

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 2020**

# 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 Ismail Hasham 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 2020

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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 2020. 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***

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 childcare business 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.

### ***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 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 2020

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### **Objectives and activities (continued)**

The aims for the year were to continue to deliver high quality childcare services and seek opportunities to increase this activity. Effort to achieve this included a comprehensive training and learning programme for all childcare employees and to consider proposals to manage others. A further aim was to secure funding to provide dedicated services to rural communities consistent with research findings and beneficiary feedback.

Short term objectives are to review the current childcare business model to diversify services for families and children and to improve response to need in rural communities. The long-term objective is to restructure the funding strategy to ensure sustainability beyond 2020.

Partnership activity centred on support and guidance to the Central Lancashire Leaders Partnership as it developed plans to influence the health and social care transformation strategy.

### ***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 high quality, needs led community based childcare services which make a significant contribution to sustainability and furtherance of charitable objectives. Activity to identify and respond to the needs of rural communities has ensured that future delivery will make a larger contribution to future strategic aims.

We measure the success of childcare services through regular feedback from beneficiaries (parents, carers and children), staff and allied statutory services (e.g. schools) which is then used to inform development and improvements. The impact of our support to communities is also evaluated through output and outcome measures agreed with funders.

DEFRA funding was secured in partnership with ACRE and continues to provide resources to support and represent the needs of rural communities. This funding enables us to advocate for 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 comprehensive impact reporting to Defra via ACRE.

Healthier Lancashire and South Cumbria funding was secured to undertake a small study as part of the Suicide Innovation Fund. Investigations focussed on establishing support services, specific to the needs of farmers and their families, that would reduce the numbers of deaths by suicide.

Chorley and South Ribble Clinical Commissioning Group (CCG) funding was secured for the employment of a partnership manager to continue the development of CLLP and deliver outcomes consistent with NHS service transformation plans.

NHS England funding was held as a resource to all local VCSE partnership groups working across Lancashire to support health and social care transformation.

CLARHC and Brentwood Trust grant activity programmes were completed in December 2019.

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 the public benefit at the meeting of the trustees.

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

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### Financial review

The principle funding sources are rental income and project grants, which contribute to core operating costs. The departure of Lancashire LGBT and ICANN as tenants removed a significant source of rental and service income, partially recovered by the arrival of Selnet as tenants. The unexpected long-term sickness absence of the Business Manager caused a gap in anticipated earned income whilst we continued to incur unrecoverable employment costs.

Resources this year have been expended to maintain the fabric of the building, a principle asset of the charity.

DEFRA funding continues to resource impact assessment and dedicated support to rural communities and childcare is regarded as a dominant service for the charity. All childcare 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 impact of COVID-19 on our ability to generate income is felt most significantly in childcare services. Full employment costs are not met by furlough grants and private income lost through closure creates an additional gap in funding.

To mitigate continued reduction in income, we have implemented a change in strategy to sustain and broaden childcare services and provide dedicated resources to meet the needs of rural beneficiaries.

The surplus for the year was £87,547 (2019: surplus of £4,846). Details of income and expenditure for the year are shown in the Statement of Financial Activities on Page 6.

### Plans for future periods

By developing a grant funding programme that reflects current opportunities, the charity is maximising potential to be sustainable. Review and restructure of childcare services towards more family needs delivery, particularly in communities disadvantaged by economy or place, will provide a more sustainable funding platform for the future.

Working relationships with local authorities, health authorities, VCSE partnerships and education establishments are also identifying potential joint activity that will contribute to sustainability.

### 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 and EYS Manager.

### 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 2020 were £457,155. Of these funds, £323,178 are held as tangible fixed assets, leaving free reserves of £133,977 (2019: £222,948) which is below the trustees' target, however the trustees will continue to monitor the level of free reserves.

This report was approved by the trustees on *17/09/20* and signed on their behalf



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Denise Partington – Company Secretary

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**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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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 2020 which are set out on pages 6 to 18.

**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..17/9/2020.....

**COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES**  
**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

	Note	Restricted funds £	Unrestricted funds £	2020 Total £	2019 Total £
<b>Income from:</b>					
Charitable activities: community projects	2	135,489	49,932	185,421	197,062
Charitable activities: childcare activities	3	-	504,049	504,049	537,681
Investments	4	-	30	30	10
<b>Total income</b>		<b>135,489</b>	<b>554,011</b>	<b>689,500</b>	<b>734,753</b>
<b>Expenditure on:</b>					
Charitable activities: community projects	5	121,741	237,523	359,264	314,939
Charitable activities: childcare activities	5	-	414,189	414,189	414,968
<b>Total expenditure</b>		<b>121,741</b>	<b>651,712</b>	<b>773,453</b>	<b>729,907</b>
<b>Net income/(expenditure)</b>		<b>13,748</b>	<b>(97,701)</b>	<b>(83,953)</b>	<b>4,846</b>
<b>Transfers between funds</b>		-	-	-	-
<b>Other recognised gains / (losses):</b>					
Actuarial gain on defined benefit pension scheme	10	-	171,500	171,500	-
<b>Net movement in funds</b>		<b>13,748</b>	<b>73,799</b>	<b>87,547</b>	<b>4,846</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		5,250	405,981	411,501	406,655
<b>Total funds carried forward</b>		<b>19,268</b>	<b>479,780</b>	<b>499,048</b>	<b>411,501</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 2020

	Note	Restricted Funds £	Unrestricted funds £	Total 2020 £	Total 2019 £
<b>Fixed assets</b>					
Tangible assets	7	-	323,178	323,178	329,533
		-	323,178	323,178	329,533
<b>Current assets</b>					
Debtors	8	-	51,272	51,272	59,055
Cash at bank and in hand		19,268	121,564	140,832	209,176
		19,268	172,836	192,104	268,231
<b>Creditors:</b> Amounts falling due within one year	9	-	(16,234)	(16,234)	(14,763)
<b>Net current assets</b>		19,268	156,602	175,870	253,468
<b>Total assets less current liabilities</b>		19,268	479,780	499,048	583,001
Pension liability	10	-	-	-	(171,500)
<b>Net assets</b>		19,268	479,780	499,048	411,501
<b>Charity funds</b>					
Restricted funds	12	19,268	-	19,268	5,520
Unrestricted funds					
- Designated reserve	12	-	25,000	25,000	25,000
- Pension reserve	12	-	-	-	(171,500)
- General funds	12	-	454,780	454,780	552,481
		19,268	479,780	499,048	411,501

For the financial year ended 31 March 2020 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 2020 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 17/9/2020 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 2020**

	2020 £	2019 £
<b>Cash flow from operating activities</b>	<b>(67,647)</b>	1,218
<b>Cash flow from investing activities</b>		
Investment income	30	10
Purchase of tangible fixed assets	<u>(727)</u>	<u>(1,944)</u>
<b>Net cash flow from investing activities</b>	<b>(697)</b>	(1,934)
<b>Net increase in cash and cash equivalents</b>	<b>(68,344)</b>	(716)
Cash and cash equivalents brought forward	<u>209,176</u>	<u>209,892</u>
<b>Cash and cash equivalents carried forward</b>	<b>140,832</b>	209,176
<b>Consisting of:</b>		
Cash at bank and in hand	<u>140,832</u>	<u>209,176</u>
<b>Reconciliation of net income/(expenditure) for the year to net cash flow from operating activities</b>		
Net income/(expenditure) for the year	<b>(83,953)</b>	4,846
Investment income received	(30)	(10)
Depreciation of tangible assets	7,082	7,004
(Increase)/decrease in debtors	7,783	(11,263)
(Decrease)/increase in creditors	<u>(1,471)</u>	<u>641</u>
<b>Net cash flow from operating activities</b>	<b>(67,647)</b>	1,218

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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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 recent escalation of measures taken by the Government to combat the spread of the corona virus has resulted in the closure of all but one of the nursery settings. As a result, in the year ending 31 March 2021, income will be lower than anticipated. 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 2020

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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 2020

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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 these 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

	2020 £	2019 £
<b>Grants receivable</b>		
Rural Community Action Network – ACRE	45,474	48,788
One Lancashire – Lancashire County Council	-	29,800
Healthier Lancashire & South Cumbria Suicide Innovation Fund	2,500	-
Chorley & South Ribble CCG	44,890	-
NHSE Legacy Fund	25,000	
CLAHRC – NHS Liverpool CCG	5,625	5,625
Brentwood House Trust	12,000	12,500
Awards for All – Big Lottery Fund	-	9,910
	<hr/>	<hr/>
	135,489	106,623
<b>Other income</b>	<hr/>	<hr/>
	49,932	90,439
	<hr/>	<hr/>
	185,421	197,062
	<hr/>	<hr/>

The above amount includes restricted grant income receivable of £135,489 (2019: £106,623). Other 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 2020

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### 3 Income from charitable activities – childcare activities

This 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.

	2020 £	2019 £
Jigsaw @ Burscough	94,086	104,728
Coolkidz @ Langho	120,628	127,923
Jigsaw & Coolkidz @ Brockholes	258,927	268,457
Coolkidz @ Roebuck	30,408	36,573
	<u>504,049</u>	<u>537,681</u>

### 4 Investment income

	2020 Total £	2019 Total £
Bank and other interest received	<u>30</u>	<u>10</u>
	<u>30</u>	<u>10</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 2020**

**5 Expenditure on charitable activities**

	Community projects		Childcare activities		Total	Total
	Direct	Support	Direct	Support	2020	2019
	£	£	£	£	£	£
Wages and salaries	200,222	66,741	246,371	82,124	595,458	590,059
Agency staff and training	-	3,059	1,133	6,751	10,943	10,051
Rent, water rates and council tax	-	1,937	-	19,695	21,632	22,402
Printing, stationery and postage	-	4,402	-	4,267	8,669	19,798
Sundry expenses	-	679	398	10,540	11,617	14,066
Repairs and renewals	189	16,407	203	7,252	24,051	10,093
ICT support	-	6,525	-	2,321	8,846	5,222
Insurance	-	4,505	1,917	100	6,522	5,892
Provision for bad and doubtful debts	-	-	-	10,000	10,000	-
Telephone	-	2,903	-	1,927	4,830	4,937
Travel	4,461	683	3,815	61	9,020	9,129
Depreciation	-	3,558	-	3,524	7,082	7,004
Project costs	-	27,941	-	-	27,941	5,656
Subscriptions	-	48	-	511	559	2,489
Governance costs	-	3,810	-	2,172	5,982	4,079
Legal and professional	-	6,258	5,738	510	12,506	9,186
Gas and electricity	-	3,327	-	2,520	5,847	7,748
ASSN grants	-	-	-	-	-	500
Bank charges	-	881	-	248	1,129	1,110
Advertising	-	728	-	91	819	486
	204,872	154,392	259,575	154,614	773,453	729,907
		359,264		414,189		

Total expenditure includes restricted amounts of £121,741 (2019: £109,247).

<b>Analysis of governance costs</b>	<b>2020</b>	<b>2019</b>
	£	£
Independent examiner's remuneration	4,482	4,079
Meeting expenses	910	-
Other governance costs	590	-
	5,982	4,079

Independent examiner's remuneration amounts to an independent examination fee of £1,110 (2019: £1,060) and accountancy fees of £3,372 (2019: £3,069), 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 £52,313 (2019: £49,205), including pension contributions of £8,560 (2019: £7,862), 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 (2019: £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 2020**

**6 Staff costs and employee benefits**

	2020 £	2019 £
Wages and salaries	507,882	504,020
Social security costs	31,138	29,340
Pension costs	56,439	56,699
	<u>595,459</u>	<u>590,059</u>

The average number of employees during the year was as follows :	2020		2019	
	No	FTE	No	FTE
Administrative management	4	3	4	4
Administrative support staff	3	3	2	2
Childcare management	4	4	4	3
Childcare staff	29	15	32	16
	<u>40</u>	<u>25</u>	<u>42</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 £172,933 (2019: £198,863).

**7 Tangible fixed assets**

	Land & buildings £	Furniture fittings & equipment £	Computer equipment £	Total £
<b>Cost</b>				
As at 1 April 2019	295,000	55,830	24,840	375,670
Additions	-	-	727	727
Disposals	-	-	-	-
<b>As at 31 March 2020</b>	<u>295,000</u>	<u>55,830</u>	<u>25,567</u>	<u>376,397</u>
<b>Depreciation</b>				
As at 1 April 20189	-	27,001	19,136	46,137
Charge for the year	-	4,081	3,001	7,082
On disposals	-	-	-	-
<b>As at 31 March 2020</b>	<u>-</u>	<u>31,082</u>	<u>22,137</u>	<u>53,219</u>
<b>Net book value</b>				
<b>As at 31 March 2020</b>	<u>295,000</u>	<u>24,748</u>	<u>3,430</u>	<u>323,178</u>
As at 31 March 2019	<u>295,000</u>	<u>28,29</u>	<u>5,704</u>	<u>329,533</u>



# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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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
	<u><u>                    </u></u>

### 8 Debtors

	<b>2020 £</b>	<b>2019 £</b>
Trade debtors	<b>51,272</b>	52,871
Prepayments and accrued income	<u>-</u>	<u>6,184</u>
	<b>51,272</b>	59,055
	<u><u>                    </u></u>	<u><u>                    </u></u>

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

	<b>2020 £</b>	<b>2019 £</b>
Other creditors	<b>4,578</b>	5,890
Payments on account	<b>4,831</b>	4,449
Accruals and deferred income	<u>6,825</u>	<u>4,424</u>
	<b>16,234</b>	14,763
	<u><u>                    </u></u>	<u><u>                    </u></u>

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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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 2020 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 have reduced the provision of the pension scheme deficit to £nil on the balance sheet, recognising a gain of £171,500 in the Statement of Financial Activities, and have accounted for the contributions paid to the scheme in the year in the Statement of Financial Activities. 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 2020 the charity had future minimum lease payments under non-cancellable operating leases as set out below:

	2020 £	2019 £
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 2020**

**12 Statement of funds – current year**

	Brought forward £	Incoming resources £	Resources expended £	Transfers/ Revaluation £	Carried forward £
<b>General Funds</b>					
Pension reserve	(171,500)	-	-	171,500	-
General funds	552,481	554,011	(649,337)	-	457,155
	380,981	554,011	(649,337)	171,500	457,155
<b>Designated funds</b>	25,000	-	-	-	25,000
<b>Total unrestricted funds</b>	405,981	554,011	(649,337)	171,500	482,155
<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>	411,501	689,500	(771,078)	171,500	501,423

**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	545,011	628,130	(620,660)	-	552,481
	373,511	628,130	(620,660)	-	380,981
<b>Designated funds</b>	25,000	-	-	-	25,000
<b>Total unrestricted funds</b>	398,511	628,130	(620,660)	-	405,981
<b>Restricted funds</b>					
Rural Community Action Network - ACRE	-	48,788	(48,788)	-	-
ASSN Grant Fund	6,020	-	(500)	-	5,520
One Lancashire	-	29,800	(29,800)	-	-
CLAHRC – NHS Liverpool CCG	-	5,625	(5,625)	-	-
Awards for All	-	9,910	(9,910)	-	-
Tesco	2,124	-	(2,124)	-	-
Kellogg's	-	12,500	(12,500)	-	-
<b>Total restricted funds</b>	8,144	106,623	(109,247)	-	5,520
<b>Total funds</b>	406,655	734,753	(729,907)	-	411,501

# COMMUNITY COUNCIL OF LANCASHIRE T/A COMMUNITY FUTURES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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### 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:

- Rural Community Action Network – ACRE was used to deliver against a specific programme of activity around digital infrastructure, digital skills and inclusion, rural life opportunities, social infrastructure, housing and planning and affordable energy.
- Healthier Lancashire and South Cumbria Suicide Innovation Fund was used to gather quantitative data on the specific mental health service needs of farmers.
- 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.
- CLAHRC (Collaboration for Leadership in Applied Health Research and Care) is partnership delivery of a programme of activity for better health outcomes in two areas of Lancashire. The charity has a contractual commitment to recruit and support local people to undertake community research.
- Brentwood House Trust grant is for delivery of a pilot programme of community learning in the Farrington community of Preston.

### 13 Related party transactions

During the year, the charity incurred expenditure on behalf of Galloway Hall, a separate charity controlled by the Trustees of Community Council of Lancashire. Total expenditure incurred in the year was £3,478 (2019: £nil). There were no balances due to or from Galloway Hall at the year end (2019: £nil).