-	-	-	1,204	-	1,204
Membership and subscriptions	134	-	134	1,489	-	1,489
Premises expenses	21,642	-	21,642	18,451	-	18,451
Bank charges	143	-	143	77	-	77
Insurance	3,060	-	3,060	2,892	-	2,892
Telephone	2,455	-	2,455	2,254	-	2,254
Accountancy fees	-	7,466	7,466	-	7,580	7,580
Legal fees	-	887	887	-	556	556
	<u>68,924</u>	<u>8,353</u>	<u>77,277</u>	<u>73,366</u>	<u>8,136</u>	<u>81,502</u>
Analysed between						
Charitable activities	<u>68,924</u>	<u>8,353</u>	<u>77,277</u>	<u>73,366</u>	<u>8,136</u>	<u>81,502</u>

The fee payable to Davies Tracey for the independent examination of the financial statements was £900 (2022: £850). Other fees payable to Davies Tracey were £6,566 (2022: £6,730).

5 Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits or expenses from the charity during the year.

6 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Provision of charitable services	7	6
Management and administration	2	2
Total	<u>9</u>	<u>8</u>

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Employees

(Continued)

Employment costs	2023 £	2022 £
Wages and salaries	133,057	130,786
Social security costs	8,003	8,706
Other pension costs	1,461	1,270
	<u>142,521</u>	<u>140,762</u>

There were no employees whose annual remuneration was more than £60,000.

7 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

8 Tangible fixed assets

	Leasehold extension £	Equipment £	Total £
Cost			
At 1 April 2022	253,440	70,436	323,876
At 31 March 2023	<u>253,440</u>	<u>70,436</u>	<u>323,876</u>
Depreciation and impairment			
At 1 April 2022	221,416	67,789	289,205
Depreciation charged in the year	9,032	1,199	10,231
At 31 March 2023	<u>230,448</u>	<u>68,988</u>	<u>299,436</u>
Carrying amount			
At 31 March 2023	<u>22,992</u>	<u>1,448</u>	<u>24,440</u>
At 31 March 2022	<u>32,024</u>	<u>2,647</u>	<u>34,671</u>

9 Debtors

Amounts falling due within one year:	2023 £	2022 £
Trade debtors	8,897	3,186
Other debtors	25,000	-
	<u>33,897</u>	<u>3,186</u>

COMMUNITY VENTURES (MIDDLESBROUGH) LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	1,951	2,060
Trade creditors	1,308	833
Other creditors	324	1,771
Accruals and deferred income	4,499	4,499
	<u>8,082</u>	<u>9,163</u>

11 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	310	580
Between two and five years	-	310
	<u>310</u>	<u>890</u>

12 Related party transactions

During the year the charity assisted CVL Housing CIC with some of its activities free of charge.