

**REGISTERED COMPANY NUMBER: 03939332**  
**REGISTERED CHARITY NUMBER: 1106623**

**REPORT OF THE TRUSTEES AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017**  
**FOR**  
**THE TRUST FOR DEVELOPING COMMUNITIES**

Chariot House Limited  
Chartered Accountants  
44 Grand Parade  
Brighton  
East Sussex  
BN2 9QA

**THE TRUST FOR DEVELOPING COMMUNITIES**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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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 31st March 2017. 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 2015).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The Objects of TDC (The Trust For Developing Communities) ("the Objects") are to further such charitable purposes for the benefit of the inhabitants of economically and socially or socially disadvantaged communities in South East England as the Trustees see fit, in particular but not exclusively by:

1. developing their capacity and skills and advancing education in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society;
2. advancing education including, but not limited to the foregoing, the provision of training;
3. providing, in the interests of social welfare, facilities for recreation and other leisure-time occupation with the object of improving the conditions of life of the said inhabitants having need of such facilities by reason of their age, youth, sex, race, infirmity, disablement, sexual orientation, gender, poverty or social or economic circumstances; and
4. promoting the elimination of unfair discrimination on the grounds of race, sex or disability and encouraging equality of opportunity.

**Public benefit**

In shaping our objectives and planning our activities for the year, the Trustees have given consideration to the duties set out in section (17) 5 of the Charities Act 2011 to have due regard to public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The Board believes that its work in the various neighbourhoods and its Working in Community Organisations training courses, as detailed in the following pages, are fully in line with TDC's objectives. TDC's whole ethos, which permeates all aspects of its work, is to empower people and this ensures that it works to eliminate unfair discrimination and to encourage equality of opportunity.

The Trustees believe that the following paragraphs, specifically on the Objectives and Activities and Achievements for the year, relate in detail the benefit that TDC provides to the public.

**Social investments**

TDC does not offer or take part in any social investment activity.

**Volunteers**

A valuable contribution to the work of TDC continues to be made by Trustees as volunteers; their names are listed on page 5. TDC has also offered opportunities for people to volunteer and gain experience in community development by shadowing and working alongside TDC staff in various neighbourhoods.

TDC's staff work with volunteers in the various communities where they are based and seek to increase volunteer participation in the various existing and newly formed community organisations. We have funding from Department of Health for a volunteering project which involves the youth and BME (Black and Minority Ethnic) teams recruiting and supporting volunteering around health and wellbeing.

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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**STRATEGIC REPORT**

**Achievement and performance**

*Charitable activities*

We have been in receipt of the final year of three year funding from the Brighton and Hove City Council commission on Communities and the Third Sector who provided (along with our key partners) all our community development funding and some BME engagement funding. We employed Community Development Workers in Moulsecomb and Bates Estate, Bevendean, Hollingdean & Saunders Park, Queen's Park, Craven Vale, Turner, Eastern Road area, Portland Road area and Portslade and Citywide and with HNF (Healthy Neighbourhood Funding) monies we also extend out to Coldean, Hollingbury and Woodingdean.

In addition, we were funded by Brighton and Hove City Council via the Youth Collective to work with young people specifically within Moulsecomb, Bevendean, Coldean, Queen's Park & Craven Vale. This work was supported by funding from PCC (Police Crime Commissioner) Sussex and BBC Children in Need.

Brighton and Hove City Council Adult Social Care also supported us to provide Mental Health and Wellbeing support for BME communities and older people.

**Financial review**

*Financial position - overview*

The net incoming resources for the year amounted to £67,196 (2016 - £29,391). This comprised net incoming resources on restricted projects of £71,999 (2016 £0) and net outgoing resources on unrestricted funds of £4,803 (2016 -£29,391)

*Principal funding sources*

The year was funded in the main by Brighton & Hove City Council (BHCC) as in previous years to support community development within the Moulsecomb and Bates Estate, Bevendean, Hollingdean & Saunders Park, Queens Park, Craven Vale, Turner, Eastern Road area, Portland Road area and Portslade areas and Citywide. The Youth Collective via Impact Initiatives also funded our youth work with Moulsecomb, Bevendean, Queens Park/Craven Vale and Coldean. This work was also funded by BBC Children In need. Our work with older people was funded by BHCC Adult Social Care and the Dementia Action Alliance. Our work with volunteers was funded by the Department of Health. Our work with promoting health and well-being was supported by funds from BHCC and the NHS Clinical Commissioning Group.

*Investment policy and objectives*

TDC do not have an investment policy. All monies held in reserves are spread across different financial institutions that are covered by the £85K maximum Financial Services Compensation Scheme. We review the investment income from these funds regularly at Finance Sub Committee meetings and weigh this against speed of access to monies.

*Reserves policy*

During the year the Finance Sub-Committee, and through them the Board, keep a regular eye on TDC's financial situation.

Since August 2009 the Reserves policy has been: "The Trustees believe that the reserves target should be sufficient for six months' expenditure." This would cover any redundancy payments due to employees, support to employees in finding alternative employment ,terminating service contracts such as rent, telephone, broadband, etc. and a contingency sum for outstanding liabilities such as accountancy, audit and other professional costs, or obtaining alternative funding to continue TDC's work in whole or in part.

The Trustees have already established a Designated Redundancy Fund, and keep the level of that Fund under review. There was sufficient in the fund to cover the redundancy payments that have arisen and to cover future redundancy payment should that need arise.

There are also designated funds for ongoing pieces of work and it may be necessary from time to time for the Trustees to designate further sums in TDC's accounts to cover operational costs in a subsequent year. Designated funds and the Reserves target will be reviewed and recommended by TDC's Finance Sub-Committee and ratified by the full Board of Trustees on an annual basis.

At the end of the year 2017, TDC's Unrestricted Reserves and Designated Reserves stood at £220,094 (2016-£224,897). The total of Restricted Reserves at 31 March 2017 was £73,000.

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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**STRATEGIC REPORT**

**Future plans**

TDC intends to maintain and improve its existing service delivery over the coming period, meeting established targets on budget and in a timely manner.

However, a key objective for the immediate future is to recruit a new permanent Chief Executive to lead the organisation through the next phase of its future development and beyond. An early task for the new appointee will be to work with the Trustees to revisit the Strategic Plan and redefine the strategic direction of the organisation for the next five to 10 years.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Trust for Developing Communities (TDC) was incorporated as a company limited by guarantee on 3 March 2000 and received charitable status on 5 November 2004.

Its governing document is its Memorandum and Articles of Association dated 3 March 2000, as amended at an Extraordinary General Meeting held on 12 December 2002 and again at the General Meeting held on 20 October 2004 and 18th October 2016.

**Board Membership**

**Board Membership**

The Trustees when complete shall consist of at least 5 and not more than 15 individuals. One third of the Trustees must retire at each Annual General Meeting, those longest in office retiring first and the choice between any of equal service being made by drawing lots. A Trustee retiring under this Article may stand for re-election.

The Board meets six times a year, receiving reports from the staff and from its three Sub-Committees, and keeping an overall eye on the work of TDC.

A third of the Board of Trustees retires each year by rotation and the retirees are eligible to stand for re-election.

Throughout the year staff encourage people within the neighbourhoods where they work to take up membership of TDC, and, as the AGM approaches, to put themselves forward for election to the Board of Trustees. This approach has had some success but we have also undertaken a skills audit and Board development to ascertain the need for certain skills within the Board and target potential Trustees accordingly.

Invitations to the AGM are sent to all members and to a wide range of people within the statutory and voluntary sectors. The covering letters encourage non-members to become members, and non-Trustees to consider standing for election to the Board. There is a range of skills represented on the Board, and a good mix of different sections of the community and no major deficiencies have been identified.

**Induction and training of Trustees**

Before even standing for election, Trustees are generally fully informed, by way of one-to-one discussion, of the aims and purposes of TDC's work and potential Trustees are only encouraged to stand if they are fully in agreement with these and wish to join collectively in working towards them. Some Trustees have been elected at an AGM, following the completion of a nomination form, without prior discussion with current staff or Trustees. In that case, the one-to-one conversation will take place as soon as possible afterwards.

All new Trustees are provided with a Welcome Pack, background information about TDC and the responsibilities of being a charity Trustee and they are required to sign a form indicating that they have understood this information and are legally entitled to act as a charity Trustee. New Trustees are offered a 'mentor' or 'buddy' from within the current Trustees, to support them through their initial stages of Trustee-ship, if they so wish.

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure and how decisions are made**

The minutes of Sub-Committee, meetings are circulated to the Board and received by them, and decisions are taken in relation to their recommendations. The Board sets policy, agrees the annual budget (following recommendation from the FSC) and takes decisions on major matters that arise. The Board meets on a two-monthly basis when it receives detailed reports from the Chief Executive and staff on work in progress and opportunities arising and takes the necessary decisions.

The Chief Executive makes day-to-day decisions and meets with the Chair/Chairs of Sub-Committees to discuss any forthcoming issues between Board meetings.

**Trustees, recruitment and appointment**

A third of the Board of Trustees retires each year by rotation and the retirees are eligible to stand for re-election. Throughout the year staff encourage people within the neighbourhoods where they work to take up membership of TDC, and, as the AGM approaches, to put themselves forward for election to the Board of Trustees. This approach has had some success but we have also undertaken a skills audit and Board development to ascertain the need for certain skills within the Board and target potential Trustees accordingly.

Invitations to the AGM are sent to all members and to a wide range of people within the statutory and voluntary sectors. The covering letters encourage non-members to become members, and non-Trustees to consider standing for election to the Board. There is a range of skills represented on the Board, and a good mix of different sections of the community, and no major deficiencies have been identified.

**Key management remuneration**

The recruitment and pay of TDC's key management personnel is set by our Personnel and Employment Sub-committee (PESC) made up of key senior staff and Trustees and in accordance with our published recruitment policy. When setting rates of pay we adopt the NJC scales and benchmark the appropriate scale points against our working partners and similar organisations.

**Relationships with related parties, including key partnerships**

TDC worked closely with a range of community organisations in the various neighbourhoods in which it works as well as in partnerships: including Brighton & Hove Youth Collective, (made up of The Hangleton & Knoll Project, The Deans, Tarner Community Project, Sussex Central YMCA, Young People's Centre, Impact Initiatives and Brighton Youth Centre) and MOSAIC Brighton. It also works with the Brighton and Sussex Universities.

TDC is a member of the Brighton & Hove Community Works who are the lead partner in an infrastructure and Third Sector Partnership. The other partners in this are primarily The Hangleton & Knoll Project and Whitehawk Inn along with a number of smaller partners,

Across all our communities of interest and identity and place we work collaboratively with local partners from all sectors.

**Risk management**

TDC has developed a risk management strategy as part of the regular review of the risks to which it might be exposed. This process of review informs the creation of any necessary new policies and procedures which serve to mitigate identified risks. We aim to be proactive in addressing risk and to have reporting systems that allow organisational response to be swift and effective.

The Directors regularly consider the major risks to which the company is exposed and are confident that controls are in place to mitigate those risks.

The major risk currently is that of loss of funding due to changes in Local and National Government Policy, as we are heavily reliant on local council funding. We have a rolling programme of making new funding applications to Trusts and Foundations and have also recently employed a Business Development Manager to ensure we make strong relationships with local business to support and promote the work we do. TDC's Strategic and Business Operational Plan is being developed and updated alongside a robust Theory of Change.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

03939332

**Registered Charity number**

1106623

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered office**

Wavertree House  
Somershill Road  
Hove  
East Sussex  
BN3 1RN

**Trustees**

Dr N Ashwell	
Mr. P F Bramwell	- resigned 10/4/2017
R Brown	
Mr. J H W Homewood	
Ms V Johnson	
Ms R E T Millanzi	- resigned 28/11/2016
Ms E P O'Leary	
Ms E Ojo	- resigned 28/11/2016
Mr. G Scott	
The Revd S J Terry	
Ms L Carroll	- appointed 28/11/2016
Ms N Gatenby	- appointed 4/4/2016
J L Shewell	- appointed 28/11/2016
Ms L A Williams	- appointed 28/11/2016

**Company Secretary**

Mrs A C Tyler

**Independent examiner**

John Thacker FCA DChA  
Chartered Accountant  
Chariot House Limited  
Chartered Accountants  
44 Grand Parade  
Brighton  
East Sussex  
BN2 9QA

**Bankers**

CafCash  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4TA

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Staff as 31 March 2017**

Lyndsay Macadam Projects Manager

Kirsty Walker Projects Manager

Mandy Tyler Finance Manager

Katharine Trevelyan Central Services Manager

Adam Muirhead Youth Projects Manager

Amy Allison Community Development Worker, Queen's Park & Craven Vale

Claire Burchell Senior Community Worker with Young People, Queen's Park & Craven Vale

Ruth Chapman Business Development Manager (from July 2016)

Kaye Duerdoth Training and C-ODE Co-ordinator

Kalishia Davey Community Development Worker, Tarner

Mark Drayton Community Development Worker, Portslade and Portland Road

Polly Brooks Community Worker with Young People

Sayanti Banerjee Community Development Worker, Moulsecoomb

Stephen Andrews Community Participation Worker, New Larchwood, Coldean

Sue Sayers Senior Participation and Development Worker, Downlands Court, Peacehaven & Eastern Road and City Wide

Cal Chester Volunteer Development Worker

Terry Adams Community Development Worker BME Communities (Mental Health)

Lewin Kjaer Youth Activities Worker (from September 2016)

Siobhain Lewendon Senior Youth Activities Worker (from December 2016)

Eva Baker Youth Activities Worker (from September 2016)

Sophie Murphy Youth Activities Worker (from December 2016)

**FUNDS HELD AS CUSTODIAN FOR OTHERS**

No funds are currently held as a custodian for other organisations.

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of The Trust for Developing Communities for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE TRUST FOR DEVELOPING COMMUNITIES (REGISTERED NUMBER: 03939332)**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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

.....  
Mr. G Scott - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE TRUST FOR DEVELOPING COMMUNITIES (REGISTERED NUMBER: 03939332)**

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I report on the accounts for the year ended 31st March 2017 set out on pages ten to twenty three.

**Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Chartered Accountant.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
  - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the 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 2015)

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

John Thacker FCA DChA  
Chartered Accountant  
Chariot House Limited  
Chartered Accountants  
44 Grand Parade  
Brighton  
East Sussex  
BN2 9QA

Date: .....

**THE TRUST FOR DEVELOPING COMMUNITIES**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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		Unrestricted funds £	Restricted funds £	Total 2017 funds £	Total 2016 funds £
<b>INCOME AND ENDOWMENTS FROM</b>	Notes				
Donations and legacies	2	12,577	-	12,577	17,620
<b>Charitable activities</b>	5				
Community benefit		-	500,701	500,701	475,996
Other trading activities	3	8,114	131,349	139,463	111,242
Investment income	4	<u>4,767</u>	<u>-</u>	<u>4,767</u>	<u>2,958</u>
<b>Total</b>		25,458	632,050	657,508	607,816
<b>EXPENDITURE ON</b>					
Raising funds	6	2,595	1,750	4,345	11,924
<b>Charitable activities</b>	7				
Community benefit		30,725	551,335	582,060	560,678
Support costs		<u>3,907</u>	<u>-</u>	<u>3,907</u>	<u>5,823</u>
<b>Total</b>		<u>37,227</u>	<u>553,085</u>	<u>590,312</u>	<u>578,425</u>
<b>NET INCOME/(EXPENDITURE)</b>		(11,769)	78,965	67,196	29,391
<b>Transfers between funds</b>	15	<u>6,966</u>	<u>(6,966)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		(4,803)	71,999	67,196	29,391
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>224,897</u>	<u>1,000</u>	<u>225,897</u>	<u>196,506</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>220,094</u></u>	<u><u>72,999</u></u>	<u><u>293,093</u></u>	<u><u>225,897</u></u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**THE TRUST FOR DEVELOPING COMMUNITIES (REGISTERED NUMBER: 03939332)**

**BALANCE SHEET**  
**AT 31ST MARCH 2017**

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	Notes	Unrestricted funds £	Restricted funds £	Total 2017 funds £	Total 2016 funds £
<b>CURRENT ASSETS</b>					
Debtors	13	6,723	-	6,723	7,686
Cash at bank and in hand		<u>256,873</u>	<u>73,000</u>	<u>329,873</u>	<u>301,478</u>
		263,596	73,000	336,596	309,164
<b>CREDITORS</b>					
Amounts falling due within one year	14	(43,503)	-	(43,503)	(83,267)
		<u>220,093</u>	<u>73,000</u>	<u>293,093</u>	<u>225,897</u>
<b>NET CURRENT ASSETS</b>					
		<u>220,093</u>	<u>73,000</u>	<u>293,093</u>	<u>225,897</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>220,093</u>	<u>73,000</u>	<u>293,093</u>	<u>225,897</u>
<b>NET ASSETS</b>					
		<u>220,093</u>	<u>73,000</u>	<u>293,093</u>	<u>225,897</u>
<b>FUNDS</b>					
Unrestricted funds	15			220,093	224,897
Restricted funds				<u>73,000</u>	<u>1,000</u>
<b>TOTAL FUNDS</b>					
				<u>293,093</u>	<u>225,897</u>

The notes form part of these financial statements

**THE TRUST FOR DEVELOPING COMMUNITIES (REGISTERED NUMBER: 03939332)**

**BALANCE SHEET - CONTINUED**  
**AT 31ST MARCH 2017**

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The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2017.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2017 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees on ..... and were signed on its behalf by:

.....  
Mr. G Scott -Trustee

The notes form part of these financial statements

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**THE TRUST FOR DEVELOPING COMMUNITIES**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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	Notes	2017 £	2016 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>23,628</u>	<u>56,729</u>
<b>Net cash provided by (used in) operating activities</b>		<u>23,628</u>	<u>56,729</u>
<b>Cash flows from investing activities:</b>			
Interest received		<u>4,767</u>	<u>2,958</u>
<b>Net cash provided by (used in) investing activities</b>		<u>4,767</u>	<u>2,958</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>28,395</u>	<u>59,687</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>301,478</u>	<u>241,791</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>329,873</u>	<u>301,478</u>

The notes form part of these financial statements

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**THE TRUST FOR DEVELOPING COMMUNITIES**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2017	2016
	£	£
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	67,196	29,391
<b>Adjustments for:</b>		
Interest received	(4,767)	(2,958)
Decrease/(increase) in debtors	963	(1,105)
(Decrease)/increase in creditors	<u>(39,764)</u>	<u>31,401</u>
<b>Net cash provided by (used in) operating activities</b>	<u>23,628</u>	<u>56,729</u>

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

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 and on that basis the charity is considered to be a going concern.

**Reconciliation with previous generally accepted accounting principles**

In preparing the accounts the trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 the restatement of comparative items was required. No restatement of comparative items was required.

**Income**

All income is recognised in the Statement of Financial Activities (SOFA) once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from donations is accounted for as received by the charity. The income from fundraising ventures is shown gross, with associated costs included in fundraising costs. The value of voluntary work is not included in the financial statements.

Grants are recognised in full in the SOFA in the year in which they are receivable. Grants for the purchase of fixed assets are credited to restricted income when they are receivable. Where the use of the asset is restricted, depreciation is charged against the restricted fund. Where the use of the asset is not restricted it is transferred to the general fund.

Other income, including investment income, is recorded on an accruals basis.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**THE TRUST FOR DEVELOPING COMMUNITIES**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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**1. ACCOUNTING POLICIES - continued**

**Fund accounting**

The charity has various types of funds for which it is responsible.

Unrestricted Funds - these funds are for use on the general charitable objectives of the charity.

Restricted Funds - these funds are for use as directed by the donor.

Designated Funds - these are funds which the Board of the charity, rather than the donor, has designated as being for specific purposes.

**Pension scheme**

The charity offers all staff regardless of income the option to join the Aegon group pension scheme. The employer currently pays 6%.

**2. DONATIONS AND LEGACIES**

	2017	2016
	£	£
Donations	2,452	5,470
Grants	<u>10,125</u>	<u>12,150</u>
	<u>12,577</u>	<u>17,620</u>

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

	2017	2016
	£	£
Brighton & Hove City Council Grant	10,000	10,000
Brighton and Hove Community Works	-	250
Amaze	-	1,900
Small and other grants	<u>125</u>	<u>-</u>
	<u>10,125</u>	<u>12,150</u>

**3. OTHER TRADING ACTIVITIES**

	2017	2016
	£	£
Fees	42,953	33,857
Contracts for Services	96,460	77,385
Miscellaneous income	<u>50</u>	<u>-</u>
	<u>139,463</u>	<u>111,242</u>

**4. INVESTMENT INCOME**

	2017	2016
	£	£
Deposit account interest	<u>4,767</u>	<u>2,958</u>

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**THE TRUST FOR DEVELOPING COMMUNITIES**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

**5. INCOME FROM CHARITABLE ACTIVITIES**

		2017	2016
	<b>Activity</b>	£	£
Grants	Community benefit	<u>500,701</u>	<u>475,996</u>

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

	2017	2016
	£	£
Awards 4 All	-	5,000
Brighton & Hove City Council - CSU Health and Adult Social Care	57,202	57,202
Brighton & Hove City Council - Community and Third Sector Prospectus	226,700	229,556
BBC Children in Need	13,080	9,702
East Sussex County Council - Peacehaven Downlands Project	-	5,833
Friends of Downlands - Peacehaven Downlands Project	3,840	-
Sussex Police and Crime Commission Fund	2,000	2,102
Brighton & Hove City Council - Public Health	-	10,000
Brighton & Hove City Council - Communities and Equalities	51,782	45,782
Small and other grants	3,400	-
Brighton and Hove City Council - Community and Third Sector Prospectus (HNF)	38,610	49,580
Department of Health - HSCVF Grant	16,348	-
Brighton and Hove Youth Collective	<u>87,739</u>	<u>61,239</u>
	<u>500,701</u>	<u>475,996</u>

**6. RAISING FUNDS**

**Raising donations and legacies**

	2017	2016
	£	£
Costs of Generating Funds	<u>4,345</u>	<u>11,924</u>

**7. CHARITABLE ACTIVITIES COSTS**

These costs are those associated in the delivery of the primary purpose of the charity - community benefit.

**8. SUPPORT COSTS**

Support costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements including board and meeting expenses.

**9. NET INCOME/(EXPENDITURE)**

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

	2017	2016
	£	£
Auditors' remuneration	-	4,000
Independent Examination	<u>2,000</u>	<u>-</u>

**THE TRUST FOR DEVELOPING COMMUNITIES**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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**10. TRUSTEES' REMUNERATION AND BENEFITS**

No Trustees or connected persons received any remuneration during the year.

**Trustees' expenses**

Reimbursement of expenses incurred by Trustees amounted to £552 (2016: £703), in respect of travelling costs claimed by 4 Trustees.

**11. STAFF COSTS**

During the year the charity employed 29 (previous year : 33) members of staff, most of whom were part-time, and three of whom were employed for less than a whole year.

No members of staff received emoluments of £60,000 or more in the year.

When calculated on the basis of full time equivalents this number equates to about 17 (previous year : 15).

The aggregate payroll costs in respect of these employees were :

Wages and salaries (gross pay ) £399,233 (2016 £371,756).

Social Security Costs £30,375 (2016 £27,573).

Pension Costs £20,345 (2016 £19,197).

The following amounts of remuneration and benefits were paid to TDC Trustees and Key Personnel:-

Trustees	£ nil
CEO	£27,277
Senior Project Managers	£93,058

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	17,620	-	17,620
<b>Charitable activities</b>			
Community benefit	-	475,996	475,996
Other trading activities	26,560	84,682	111,242
Investment income	<u>2,958</u>	<u>-</u>	<u>2,958</u>
<b>Total</b>	47,138	560,678	607,816
<b>EXPENDITURE ON</b>			
Raising funds	11,924	-	11,924
<b>Charitable activities</b>			
Community benefit	-	560,678	560,678
Support costs	<u>5,823</u>	<u>-</u>	<u>5,823</u>
<b>Total</b>	<u>17,747</u>	<u>560,678</u>	<u>578,425</u>
<b>NET INCOME/(EXPENDITURE)</b>	29,391	-	29,391

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**THE TRUST FOR DEVELOPING COMMUNITIES**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

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**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	195,506	1,000	196,506
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b><u>224,897</u></b>	<b><u>1,000</u></b>	<b><u>225,897</u></b>

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Trade debtors	1,765	5,000
Other debtors	1,449	1,207
Prepayments and accrued income	<u>3,509</u>	<u>1,479</u>
	<u>6,723</u>	<u>7,686</u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Trade creditors	2,232	13,950
Social security and other taxes	9,064	9,626
Other creditors	2,447	2,284
Deferred Income	22,227	35,498
Accrued expenses	<u>7,533</u>	<u>21,909</u>
	<u>43,503</u>	<u>83,267</u>

**THE TRUST FOR DEVELOPING COMMUNITIES****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2017****15. MOVEMENT IN FUNDS**

	At 1/4/16 £	Net movement in funds £	Transfers between funds £	At 31/3/17 £
<b>Unrestricted funds</b>				
General fund	151,796	(10,564)	674	141,906
Bevendean Community Building (designated)	8,693	(1,206)	-	7,487
Redundancy Fund (designated)	34,674	-	11,026	45,700
IT Fund (designated)	15,000	-	-	15,000
WICO Development Fund (designated)	14,734	-	(14,734)	-
Youth Work (Designated)	-	-	10,000	10,000
	<u>224,897</u>	<u>(11,770)</u>	<u>6,966</u>	<u>220,093</u>
<b>Restricted funds</b>				
Bevendean CD Project	-	1,126	(1,126)	-
Bevendean Community Building	1,000	-	-	1,000
BMC Engagement	-	6,927	73	7,000
BMC Psychosocial	-	1,036	(1,036)	-
Citywide	-	3,491	(3,491)	-
Consolidated Youth Work - Other	-	26,656	(1,656)	25,000
Hollingdean & Saunders Park Project	-	12,595	(2,595)	10,000
Locally Based Activities for Older People	-	287	(287)	-
Moulsecomb and Bates CD Project	-	10,668	(668)	10,000
Peacehaven Downlands Project	-	829	(829)	-
Queens Park and Craven Vale CD Project	-	975	(975)	-
South Portslade & Portland Road	-	2,053	(2,053)	-
Tarner and Eastern Road	-	944	(944)	-
GP Accessibility	-	1,000	(1,000)	-
Outreach Health Checks	-	(101)	101	-
Patient Participation CD Project	-	12,568	(2,568)	10,000
Horsdean Consolidated Youth Work	-	(982)	982	-
Department of Health HSCVF Grant	-	1,564	(1,564)	-
C-ODE	-	(4,172)	14,172	10,000
Consolidated Youth Work - Look Sussex	-	1,459	(1,459)	-
Dementia Action Alliance	-	261	(261)	-
BBC Children in Need	-	(218)	218	-
	<u>1,000</u>	<u>78,966</u>	<u>(6,966)</u>	<u>73,000</u>
<b>TOTAL FUNDS</b>	<u>225,897</u>	<u>67,196</u>	<u>-</u>	<u>293,093</u>

**THE TRUST FOR DEVELOPING COMMUNITIES**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

**15. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	25,458	(36,022)	(10,564)
Bevendean Community Building (designated)	-	(1,206)	(1,206)
	<u>25,458</u>	<u>(37,228)</u>	<u>(11,770)</u>
<b>Restricted funds</b>			
Bevendean CD Project	21,050	(19,924)	1,126
BMC Engagement	44,380	(37,453)	6,927
BMC Psychosocial	37,026	(35,990)	1,036
Citywide	23,500	(20,009)	3,491
Consolidated Youth Work - Other	106,920	(80,264)	26,656
Hollingdean & Saunders Park Project	38,440	(25,845)	12,595
Locally Based Activities for Older People	38,078	(37,791)	287
Moulsecoomb and Bates CD Project	30,710	(20,042)	10,668
Peacehaven Downlands Project	3,840	(3,011)	829
Queens Park and Craven Vale CD Project	29,340	(28,365)	975
South Portslade & Portland Road	29,610	(27,557)	2,053
Turner and Eastern Road	37,500	(36,556)	944
GP Accessibility	2,000	(1,000)	1,000
Outreach Health Checks	37,491	(37,592)	(101)
Patient Participation CD Project	66,467	(53,899)	12,568
Horsdean Consolidated Youth Work	2,500	(3,482)	(982)
Department of Health HSCVF Grant	16,348	(14,784)	1,564
C-ODE	18,240	(22,412)	(4,172)
Consolidated Youth Work - Look Sussex	5,000	(3,541)	1,459
Dementia Action Alliance	5,000	(4,739)	261
Brighton and Hove City Council - Community and Third Sector Prospectus (HNF)	38,610	(38,610)	-
BBC Children in Need	-	(218)	(218)
	<u>632,050</u>	<u>(553,084)</u>	<u>78,966</u>
<b>TOTAL FUNDS</b>	<u>657,508</u>	<u>(590,312)</u>	<u>67,196</u>

**16. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31st March 2017.

## **THE TRUST FOR DEVELOPING COMMUNITIES**

### **NOTES TO THE FINANCIAL STATEMENTS - CONTINUED** **FOR THE YEAR ENDED 31ST MARCH 2017**

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#### **17. FUNDS**

The purpose of each restricted fund was as follows :

##### **Bevendean CD Project**

To continue to develop and support a range of community organisations in the Bevendean area of Brighton. The funding is BHCC Community Development funding, which formed part of BHCC's Communities and Third Sector Commission from July 2014.

##### **BMC Engagement**

To facilitate effective engagement across the city with marginalised BME groups and communities and people not already involved, so that communities are better able to inform council decision making. Commissioned by BHCC.

##### **BME Psychosocial**

To improve the mental health management and wellbeing of BME communities across the city through building relations with mental health services and engaging with members of the BME community. Commissioned by Adult Social Care.

##### **Citywide**

To deliver flexible community development support to community based organisations across the city in partnership with Community Works. Commissioned by BHCC.

##### **Consolidated Youth Work - Look Sussex**

To run a youth group with activities and support for blind and partially sighted young people in Brighton and Hove, funded by Look Sussex.

##### **Consolidated Youth Work - Other**

Working across four areas (Moulsecoomb, Bevendean, Queen's Park/Craven Vale & Coldean) in partnership with Brighton & Hove Youth Collective members to deliver youth work through group activities and projects. Commissioned by BHCC.

##### **Hollingdean & Saunders Park Project**

To continue to develop and support a range of community organisations in the Hollingdean and Saunders Park area of Brighton. The funding is BHCC Community Development funding, which formed part of BHCC's Communities and Third Sector Commission from July 2014.

##### **Locally Based Activities for Older People**

To develop a coordinated and effective approach to provide services for older people. To help stakeholders have access to and know what choices they have in relation to older people's activities. Commissioned by Adult Social Care and delivered in the west of the city in partnership with Hangleton & Knoll Project, LGBT Switchboard and Impact.

##### **Moulsecoomb and Bates CD Project**

Funding for this project came from BHCC's Community Development Commissioning and from Amaze. The Trust works with residents, local elected members and service providers in the Moulsecoomb area to increase community engagement by families of children with special needs. This has led to a regular coffee morning for families at the primary school.

##### **Peacehaven Downlands Project**

The development and support of a range of community organisations and activities mainly for older people in Peacehaven. This work was funded by a grant from Comic Relief through Sussex Community Foundation (which paid for Cooking on a Budget courses), East Sussex County Council and Peacehaven Downlands.

##### **Queens Park and Craven Vale CD Project**

## **THE TRUST FOR DEVELOPING COMMUNITIES**

### **NOTES TO THE FINANCIAL STATEMENTS - CONTINUED** **FOR THE YEAR ENDED 31ST MARCH 2017**

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#### **17. FUNDS - continued**

To continue to develop and support a range of community organisations in the Queen's Park Estate and Craven Vale areas of Brighton. The funding is BHCC Community Development funding, which formed part of BHCC's Communities and Third Sector Commission from July 2014.

##### South Portslade & Portland Road

To continue to develop and support a range of community organisations in the Portslade and Portland Road areas of Brighton. The funding is BHCC Community Development funding, which formed part of BHCC's Communities and Third Sector Commission from July 2014.

##### Tarner and Eastern Road

In July 2014 we received new funding to deliver the community development support in this area. This is to continue to develop and support a range of community organisations in the Tarner and Eastern Road areas of Brighton. The funding is BHCC Community Development funding, which formed part of BHCC's Communities and Third Sector Commission. We had previously delivered this project in 2012-13.

##### GP Accessibility

To engage in community research with particular reference to BME groups to establish practice issues and mapping the data.

##### NHS Health Education

Using our expertise and experience engaging patients and carers in healthcare improvements in particular with regards to dementia education and training for healthcare professionals.

##### Outreach Health Checks

To raise awareness and benefits of the NHS Health Check programme and increase uptake of 'ad hoc' groups and monitor the outcomes.

##### Patient Participation CD Project

To increase participation in GP surgery PP groups and representative engagement in health matters. This is funded by the Clinical Commissioning Group as a partnership delivery through Community Works in a commission running until March 2017.

##### Horsdean Consolidated Youth Work.

To work with young people and families at Horsdean Permanent Travellers Site during the summer of 2016

##### Department of Health HSCVF Grant.

For Improving Health and care through neighbourhood community activity and volunteering to tackle loneliness.

##### C-ODE.

Our Accredited training course – (Community- Organisations, Development and Engagement)

##### DAA. (Dementia Action Alliance)

Working with Age UK to provide agreed referral pathways and reduce barriers for individuals seeking counselling.

##### BBC Children in Need.

A grant to pay a Youth Activity Worker to work in our neighbourhoods with children and young adults.

#### **18. SHARE CAPITAL**

The Trust for Developing Communities is a company limited by guarantee.

In accordance with clause 7 of its Memorandum of Association every member of the charity undertakes to contribute such an amount as may be required (not exceeding £1) to the charity's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member.