

DARNALL FORUM
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006

DARNALL FORUM

LEGAL AND ADMINISTRATIVE INFORMATION

Directors

S. Hamilton
D.H. Missing
A. Gul
E. Barton
J.A. Dossandhi
S. Abbas
N. Parry
S. Saddiq
B. Hussain
I. Akbar
S. Aziz
H. Yousuf

Secretary

E. Barton

Company number

03644311

Registered office

209-213 Main Road
Darnall
Sheffield
S9 5HP

Auditors

UHY Wingfield Slater
Wellington House
39 Wellington Street
Sheffield
S1 1XB

Bankers

HSBC Bank plc
660 Staniforth Road
Darnall
Sheffield
S9 4LQ

DARNALL FORUM

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DARNALL FORUM

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2006

The directors present their report and accounts for the year ended 31 December 2006.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the company's memorandum and articles of association and the Companies Act 1985.

Although the company is not a registered charity it has opted to prepare its financial statements in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, reflecting the charitable nature of its activities.

Structure, governance and management

The company is a company limited by guarantee

The directors who served during the year were:

S. Hamilton	
D.H. Missing	
Canon M.L. Fudger	(Resigned 13 September 2006)
M. Iqbal	(Resigned 13 September 2006)
A. Gul	
M.E. Smith	(Resigned 1 January 2006)
E. Barton	
M. Javaid	(Resigned 13 September 2006)
J.A. Dossandhi	
S. Abbas	(Appointed 13 September 2006)
N. Parry	
S. Saddiq	(Appointed 13 September 2006)
B. Hussain	(Appointed 13 September 2006)
I. Akbar	(Appointed 13 September 2006)
S. Aziz	(Appointed 13 September 2006)
H. Yousuf	(Appointed 13 September 2006)

[Details of method of recruitment and appointment of trustees.]

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

[Details of organisational structure.]

[Details of related parties (see SORP 2005 s44 (f)).]

The directors has assessed the major risks to which the company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Objectives and activities

The company's objects are ... [Expand to give details of significant restricted funds or endowment funds.] The policies adopted in furtherance of these objects are and there has been no change in these during the year.

[Details of the activities of the charity during the year (see SORP 2005 s47 (e))]

DARNALL FORUM

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2006

Achievements and performance

[Details of the achievements of the charity during the year (see SORP 2005 s53 (a))]

Financial review

[Review of the transactions and financial position of the charity.]

It is the policy of the company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The directors considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the company's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that UHY Wingfield Slater be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of directors

S. Hamilton

Director

Dated:

DARNALL FORUM

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its net income and expenditure for the year.

In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DARNALL FORUM

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DARNALL FORUM

We have audited the accounts of Darnall Forum for the year ended 31 December 2006 set out on pages 6 to 14. These accounts have been prepared under the accounting policies set out on page 8.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page 3, the directors, who also act as trustees for the charitable activities of Darnall Forum, are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the accounts, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read other information contained in the Directors' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

The financial statements of the company for the year ended 31 December 2005 were unaudited.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

DARNALL FORUM

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF DARNALL FORUM

Opinion

In our opinion:

- the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 31 December 2006 and of its incoming resources and application of resources in the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the accounts.

UHY Wingfield Slater

Chartered Accountants

Registered Auditor

Wellington House

39 Wellington Street

Sheffield

S1 1XB

Dated:

DARNALL FORUM**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2006**

	Notes	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
<u>Incoming resources from generated funds</u>					
Investment income	2	30	-	30	4
Incoming resources from charitable activities.	3	1,835	172,467	174,302	13,369
Other incoming resources	4	57	1,668	1,725	920
Total incoming resources		1,922	174,135	176,057	14,293
<u>Resources expended</u>					
Charitable activities					
Community activities	5	748	131,911	132,659	9,444
Governance costs		-	1,706	1,706	130
Total resources expended		748	133,617	134,365	9,574
Net income for the year/ Net movement in funds		1,174	40,518	41,692	4,719
Fund balances at 1 January 2006		2,089	4,585	6,674	1,955
Fund balances at 31 December 2006		3,263	45,103	48,366	6,674

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

DARNALL FORUM**BALANCE SHEET****AS AT 31 DECEMBER 2006**

	Notes	2006 £	£	2005 £	£
Fixed assets					
Tangible assets	10		9,991		-
Current assets					
Debtors	11	25,784		-	
Cash at bank and in hand		39,055		6,804	
		64,839		6,804	
Creditors: amounts falling due within one year					
	12	(26,464)		(130)	
Net current assets					
			38,375		6,674
Total assets less current liabilities					
			48,366		6,674
Income funds					
Restricted funds	13	45,103		4,585	
Unrestricted funds		3,263		2,089	
			48,366		6,674

The accounts were approved by the Board on

.....

S. Hamilton

Director

DARNALL FORUM

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2006

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 1985.

1.2 Incoming resources

Grants received are allocated between restricted and unrestricted funds according to their nature. Grants for revenue expenditure and capital expenditure are recognised in the statement of financial activities on a receivable basis.

Other incoming resources are recognised in the statement of financial activities on a receivable basis.

1.3 Resources expended

Resources expended are allocated to headings within the statement of financial activities based on the actual purpose of the expenditure.

Costs in furtherance of the company's objectives represent the direct costs incurred in the provision of the company's services.

Governance costs represent the cost of managing and administering the company as a statutory vehicle.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	33.3% straight line
Fixtures, fittings & equipment	20% straight line

Items of capital expenditure of less than £100 are not capitalised but are treated as revenue expenditure in the period in which the expenditure is incurred.

1.5 Pensions

The pension costs charged in the accounts represent the contributions payable by the company during the year in accordance with FRS 17.

2 Investment income

	2006	2005
	£	£
Interest receivable	<u>30</u>	<u>4</u>

DARNALL FORUM**NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2006****3 Incoming resources from charitable activities.**

	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
Grants for community activities	1,835	172,467	174,302	13,369

Included within income relating to grants for community activities are the following grants

Unrestricted

Sheffield City Council	-	1,535
Others	1,835	300

Restricted

Sheffield City Council	161,449	4,500
Others	11,018	7,034

174,302	13,369
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4 Other incoming resources

	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
Other income	57	1,668	1,725	920

5 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2006 £	Total 2005 £
Charitable activities					
<u>Community activities</u>					
Activities undertaken directly	88,336	4,100	40,223	132,659	9,444
Governance costs	-	-	1,706	1,706	130
	88,336	4,100	41,929	134,365	9,574

Governance costs includes payments to the auditors of £1,705 (2005: £nil). There were no payments made to the auditors in respect of any other services.

DARNALL FORUM**NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2006****6 Activities undertaken directly**

	2006	2005
	£	£
Other costs relating to community activities comprise:		
Unrestricted		
Printing, postage and stationery	12	-
Legal and professional fees	176	-
Sundry expenses	560	515
Restricted		
Meetings and events	9,364	5,200
Feasibility study costs	7,826	-
Newsletter costs	4,550	-
Staff recruitment and training	2,958	-
Printing, postage and stationery	2,673	2,031
Rent and rates	2,748	-
Insurance	1,307	232
Repairs and maintenance	1,159	-
Cleaning	747	-
Telephone	760	-
Light and heat	308	-
Travel expenses	458	-
Legal and professional fees	2,956	-
Beneficiary costs	1,530	-
Sundry expenses	131	1,466
	40,223	9,444

7 Governance costs

	2006	2005
	£	£
Other governance costs comprise:		
Audit fees	1,706	130

8 Directors

None of the directors (or any persons connected with them) received any remuneration during the year.

DARNALL FORUM**NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2006****9 Employees****Number of employees**

The average monthly number of employees during the year was:

	2006	2005
	Number	Number
Committee members	12	10
Staff	5	-
	17	10

Employment costs

	2006	2005
	£	£
Wages and salaries	79,747	-
Social security costs	6,667	-
Other pension costs	1,922	-
	88,336	-

There were no employees whose annual emoluments were £60,000 or more.

10 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 January 2006	-
Additions	14,091
At 31 December 2006	14,091
Depreciation	
At 1 January 2006	-
Charge for the year	4,100
At 31 December 2006	4,100
Net book value	
At 31 December 2006	9,991

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2006

11 Debtors	2006	2005
	£	£
Other debtors	<u>25,784</u>	<u>-</u>

12 Creditors: amounts falling due within one year	2006	2005
	£	£
Taxes and social security costs	4,529	-
Other creditors	20,231	-
Accruals	<u>1,704</u>	<u>130</u>
	<u>26,464</u>	<u>130</u>

DARNALL FORUM**NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2006****13 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2006	Movement in funds		Balance at 31 December 2006
	£	Incoming resources	Resources expended	£
Darnall community buildings project	-	23,943	(8,018)	15,925
Darnall community action plan	-	63,197	(54,018)	9,179
Darnall community mentoring project	-	13,945	(13,945)	-
Darnall forum community engagement project	-	47,221	(35,978)	11,243
Parental engagement and family learning project	-	11,753	(10,338)	1,415
Darnall carnival fund	4,014	6,051	(7,178)	2,887
Others	571	8,025	(4,141)	4,455
DIFFERENCE TO ANALYSE	-			(1)
	<u>4,585</u>	<u>174,135</u>	<u>(133,616)</u>	<u>45,103</u>

The Darnall community buildings project is aimed at producing a feasibility study and business plan for the financial viability of capital investment in community buildings and the provision of high quality and sustainable community space in Darnall.

The Darnall community action plan aims to:

- support all forms of learning,
- encourage young people to feel centrally involved in the development of Darnall,
- ensure local people enjoy the benefits of the new jobs created,
- make Darnall an area where people want to live, have children and grow old,
- produce an environment that we can be proud of; and
- make Darnall a safer place.

The objectives of the Darnall community mentoring project are to expand the current peer mentoring project at Waltheof School to develop communication and mentoring skills in year 10 and 11 students, potentially leading to further involvement with youth related activities in and out of school. The objectives of the project are also to provide support to year 7 pupils moving from primary to secondary education and to introduce sources of support to younger children in school at an early stage before issues arise, rather than after.

The Darnall forum community engagement project exists to increase the number of Darnall people actively engaged within the community, whether it is in local decision making, learning, employment related activities, accessing childcare provision or volunteering. The project will contribute to the strengthening of the community infrastructure to secure its capability and capacity to respond and meet the needs of the community and it will support the development of Darnall Forum to become a strong community lead regeneration partnership in the area.

DARNALL FORUM**NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2006****13 Restricted funds****(continued)**

The Parental engagement and family learning project aims to support the development of the new children's centre's initiative in Darnall and roll out the extended school provision in both Darnall and Tinsley.

The Darnall carnival fund exists to support projects promoting good health and education at the annual Darnall carnival.

14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2006 are represented by:			
Tangible fixed assets	-	9,991	9,991
Current assets	3,263	61,576	64,839
Creditors: amounts falling due within one year	(1)	(26,463)	(26,464)
DIFFERENCE TO ANALYSE	1	(1)	
	<u>3,263</u>	<u>45,103</u>	<u>48,366</u>