

Registered Company Number : 00333713

Charity Number : 702233

# **Community Council of Lancashire t/a Community Futures**

**(A company limited by guarantee)**

## **Trustees' Report and Financial Statements**

**For The Year Ended  
31 March 2021**

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

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# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Peter Taylor Mike Otter Gordon Harter Albert Atkinson Margaret McLeod Mark Gutteridge	- Chair - Vice Chair - Treasurer
<b>Company Secretary</b>	Denise Partington	- Chief Executive
<b>Registered Office</b>	Brentwood House 15 Victoria Road Fulwood Preston PR2 8PS	
<b>Company registered number</b>	00333713	
<b>Charity registered number</b>	702233	
<b>Independent examiner</b>	Christine Wilson FCA DChA MHA Moore and Smalley Chartered Accountants Richard House Winckley Square Preston PR1 3HP	

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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The trustees submit their annual report and the financial statements, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes, of Community Council of Lancashire (the charity) for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 (FRS102) published in October 2019.

The information contained on page 1 forms part of this report.

### **Structure, governance and management**

The charity is a company limited by guarantee, without share capital, and is governed by its Memorandum and Articles of Association. The principal activity of the charity is the promotion of any charitable purposes for the benefit of the community in the county of Lancashire and the wider North West region.

#### ***Method of appointment or election of trustees***

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

Trustees are elected each year by members at the Annual General Meeting.

The trustees, who also act as directors for the purposes of the Companies Act, who served the charity during the year are shown on page 1.

#### ***Trustee recruitment, induction and training***

Trustees are recruited from within the membership of the organisation and, as far as practicable; recruitment is targeted to reflect the diversity of the membership organisations and the communities they serve. Induction training is provided to all trustees on appointment to familiarise them with the work of the organisation and to ensure that they can make an immediate contribution to its strategic management. Training has been developed by the organisation which covers, inter alia, governance and safeguarding matters. Trustees are encouraged to participate in this training to enhance their skill base and strengthen their accountability to the charity.

#### ***Trustees' liability***

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

#### ***Risk policy***

The trustees have conducted a review of the major risks to which the charity is exposed and developed policies to mitigate those risks. External risks to funding have led to a review of the strategic plan which will allow for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for 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 they still meet the needs of the charity. The main risks have been embodied in a risk register which records the likelihood and impact of each risk with current protective measures. The significant risks arising from COVID-19 will be considered within short term financial planning and long-term sustainability or services.

#### **Objectives and activities**

The focus of Community Council of Lancashire's activities is on service delivery and promotion and development of social, economic, cultural and community activity, working with voluntary groups and in partnership with public authorities.

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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### Objectives and activities (continued)

The COVID-19 pandemic developed rapidly in 2020, with a significant number of infections worldwide. Measures taken by the government to contain the virus have affected economic activity and the charity's business in significant ways:

- A reduction in the ability to generate income through community service activity such as training, governance advice and funding support.
- The extended closure of all but one of our childcare settings, which significantly reduced the level of private income budgeted for the year.
- The reduction of economic activity requiring some of our employees to work from home, which resulted in a reduction in new business and reviews of existing business.
- A reduction in activity to progress business development plans, such as those scheduled for Galloway Hall.

As a result of these effects our unrestricted cash reserves were negatively impacted, which required us to attract additional funding from grant funders and local authorities.

Depending on the duration of the COVID-19 crisis and continued negative impact on economic activity, the charity may experience further adverse effects, cash flow restraints and incur additional losses on its assets in 2021. The exact impact on our activities thereafter cannot be predicted.

The aims for the year were to;

- Continue to deliver high quality childcare services in one setting where there was a need to remain operational for key worker families.
- Implement and deliver a business continuity plan to protect the physical assets of the charity and ensure that good governance and employment responsibilities remained a priority.
- Maximise grant income to recover losses in operational and business activity.
- Establish family support services to help those worst affected by COVID-19.
- Deliver a programme of advice, support and guidance to volunteers managing community buildings to help sustain vital resources and services.

Short term objectives are to continue to re-build the pre-COVID-19 capacity across all our childcare settings and use evidence provided through COVID-19 grant projects to maximise funding through grant aid. The long-term objective is to implement a funding plan that provides a balance of grant, contract and private income to ensure the sustainability of the charity beyond 2020.

### ***Grant making policies***

The charity does not make payments of grants on its own behalf but acts as an administrator for funders. Any grants made are therefore in accordance with the grant making policy of the funder.

### **Achievements and performance**

Activity has been consistent with achievement of objectives.

The charity has successfully delivered two COVID-19 response projects;

1. Family Support – we provided support to families that were economically and socially affected by COVID-19 over a 6-month period. Guidance was available to help maximise income through welfare claims and debt advice as well as regular provision of food and other resource parcels. Additional funding was secured to provide holiday club activity in Preston during the summer.

**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
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**FOR THE YEAR ENDED 31 MARCH 2021**

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**Achievements and performance (continued)**

2. Lancashire Community Network – we provided relevant COVID-19 advice, guidance and information to volunteers managing and governing Village and Community Halls. This enabled them to put measures in place to make their halls safe to re-open and protect their charitable assets.

Defra funding was secured, in partnership with ACRE, which makes a significant contribution to resources to continue to support and represent the needs of rural communities. This funding enables us to identify and respond to the specific needs of rural communities and promote their value to statutory decision makers. We measure the success of this activity through community networks and individuals who have benefitted from our work in this area and continued demand for our services. Membership of ACRE also gave us access to a variety of advice and guidance sheets that contributed to the success of the Lancashire Community Network project.

Chorley and South Ribble CCG contract to build capacity and capability within the VCSE sector in Central Lancashire, entered its 2<sup>nd</sup> year of delivery in July 2020, with a revision of outcomes to reflect COVID-19 impact. Further negotiation secured funding for a 3<sup>rd</sup> year.

No fundraising has taken place in this reporting period.

In planning the activities for the year, the trustees kept in mind the Charity Commission's guidance on public benefit at a meeting of the trustees.

**Financial review**

The principal funding sources are rental income from a resident partner and grant funding, which contribute to core operating costs. Defra funding continues to resource dedicated support to rural communities. Childcare is increasingly regarded as a dominant service for the charity. All settings generate surplus funds, however financial re-investment to maintain standards of care and education continues to be a priority for the long term.

The surplus for the year was £65,730 (2020: £87,547). Details of income and expenditure for the year are shown in the Statement of Financial Activities on Page 7.

**Plans for future periods**

Review of childcare has led to the implementation of a strategy which includes financial, operational and family support plans.

Grant funding will continue to be pursued to provide family support services and resources for work in rural communities.

By developing a funding plan that reflects current opportunities, the charity is maximising potential to be sustainable. Working relationships with local authorities, health authorities, VCSE partnerships and education establishments are also identifying potential joint activity that will contribute to sustainability.

The membership structure will be reviewed to re-introduce fees against criteria that will enable us to generate income from services.

**Key management personnel remuneration**

The charity applies salaries to management personnel commensurate with duties and that are consistent within the parameters of nationally agreed rates of pay. The Charity considers its key management personnel to be the Chief Executive, Business Director, EYS Manager and Partnership Manager.

**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Reserves policy**

The trustees consider that the free reserves of the charity should be £300,000, being approximately six months' operating expenses.

Unrestricted general funds as at 31 March 2021 were £516,269. Of these funds, £317,402 are held as tangible fixed assets, leaving free reserves of £198,867 (2020: £156,602) which is below the trustees' target, however the trustees will continue to monitor the level of free reserves and take steps to bring it back in line with their policy.

This report was approved by the trustees on *13/10/2021* and signed on their behalf



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Denise Partington – Company Secretary

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## INDEPENDENT EXAMINER'S REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 7 to 20.

### Responsibilities and basis of report

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

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

### Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention, except for the departure from the requirements of FRS102 and the Charities SORP detailed in note 10 to the financial statements (the potential financial impact of which cannot be quantified) in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- the accounts 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
- the accounts 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 accounts to be reached.



Christine Wilson FCA DChA  
MHA Moore and Smalley  
Chartered Accountants  
Preston

Date... 13/10/21

**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Restricted funds £	Unrestricted funds £	2021 Total £	2020 Total £
<b>Income from:</b>					
Charitable activities: community projects	2	277,428	63,421	340,849	185,421
Charitable activities: childcare and family support	3	8,050	395,147	403,197	504,049
Investments	4	-	2	2	30
<b>Total income</b>		<b>285,478</b>	<b>458,570</b>	<b>744,048</b>	<b>689,500</b>
<b>Expenditure on:</b>					
Charitable activities: community projects	5	246,203	67,287	313,490	359,264
Charitable activities: childcare and family support	5	8,050	354,794	362,844	414,189
<b>Total expenditure</b>		<b>254,253</b>	<b>422,081</b>	<b>676,334</b>	<b>773,453</b>
<b>Net income/(expenditure)</b>		<b>31,225</b>	<b>36,489</b>	<b>67,714</b>	<b>(83,953)</b>
<b>Transfers between funds</b>		-	-	-	-
<b>Other recognised gains / (losses):</b>					
Actuarial gain on defined benefit pension scheme	10	-	-	-	171,500
<b>Net movement in funds</b>		<b>31,225</b>	<b>36,489</b>	<b>67,714</b>	<b>87,547</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		19,268	479,780	499,048	411,501
<b>Total funds carried forward</b>		<b>50,493</b>	<b>516,269</b>	<b>566,762</b>	<b>499,048</b>

All income and expenditure derive from continuing activities.

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

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## BALANCE SHEET

AS AT 31 MARCH 2021

	Note	Restricted Funds £	Unrestricted funds £	Total 2021 £	Total 2020 £
<b>Fixed assets</b>					
Tangible assets	7	-	317,402	317,402	323,178
		-	317,402	317,402	323,178
<b>Current assets</b>					
Debtors	8	-	31,478	31,478	51,272
Cash at bank and in hand		50,493	178,444	228,937	140,832
		50,493	209,922	260,415	192,104
<b>Creditors:</b> Amounts falling due within one year	9	-	(11,055)	(11,055)	(16,234)
<b>Net current assets</b>		50,493	198,867	249,360	175,870
<b>Total assets less current liabilities</b>		50,493	516,269	566,762	499,048
Pension liability	10	-	-	-	-
<b>Net assets</b>		50,493	516,269	566,762	499,048
<b>Charity funds</b>					
Restricted funds	12	50,493	-	50,493	19,268
Unrestricted funds					
- Designated reserve	12	-	25,000	25,000	25,000
- Pension reserve	12	-	-	-	-
- General funds	12		491,269	491,269	454,780
		50,493	516,269	566,762	499,048

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year ended 31 March 2021 in accordance with section 476 of the Companies Act 2006. The trustees acknowledge their responsibilities for complying with the requirements the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the trustees on 13/10/2021 and were signed on their behalf by:

  
Peter Taylor - Trustee

  
Mike Otter - Trustee

Registered number: 00333713

**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
<b>Cash flow from operating activities</b>	<b>88,103</b>	<b>(67,647)</b>
<b>Cash flow from Investing activities</b>		
Investment income	2	30
Purchase of tangible fixed assets	-	(727)
<b>Net cash flow from investing activities</b>	<b>2</b>	<b>(697)</b>
<b>Net increase in cash and cash equivalents</b>	<b>88,105</b>	<b>(68,344)</b>
Cash and cash equivalents brought forward	140,832	209,176
<b>Cash and cash equivalents carried forward</b>	<b>228,937</b>	<b>140,832</b>
<b>Consisting of:</b>		
Cash at bank and in hand	228,937	140,832
<b>Reconciliation of net income/(expenditure) for the year to net cash flow from operating activities</b>		
Net income/(expenditure) for the year	67,714	(83,953)
Investment income received	(2)	(30)
Depreciation of tangible assets	5,776	7,082
(Increase)/decrease in debtors	19,794	7,783
(Decrease)/increase in creditors	(5,179)	1,471
<b>Net cash flow from operating activities</b>	<b>88,103</b>	<b>(67,647)</b>

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

#### Company status

The company is a company limited by guarantee (incorporated in England & Wales). The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

#### Basis of preparation of financial statements

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), The Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain financial instruments at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### Going concern

The trustees are required to assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation of the accounts. The charity continues to experience the impact of the COVID-19 though there are clear signs of recovery due to its success in applying for COVID support grants. The Trustees and Management have put plans in place to manage the situation and monitor reserves levels. At the date of approving these accounts the trustees have a reasonable expectation that the charity will be able to manage the situation and that it has sufficient cash resources to enable it to meet its liabilities as they fall due for at least 12 months from the date of approval. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Fund accounting

General funds are unrestricted funds, which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received except for the following:

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies (continued)

#### Income recognition (continued)

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods;
- When donors impose conditions, which must be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the preconditions for use have been met; and
- When donors specify that donations and grants, including capital grants, are for restricted purposes, which do not amount to preconditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

#### Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to activities, they have been allocated on a basis consistent with the use of the resources.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment but not accrued as expenditure.

Support costs have been identified based on the nature of the expense. Occupancy costs and payroll/human resource costs have been allocated to projects based on headcount. IT and general administration costs have been allocated to projects on an equal basis. Line management costs have been allocated to projects based on time spent.

Governance costs include those costs incurred in the governance of the charity's assets and are associated with constitutional and statutory requirements.

#### Tangible fixed assets and depreciation

Expenditure is only capitalised when it meets the definition of capital expenditure and when it is deemed to be of material value.

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is not charged on freehold. As the trustees consider the estimated residual value of freehold property to be greater than the net book value, they believe that both current and accumulated depreciation are immaterial and no provision is made in the accounts. The estimated residual value is expected to be high due to the charity's policy of maintaining the property such that physical deterioration does not occur and the costs of such maintenance are charged in the year of incidence.

Depreciation on other tangible fixed assets is provided at rates calculated to write off the costs of those assets, less their estimated residual value, over their estimated useful lives on the following bases:

- Furniture, fittings and equipment - 10% pa straight line
- Computer equipment - 20% pa straight line

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies (continued)

#### Debtors

Debtors receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### Creditors

Creditors with no stated interest rate and payable within one year are recorded at transaction price.

#### Pensions

The charity participates in a multi-employer defined benefit scheme for certain employees, operated through Lancashire County Council. The fund is valued at least every three years by a professionally qualified independent actuary. Following the most recent actuarial valuation carried out as at 31 March 2019, done for the purpose of setting future contribution rates, the actuary indicated that the deficit attributable to the charity for contribution purposes amounted to £nil. In the prior year accounts for the year ended 31 March 2020, the trustees have recognised the movement in the pension scheme deficit of £171,500 as a gain the Statement of Financial Activities. The contributions paid to the scheme have been accounted for in the Statement of Financial Activities.

### 2 Income from charitable activities – community projects

	2021	2020
	£	£
<b>Grants receivable</b>		
Rural Community Action Network – ACRE	45,540	45,474
National Lottery Community Fund - COVID-19 Rural Support Grant	30,240	-
Preston City Council – Community Champions	29,400	-
Preston City Council – COVID-19 Business Support Grant	10,000	-
Community Foundation Lancashire – Brentwood Legacy Project	9,318	-
NAVCA VCSE EP Grant	3,000	-
Healthier Lancashire & South Cumbria – Suicide Innovation Fund	-	2,500
Chorley & South Ribble CCG	63,835	44,890
NHSE Legacy Fund	13,000	25,000
CLAHRC – NHS Liverpool CCG	-	5,625
LCC – Rural Food Banks Research Grant	1,250	-
Brentwood House Trust	5,285	12,000
Covid Support – Lottery & PCC	66,560	-
	<u>277,428</u>	<u>135,489</u>
<b>Other income</b>	<u>63,421</u>	<u>49,932</u>
	<u>340,849</u>	<u>185,421</u>

The above amount includes restricted grant income receivable of £277,428 (2020: £135,489). Other income is all unrestricted in both the current and previous year.

Included in other income above is coronavirus job retention scheme grants totalling £15,947 (2020: £nil).

**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**3 Income from charitable activities – childcare and family support**

	2021	2020
	£	£
<b>Grants receivable</b>		
Community Foundation Lancashire – Brentwood Legacy Project	5,000	-
Tesco Bags of Help – COVID-19 Communities Fund	1,000	-
Ribbleton Relief Grant	100	-
Alpkit	200	-
Cash for Kids	1,750	-
	<u>8,050</u>	<u>-</u>
<b>Childcare income</b>		
Jigsaw @ Burscough	100,168	94,086
Coolkidz @ Langho	75,920	120,628
Jigsaw & Coolkidz @ Brockholes	204,282	258,927
Coolkidz @ Roebuck	14,777	30,408
	<u>395,147</u>	<u>504,049</u>
	<u>403,197</u>	<u>504,049</u>

The above amount includes restricted grant income receivable of £8,050 (2020: £nil) for family support services. The remainder represents income received to provide childcare, in the form of nurseries and out of school clubs and is all unrestricted in both the current and previous year.

Included in the childcare income above is coronavirus job retention scheme grants totalling £79,079 (2020: £nil).

**4 Investment income**

	2021	2020
	Total	Total
	£	£
Bank and other interest received	<u>2</u>	<u>30</u>
	<u>2</u>	<u>30</u>

Investment income is all unrestricted in both the current and previous year.

**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**5 Expenditure on charitable activities**

	Community projects		Childcare and family support		Total 2021 £	Total 2020 £
	Direct £	Support £	Direct £	Support £		
Wages and salaries	148,966	49,656	247,492	82,497	528,611	595,458
Agency staff and training	-	6,074	-	1,204	7,278	10,943
Rent, water rates and council tax	-	3,642	-	11,962	15,604	21,632
Printing, stationery and postage	-	5,418	-	1,065	6,483	8,669
Sundry expenses	176	2,210	73	3,036	5,495	11,617
Repairs and renewals	6,586	19,103	659	2,684	29,032	24,051
ICT support	-	4,802	-	620	5,422	8,846
Insurance	-	3,802	2,180	408	6,390	6,522
Provision for bad and doubtful debts	-	5,000	-	-	5,000	10,000
Telephone	-	3,450	-	855	4,305	4,830
Travel	1,045	5	1,088	14	2,152	9,020
Depreciation	-	5,776	-	-	5,776	7,082
Project costs	-	2,520	-	-	2,520	27,941
Subscriptions	-	5,670	-	129	5,799	559
Governance costs	-	3,129	-	1,200	4,329	5,982
Legal and professional	2,857	23,273	2,521	545	29,196	12,506
Gas and electricity	-	8,997	-	2,538	11,535	5,847
Bank charges	-	763	-	74	837	1,129
Advertising	-	570	-	-	570	819
	159,630	153,860	254,013	108,831	676,334	773,453
		313,490		362,844		

Total expenditure includes restricted amounts of £254,253 (2020: £121,741).

<b>Analysis of governance costs</b>	<b>2021 £</b>	<b>2020 £</b>
Independent examiner's remuneration	4,320	4,482
Meeting expenses	9	910
Other governance costs	-	590
	<b>4,329</b>	<b>5,982</b>

Independent examiner's remuneration amounts to an independent examination fee of £1,160 (2020: £1,110) and accountancy fees of £3,160 (2020: £3,372), inclusive of VAT.

The trustees have decided to meet all governance costs from unrestricted funds and so no allocation or charge is made to restricted funds for any governance related costs.

During the year one trustee was paid remuneration of £55,671 (2020: £52,313), including pension contributions of £10,448 (2020: £8,560), strictly for their role as an employee of the charity and not for their services as a trustee. No other trustees received remuneration, benefits in kind or expenses (2020: £nil). There were no transactions with other related parties other than those disclosed in note 13.

**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**6 Staff costs and employee benefits**

	2021 £	2020 £
Wages and salaries	467,726	507,882
Social security costs	30,597	31,138
Pension costs	30,241	56,439
	<u>528,564</u>	<u>595,459</u>

The average number of employees during the year was as follows:	2021		2020	
	No	FTE	No	FTE
Administrative management	3	3	4	3
Administrative support staff	4	3	3	3
Childcare management	4	4	4	4
Childcare staff	26	13	29	15
	<u>37</u>	<u>23</u>	<u>40</u>	<u>25</u>

There are no individual salaries in excess of £60,000 per annum. The total amount of employee benefits received by key management personnel is £172,651 (2020: £172,933).

**7 Tangible fixed assets**

	Land & buildings £	Furniture fittings & equipment £	Computer equipment £	Total £
<b>Cost</b>				
As at 1 April 2020	295,000	55,830	25,567	376,397
Additions	-	-	-	-
Disposals	-	-	-	-
<b>As at 31 March 2021</b>	<u>295,000</u>	<u>55,830</u>	<u>25,567</u>	<u>376,397</u>
<b>Depreciation</b>				
As at 1 April 2020	-	31,082	22,137	53,219
Charge for the year	-	3,952	1,824	5,776
On disposals	-	-	-	-
<b>As at 31 March 2021</b>	<u>-</u>	<u>35,034</u>	<u>23,961</u>	<u>58,995</u>
<b>Net book value</b>				
<b>As at 31 March 2021</b>	<u>295,000</u>	<u>20,796</u>	<u>1,606</u>	<u>317,402</u>
As at 31 March 2020	295,000	24,748	3,430	323,178

**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**7 Tangible fixed assets (continued)**

Freehold land and buildings included above were recognised using a previous open market existing use valuation basis as a deemed cost on transition to SORP 2015 (FRS102). The trustees are of the belief that the value of the land and buildings would be in excess of £295,000 if they were to be sold as residential property rather than commercial property.

	<b>Land &amp; buildings £</b>
<b>At cost</b>	520,757
<b>Revaluations</b> : Movement due to open market valuation as at 31 December 2002	110,000
: Movement due to open market valuation as at 22 July 2010	<u>(335,757)</u>
Deemed cost on transition	295,000
	<hr/>

**8 Debtors**

	<b>2021 £</b>	<b>2020 £</b>
Trade debtors	<b>31,475</b>	51,272
	<hr/>	<hr/>

**9 Creditors : Amounts falling due within one year**

	<b>2021 £</b>	<b>2020 £</b>
Other creditors	<b>2,559</b>	4,578
Payments on account	<b>3,943</b>	4,831
Accruals and deferred income	<b>4,553</b>	6,825
	<hr/>	<hr/>
	<b>11,055</b>	16,234
	<hr/>	<hr/>

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### 10 Pensions commitments

The charity participates in a multi-employer defined benefit scheme for certain employees, operated through Lancashire County Council. The fund is valued at least every three years by a professionally qualified independent actuary.

The latest report by the LCC actuary has been prepared as at 31 March 2019. The report showed that the market value of the assets relating to Community Council of Lancashire's share of the scheme was £1.48 million and that the actuarial value of those assets represented 101% of the benefits that had accrued to members, after allowing for expected future increases in earnings.

Following the most recent actuarial valuation, done for the purpose of setting future contribution rates, the actuary indicated that the surplus attributable to the charity for contribution purposes amounted to £10,780. In accordance with SORP 2018, a pension scheme asset has not been recognised as this surplus is not expected to be recovered in the future.

Since the charity's share of assets and liabilities within the scheme can be determined, the pension scheme should be accounted for as a defined benefit pension scheme in accordance with FRS102. However, the trustees do not believe that it is a worthwhile use of the charity's resources to pay for the actuarial report which would be required to determine the charity's share of assets and liabilities as at 31 March 2021 calculated in accordance with FRS102 and to enable the appropriate disclosures to be made.

As an alternative, since the valuation done for the purposes of setting contribution rates is showing a small surplus, the trustees reduced the provision of the pension scheme deficit to £nil on the prior year balance sheet, recognising a gain of £171,500 in the Statement of Financial Activities for the prior year ended 31 March 2020 and have accounted for the contributions paid to the scheme in the year in the Statement of Financial Activities. Therefore, no further adjustments were required during the year ended 31 March 2021. As a result, as the scheme deficit has not been accounted for in accordance with FRS102, the trustees are unable to quantify the impact of non-compliance with the standard.

### 11 Commitments under operating leases – land & buildings

At 31 March 2021 the charity had future minimum lease payments under non-cancellable operating leases as set out below:

	2021 £	2020 £
Amounts due within one year	2,200	2,200

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**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**12 Statement of funds – current year**

	Brought forward £	Incoming resources £	Resources expended £	Transfers/ Revaluation £	Carried forward £
<b>General Funds</b>					
Pension reserve	-	-	-	-	-
General funds	454,780	458,570	(422,082)	-	491,268
	454,780	458,570	(422,082)	-	491,268
<b>Designated funds</b>	25,000	-	-	-	25,000
<b>Total unrestricted funds</b>	479,780	458,570	(422,082)	-	516,268
<b>Restricted funds</b>					
ASSN Grant Fund (Childcare)	5,520	-	-	-	5,520
Rural Community Action Network – ACRE	-	45,540	(45,540)	-	-
National Lottery Community Fund - COVID-19 Rural Support Grant	-	30,240	(30,240)	-	-
Preston City Council – Community Champions	-	29,400	-	-	29,400
Preston City Council – COVID-19 Business Support Grant	-	10,000	(10,000)	-	-
Community Foundation Lancashire – Brentwood Legacy Project	-	9,318	(9,318)	-	-
NAVCA VCSE EP Grant	-	3,000	(3,000)	-	-
Covid Support – Lottery & PCC	-	66,560	(66,560)	-	-
Chorley South Ribble CCG	3,748	63,835	(65,010)	-	2,573
NHSE Legacy Fund	10,000	13,000	(10,000)	-	13,000
Brentwood House Trust	-	5,285	(5,285)	-	-
LCC – Rural Food Banks Research Grant	-	1,250	(1,250)	-	-
Community Foundation Lancashire – Brentwood Legacy Project	-	5,000	(5,000)	-	-
Tesco Bags of Help COVID-19 Communities Fund	-	1,000	(1,000)	-	-
Ribbleton Relief Grant	-	100	(100)	-	-
Alpkil	-	200	(200)	-	-
Cash for Kids	-	1,750	(1,750)	-	-
<b>Total restricted funds</b>	19,268	285,478	(254,253)	-	50,493
<b>Total funds</b>	499,048	744,048	(676,335)	-	566,761

**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**12 Statement of funds – prior year**

	Brought forward £	Incoming resources £	Resources expended £	Transfers/ Revaluation £	Carried forward £
<b>General Funds</b>					
Pension reserve	(171,500)	-	-	171,500	-
General funds	550,106	554,011	(649,337)	-	454,780
	378,606	554,011	(649,337)	171,500	454,780
<b>Designated funds</b>	25,000	-	-	-	25,000
<b>Total unrestricted funds</b>	403,606	554,011	(649,337)	171,500	479,780
<b>Restricted funds</b>					
Rural Community Action Network, ACRE		45,473	(45,473)	-	-
ASSN Grant Fund	5,520	-	-	-	5,520
Healthier Lancashire & South Cumbria					
Suicide Innovation Fund	-	2,500	(2,500)	-	-
CLAHRC – NHS Liverpool CCG	-	5,625	(5,625)	-	-
Chorley & South Ribble CCG	-	44,891	(41,143)	-	3,748
NHSE legacy Fund	-	25,000	(15,000)	-	10,000
Brentwood House Trust	-	12,000	(12,000)	-	-
<b>Total restricted funds</b>	5,520	135,489	(121,741)	-	19,268
<b>Total funds</b>	409,126	689,500	(771,078)	171,500	499,048

**12 Statement of funds (continued)**

Transfers are made between funds when a restricted project is completed and where inaccuracies in cost apportionment results in a surplus to be taken to the unrestricted fund or a deficit to be made good from the unrestricted fund. No surplus on completion of a restricted project is taken to the unrestricted fund where this is not permitted by the conditions of the original grant funding.

The Trustees have reserved a designated amount of £25,000 to be used for investment, predominantly but not exclusively, in childcare services

Restricted funds comprise specific projects as follows:

- ASSN Grant Fund is held to support children in West Preston.
- ACRE grant was used for the following:
  - Rural Community Action Network - to provide support to rural communities, share learning on sustainable funding models and provide access to local intelligence.
  - Safeguarding Training - to disseminate information and guidance to village halls to promote the provision of safe environments.
  - Village Hall Support - to support village hall applicants to the Village Hall Improvement Fund.
- National Lottery Community Fund COVID-19 Grants were used for the following:
  - To provide practical support to village hall volunteer with governance and management issues caused by the COVID-19 pandemic, how to re-start services and support groups sustainably and develop realistic plans for the future.

**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**13 Statement of funds (continued)**

- To off-set income lost due to the impact of COVID-19 restrictions on providing community support services.
- Preston City Council Community Champions Grant was used to provide practical support and advice to families disproportionately impacted by Covid-19.
- Preston City Council COVID-19 Business Support Grant was used to off-set income lost due to the impact of COVID-19 restrictions on business.
- Community Foundation Lancashire Grant was used to provide practical support, advice to families and to provide holiday activity to children in families disproportionately impacted by Covid-19.
- NAVCA VCSE EP Grant was used to provide local intelligence on unmet need resulting from COVID-19.
- National Lottery Community Fund Coronavirus Community Support Grant was used to off-set income lost due to the impact of COVID-19 restrictions on providing community support services.
- Chorley and South Ribble CCG contract was used for employment and project costs to support health and social care transformation outcomes.
- NHSE legacy fund grant is to support delivery costs of 5 VCSE partnerships engaged in health and social care transformation plans – West & Central Lancs (ICP) areas funded in 20-21.
- Brentwood House Trust Grant was used to contribute to costs associated with delivery of activity delivered through the Preston City Council Community Champions Grant.
- LCC Rural Food Banks Research Grant was used to research the provision of food bank services in rural communities, prior to the COVID-19 pandemic.
- Local community grants from Tesco Bags of Help COVID-19 Communities Fund, Ribbleton Relief Fund, Alpkit and Cash for Kids were used to provide resources for children and families disproportionately impacted by Covid-19.

**13 Related party transactions**

During the year, the charity incurred expenditure totalling £22,536 on behalf of Galloway Hall, a separate charity controlled by the Trustees of Community Council of Lancashire which was then recharged. £3,750 (2020: £nil) was charged to Galloway's Hall for business support services. There were balances due from Galloway Hall of £3,666 at the year end (2020: £4,434).