

Charity Registration No. 1121396

Company Registration No. 03644311 (England and Wales)

DARNALL FORUM
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007

DARNALL FORUM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S. Hamilton D.H. Missing E. Barton J.A. Dossandhi S. Abbas M.S.J. Gregory (appointed 3 January 2008)
Secretary	E. Barton
Charity number	1121396
Company number	03644311
Registered office	245 Main Road Darnall Sheffield S9 4QD
Auditors	UHY Wingfield Slater Wellington House 39 Wellington Street Sheffield S1 1XB
Bankers	HSBC Staniforth Road Darnall Sheffield S9 4LQ

DARNALL FORUM

CONTENTS

	Page
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent auditors' report	5 - 6
Statement of financial activities	7
Balance sheet	8
Notes to the accounts	9 - 16

DARNALL FORUM

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2007

The trustees present their report and accounts for the year ended 31 December 2007.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 1985 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The charity is a company limited by guarantee and no shares are in issue. The company was registered as a charity on 29 October 2007.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

S. Hamilton	
D.H. Missing	
E. Barton	
J.A. Dossandhi	
S. Abbas	
N. Parry	(Resigned 18 September 2007)
A. Gul	(Resigned 18 September 2007)
S. Saddiq	(Resigned 18 September 2007)
B. Hussain	(Resigned 18 September 2007)
I. Akbar	(Resigned 18 September 2007)
S. Aziz	(Resigned 18 September 2007)
M. Iqbal	(Resigned 18 September 2007)
H. Yousuf	(Resigned 18 September 2007)

The directors of the company are elected for a term of one year by a simple majority of those present and voting at the Annual General Meeting, at which every member of the company is entitled to vote.

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

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees and officers of the charity acknowledge their responsibility for carrying out an annual risk assessment of the charity's financial strategy and policies, and for managing any risks that are identified. To this end they have set out to identify potential risks by adopting a business plan and by reviewing the financial processes of the charity and establishing control systems to manage the risks which have been identified.

The major risks which the trustees have identified are:

1. That the charity has only secured sufficient funding to continue its current level of operations until July 2008.
2. That sources of continuation funding are few and far between.
3. That the charity will, if possible, have to engage in social enterprise to fill the funding gap.
4. That the charity's premises may have to be vacated during the current financial year.
5. That appropriate internal controls need to be observed to safeguard the funds of the charity when making financial transactions.
6. That, because the charity's operations have recently been considerably expanded, it does not have any operating capital in reserve.

DARNALL FORUM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

The steps taken to mitigate those risks are:

1-3. The manager, staff and trustees will seek alternative sources of funding, including opportunities to procure service delivery contracts. To improve the likelihood of procuring contracts in an environment where they are more likely to be awarded to consortia than to individual organisations, the company is a member of the North-East Sheffield Partnership, which brings together five local community forums to bid for contracts. It is also exploring the possibility of joining other consortia - for instance, to deliver contracts for work with children and young people or adult raining.

4. The manager, staff and trustees will seek alternative premises if necessary.

5. New payments, and receipts, including movements in and out of the petty cash fund, have to be authorised by the manager or his deputy. Cheques have to be signed by two out of three signatories, all of whom are members of the board of trustees. They have to confirm that the payment has been authorised by the manager or his deputy before they sign cheques or other forms of authority to disperse funds.

6. Efforts will continue to be made, over time, to build up sufficient operating capital to meet the running costs of the charity for six months.

Objectives and activities

The charity's objects are:

-To benefit the community in the Attercliffe and Darnall areas of the city of Sheffield by the advancement of education and the relief of poverty, hardship, distress and sickness.

-To advance the education of the inhabitants of the area and to provide for information, recreation and leisure time occupation in the interests of the social welfare with the object of improving the conditions of life for the inhabitants without distinction of race, colour, ethnic or national origin, gender, disability, sexuality or of political, religious or other opinion.

-To advance the education of the public by the sponsorship of bursaries, scholarships or grants to any person or persons, institution, association or corporate body for the purpose of furthering the objects.

-To co-operate and enter into arrangements with other bodies (whether national or local and whether voluntary, statutory, industrial or otherwise) in the constitution and maintenance of the charity's facilities and in the furtherance of the objects and the charity's powers generally.

-To further such other charitable purposes as the company shall in its absolute discretion determine and on terms consistent with the charitable purposes of the charity and in accordance with the law of England and Wales.

Achievements and performance

The achievements and performance of the charity are set out in the Chairperson's report below.

Chairperson's report

This year has been very successful for the Forum. All projects have performed exceedingly well, and they have all over achieved against their targets. This success is due almost exclusively to the dedication and commitment of the staff who have worked extremely hard as a team and who have always been willing to go the extra mile when it has been necessary. They have proved themselves to be very accomplished and professional in their dealings with members of the public and people working in Darnall and beyond. In September 2007 we moved to newly converted premises in the old Rose and Crown public house. There are numerous advantages to this building, first it is in a very prominent position at the cross roads of Main Road and Greenland Road. The entrance is at ground floor level offering very easy access to the local community, the windows fit and it is a much brighter warmer space. It is a light open plan area with office space, a learning/training area, an area for crèche facilities and a small kitchen.

DARNALL FORUM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

Looking forward we do have concern about the future, especially as the European funding has now come to an end, but staff and trustees are already working hard to secure the sustainability of the Forum's work and see the gains which have been won with such hard effort maintained.

I would like to take this opportunity of thanking all the staff and also the Management Group Members who have shared the responsibility and pleasure in achieving the success we have seen this year. Well done everyone, and thank you to the community for using the facilities and supporting the activity and services we offer.

Financial review

It is the policy of the charity 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 trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

It has not yet been possible to build up this level of reserves. The charity is working towards this objective, but the directors acknowledge that it may take a very long time to accumulate the necessary reserves.

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 trustees

S. Hamilton

Trustee

Dated: 16 October 2008

DARNALL FORUM

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

In preparing these accounts, the trustees 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity 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 2007 set out on pages 7 to 16. These accounts have been prepared in accordance with the accounting policies set out on page 9.

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 4, the trustees, who are also the directors of Darnall Forum for the purpose of company law, are responsible for preparing the Trustees' 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 Trustees' 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 charity is not disclosed.

We read other information contained in the Trustees' 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.

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 trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity'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 charity's affairs as at 31 December 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Trustees' Report is consistent with the accounts.

Emphasis of matter

In forming our opinion on the accounts, which is not qualified, we have considered the adequacy of the disclosures made in note 1.1 to the accounts concerning the charity's ability to continue as a going concern. Currently there is insufficient future funding in place to cover the charity's core costs. These matters cast significant doubt on the charity's ability to continue as a going concern. The accounts do not include the adjustments that would result if the charity was unable to continue as a going concern.

UHY Wingfield Slater

Chartered Accountants

Registered Auditor

Wellington House

39 Wellington Street

Sheffield

S1 1XB

Dated: 16 October 2008

DARNALL FORUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	Unrestricted funds £	Restricted funds £	Total 2007 £	Total 2006 £
<u>Incoming resources from generated funds</u>					
Grants and donations	2	-	91,967	91,967	43,764
Investment income	3	1,179	-	1,179	30
		1,179	91,967	93,146	43,794
Incoming resources from charitable activities	4	600	189,244	189,844	130,538
Other incoming resources	5	7,119	6,106	13,225	1,725
Total incoming resources		8,898	287,317	296,215	176,057
<u>Resources expended</u>					
Charitable activities					
Community activities	6	253	280,378	280,631	129,528
Governance costs		923	7,831	8,754	4,837
Total resources expended		1,176	288,209	289,385	134,365
Net incoming/(outgoing) resources before transfers		7,722	(892)	6,830	41,692
Gross transfers between funds		275	(275)	-	-
Net income/(expenditure) for the year/ Net movement in funds		7,997	(1,167)	6,830	41,692
Fund balances at 1 January 2007		3,262	45,104	48,366	6,674
Fund balances at 31 December 2007		11,259	43,937	55,196	48,366

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 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	11		13,488		9,991
Current assets					
Debtors	12	4,474		25,784	
Cash at bank and in hand		49,848		39,055	
		<u>54,322</u>		<u>64,839</u>	
Creditors: amounts falling due within one year	13	<u>(12,614)</u>		<u>(26,464)</u>	
Net current assets			<u>41,708</u>		<u>38,375</u>
Total assets less current liabilities			<u>55,196</u>		<u>48,366</u>
Income funds					
Restricted funds	14	43,937		45,104	
Unrestricted funds		11,259		3,262	
		<u>55,196</u>		<u>48,366</u>	

The accounts were approved by the Board on 16 October 2008

S. Hamilton
Trustee

DARNALL FORUM

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2007

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The trustees have assessed the future financial position of the charity. Funding currently in place is inadequate to cover the charity's core costs in the coming months. The trustees have therefore decided to use the reserves of the charity to support the charity's activities for as long as possible while trying to obtain funding to secure the charity's future.

The accounts have been prepared on the going concern basis as it is not anticipated that there would be any significant adjustments if they were unable to continue as a going concern.

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 charity during the year in accordance with FRS 17.

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

2 Grants and donations

	2007 £	2006 £
Grants receivable for core activities	<u>91,967</u>	<u>43,764</u>
Grants receivable for core activities		
Restricted funds:		
Sheffield City Council revenue grant	<u>91,967</u>	<u>43,764</u>
	<u>91,967</u>	<u>43,764</u>

3 Investment income

	2007 £	2006 £
Interest receivable	<u>1,179</u>	<u>30</u>

4 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2007 £	Total 2006 £
Grants for community activities	<u>600</u>	<u>189,244</u>	<u>189,844</u>	<u>130,538</u>

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

Unrestricted

Others	600	1,835
--------	-----	-------

Restricted

Sheffield City Council	139,597	117,685
Big Lottery Fund	9,550	-
Early Years Education and Childcare Service	12,587	-
Southey and Owlerton Area Regeneration Ltd	5,000	-
Others	22,510	11,018
	<u>189,844</u>	<u>130,538</u>

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

5 Other incoming resources

	Unrestricted funds £	Restricted funds £	Total 2007 £	Total 2006 £
Other income	7,119	6,106	13,225	1,725

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2007 £	Total 2006 £
Charitable activities					
<u>Community activities</u>					
Activities undertaken directly	185,113	7,203	88,315	280,631	129,528
Governance costs	-	-	8,754	8,754	4,837
	<u>185,113</u>	<u>7,203</u>	<u>97,069</u>	<u>289,385</u>	<u>134,365</u>

Governance costs includes payments to the auditors of £5,270 (2006: £1,705). 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 2007

7 Activities undertaken directly

	2007	2006
	£	£
Other costs relating to community activities comprise:		
Unrestricted		
Printing, postage and stationery	192	12
Sundry expenses	61	561
Restricted		
Meetings and events	15,393	9,364
Feasibility study costs	16,215	7,826
Project evaluation	1,472	-
Newsletter costs	4,528	4,550
Tutor fees and materials	1,366	-
Staff recruitment and training	2,223	2,958
Printing, postage and stationery	5,134	2,673
Rent and rates	7,999	2,748
Insurance	1,196	1,307
Repairs and maintenance	1,842	1,159
Cleaning	1,385	747
Telephone	2,218	760
Light and heat	1,970	308
Travel expenses	2,277	458
Beneficiary costs	16,904	1,530
Publicity	383	-
International Womens Day	3,005	-
Sundry expenses	2,552	131
	88,315	37,092

8 Governance costs

	2007	2006
	£	£
Other governance costs comprise:		
Unrestricted:		
Audit fees	159	-
Legal and professional fees	764	176
Restricted:		
Audit fees	5,112	1,705
Legal and professional fees	2,719	2,956
	8,754	4,837

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

9 Trustees

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

10 Employees

There were no employees during the year.

Employment costs	2007	2006
	£	£
Wages and salaries	158,949	75,857
Social security costs	16,035	8,908
Other pension costs	10,129	3,571
	185,113	88,336

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

11 Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
At 1 January 2007	14,091
Additions	10,700
At 31 December 2007	24,791
Depreciation	
At 1 January 2007	4,100
Charge for the year	7,203
At 31 December 2007	11,303
Net book value	
At 31 December 2007	13,488
At 31 December 2006	9,991

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

12 Debtors	2007	2006
	£	£
Trade debtors	4,054	1,026
Other debtors	-	24,758
Prepayments and accrued income	420	-
	<hr/>	<hr/>
	4,474	25,784
	<hr/> <hr/>	<hr/> <hr/>

13 Creditors: amounts falling due within one year	2007	2006
	£	£
Trade creditors	7,848	20,231
Taxes and social security costs	4,766	4,529
Accruals	-	1,704
	<hr/>	<hr/>
	12,614	26,464
	<hr/> <hr/>	<hr/> <hr/>

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

14 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:

	Movement in funds				Balance at 31 December 2007
	Balance at 1 January 2007	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Darnall community buildings project	15,925	1,160	(17,085)	-	-
Darnall CAP - Core infrastructure	2,750	93,080	(93,136)	-	2,694
Darnall CAP - Employment project	6,429	32,288	(35,386)	-	3,331
Community engagement project	12,406	74,192	(76,314)	-	10,284
Parental engagement project	253	40,069	(34,861)	-	5,461
Darnall carnival fund	2,887	13,993	(11,512)	-	5,368
Breathing Space	-	9,550	-	-	9,550
Others	4,454	22,985	(19,915)	(275)	7,249
	<u>45,104</u>	<u>287,317</u>	<u>(288,209)</u>	<u>(275)</u>	<u>43,937</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 (CAP) 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 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.

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 canal.

The Breathing Spaces Project is run by Darnall Forum on behalf of Darnall Green Spaces Project. It is funded by Big Lottery and aims to improve High Hazels Park in Darnall.

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2007 are represented by:			
Tangible fixed assets	-	13,488	13,488
Current assets	11,259	43,063	54,322
Creditors: amounts falling due within one year	-	(12,614)	(12,614)
	<u>11,259</u>	<u>43,937</u>	<u>55,196</u>

16 Commitments under operating leases

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2007 £	2006 £
Expiry date:		
Within one year	8,333	-