

Charity Registration No. 1121396

Company Registration No. 03644311 (England and Wales)

DARNALL FORUM
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008

DARNALL FORUM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

S. Hamilton
D.H. Missing
E. Barton
J.A. Dossandhi
S. Abbas
M.S.J. Gregory
M. Ahmed
M. Chowdhury
H. Gul
F. Hussain
M. Iqbal
E. Kaid
N. Parry
M. Rahman

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 - 4
Statement of trustees' responsibilities	5
Independent auditors' report	6 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the accounts	10 - 19

DARNALL FORUM

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

The trustees present their report and accounts for the year ended 31 December 2008.

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	
M.S.J. Gregory	
M. Ahmed	(Appointed 10 November 2008)
M. Chowdhury	(Appointed 10 November 2008)
H. Gul	(Appointed 10 November 2008)
F. Hussain	(Appointed 10 November 2008)
M. Iqbal	(Appointed 10 November 2008)
E. Kaid	(Appointed 10 November 2008)
N. Parry	(Appointed 10 November 2008)
M. Rahman	(Appointed 10 November 2008)

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.

New trustees are required to go through a training procedure designed by Darnall Forum based on material from the Charity Commission, and are introduced to staff members. They are also required to read the Charity Commission booklet "How to be a Trustee".

The Trustees are responsible for making strategic decisions, while the day to day running and operational decisions are left to management and staff members.

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.

DARNALL FORUM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

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 March 2010.
2. That sources of grant aid funding are few and far between.
3. That the charity will, if possible, have to continue to rely on social enterprise and partnership working to provide the majority of its income.
4. That the charity's premises may have to be vacated during the next 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 and its income fluctuates from month to month, it has not been able to build up sufficient operating capital in reserve.

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 below.

2008 saw the conclusion of our highly successful European Regional Development Fund programme. We were able to exceed all of the ambitious targets set for us by the funders and I hope that the work which the ERDF funded has helped to advance what we set out to do in the Darnall Community Plan. However, this is not the end of the Plan but just the end of the beginning, because community development is something which has to be measured in decades rather than years, and in years rather than months.

DARNALL FORUM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

We are grateful to the City Council, and especially to our local councillors from Darnall Ward, that we have been provided with some bridge funding to help us negotiate the transition from being almost entirely grant funded to raising a substantial part of our income from social enterprise. We are also most grateful to the Tudor Trust, the Esmee Fairbairn Foundation and the Lloyds TSB Foundation, without whose confidence and faith in our work we would not have been able to continue supporting some of the most vulnerable members of our community. Other funders have also been generous in their support.

The new social enterprise work which we are doing has included 'employment support' contracts with the Progress Together and City Strategy Pathfinder programmes, to help people not just in Darnall but in Tinsley and further afield across the City. However, some of our contract work has taken us as far as Leeds, and one involved research across the Yorkshire and Humber Region. All of these projects were in support of our main charitable aim, to promote urban regeneration, but - of course - as residents of Darnall the Trustees of the Forum never forget that our priority is campaigning for, supporting and regenerating the local community. This remains the core purpose behind all of our efforts to sustain our work.

We ended the year with a modest surplus of income over expenditure but are still far short of achieving our target of holding six months' operating costs in reserve. This remains a priority for the board of trustees.

We are very grateful to those who have funded us or have shown confidence in our ability to deliver contracts for them, but without our extremely dedicated and loyal staff we would not have been able to achieve what we have done or look into the future with such hope. Also I would like to thank the Trustees, who have once again supported the Forum and myself as Chair in another year which has seen many changes that we hope to build on in the future.

Finally, it is with a note of regret that I have to report the end of our project to support the parents of primary and pre-school children. This project was jointly funded by our local councillors and the Early Years Education and Childcare Service and, when the initial finance ran out, it proved impossible to raise the necessary funds to continue it. We hope it will be possible for some of the work to be continued in a new form by the Family Development Project, and we thank Michelle Wood for her work as project co-ordinator and wish her well in her search for a new outlet for her gifts.

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.

DARNALL FORUM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

Auditors

A resolution proposing that UHY Wingfield Slater be reappointed as auditors of the company will be put to the members.

On behalf of the board of trustees

S. Hamilton

Trustee

Dated: 23 October 2009

DARNALL FORUM

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 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 2008 set out on pages 8 to 19. These accounts have been prepared in accordance with the accounting policies set out on page 10.

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 5, 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 affairs of the charity as at 31 December 2008, 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 given in the Trustees' Report is consistent with the accounts.

UHY Wingfield Slater

Chartered Accountants

Registered Auditor

Wellington House
39 Wellington Street
Sheffield
S1 1XB

Dated: 23 October 2009

DARNALL FORUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	Unrestricted funds £	Restricted funds £	Total 2008 £	Total 2007 £
<u>Incoming resources from generated funds</u>					
Grants and donations	2	-	52,539	52,539	91,967
Investment income	3	3,147	-	3,147	1,179
		3,147	52,539	55,686	93,146
Incoming resources from charitable activities	4	25,508	212,808	238,316	189,844
Other incoming resources	5	14,257	-	14,257	13,225
Total incoming resources		42,912	265,347	308,259	296,215
<u>Resources expended</u>					
	6				
Charitable activities					
Community activities		27,745	242,310	270,055	280,631
Governance costs		35	7,434	7,469	8,754
Total resources expended		27,780	249,744	277,524	289,385
Net incoming resources before transfers		15,132	15,603	30,735	6,830
Gross transfers between funds		4,979	(4,979)	-	-
Net income for the year/ Net movement in funds		20,111	10,624	30,735	6,830
Fund balances at 1 January 2008		11,259	43,937	55,196	48,366
Fund balances at 31 December 2008		31,370	54,561	85,931	55,196

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 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	11		11,826		13,488
Current assets					
Debtors	12	41,833		4,474	
Cash at bank and in hand		41,607		49,848	
		<u>83,440</u>		<u>54,322</u>	
Creditors: amounts falling due within one year	13	<u>(9,335)</u>		<u>(12,614)</u>	
Net current assets			<u>74,105</u>		<u>41,708</u>
Total assets less current liabilities			<u>85,931</u>		<u>55,196</u>
Income funds					
Restricted funds	15	54,561		43,937	
Unrestricted funds		31,370		11,259	
		<u>85,931</u>		<u>55,196</u>	

The accounts were approved by the Board on 23 October 2009

S. Hamilton
Trustee

DARNALL FORUM

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2008

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 charity during the year in accordance with FRS 17.

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

2 Grants and donations

	2008 £	2007 £
Grants receivable for core activities	<u>52,539</u>	<u>91,967</u>
Grants receivable for core activities		
Restricted funds:		
Sheffield City Council revenue grant	<u>52,539</u>	<u>91,967</u>
	<u>52,539</u>	<u>91,967</u>

3 Investment income

	2008 £	2007 £
Interest receivable	<u>3,147</u>	<u>1,179</u>

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

4 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2008 £	Total 2007 £
Grants for community activities	<u>25,508</u>	<u>212,808</u>	<u>238,316</u>	<u>189,844</u>

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

Unrestricted

Sheffield City Council	10,694	-
Darnall and District Advice Service	1,921	-
Tinsley Forum	3,636	-
Others	9,257	600

Restricted

Sheffield City Council	97,097	139,597
Big Lottery Fund	-	9,550
Early Years Education and Childcare Service	6,291	12,587
Southey and Owlerton Area Regeneration Ltd	1,000	5,000
Esmee Fairbairn Foundation	14,243	-
Lloyds TSB Foundation	13,700	-
Tudor Trust	35,000	-
Disadvantaged Areas Forum	23,550	-
Tinsley Forum	17,792	-
Others	4,135	22,510

238,316 189,844

5 Other incoming resources

	2008 £	2007 £
Other income	<u>14,257</u>	<u>13,225</u>

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2008 £	Total 2007 £
Charitable activities					
<u>Community activities</u>					
Activities undertaken directly	174,000	9,323	86,732	270,055	280,631
Governance costs	-	-	7,469	7,469	8,754
	<u>174,000</u>	<u>9,323</u>	<u>94,201</u>	<u>277,524</u>	<u>289,385</u>

Governance costs includes payments to the auditors of £6,286 (2007: £5,270). 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 2008

7 Activities undertaken directly

	2008	2007
	£	£
Other costs relating to community activities comprise:		
Unrestricted		
Meetings and events	998	-
Newsletter costs	223	-
Printing, postage and stationery	294	192
Beneficiary costs	1,970	-
Sundry expenses	62	61
Restricted		
Meetings and events	31,742	15,393
Feasibility study costs	-	16,215
Project evaluation	2,077	1,472
Newsletter costs	6,187	4,528
Tutor fees and materials	4,154	1,366
Staff recruitment and training	-	2,223
Printing, postage and stationery	4,394	5,134
Rent and rates	13,008	7,999
Insurance	156	1,196
Repairs and maintenance	291	1,842
Cleaning	2,905	1,385
Telephone	2,509	2,218
Light and heat	2,390	1,970
Travel expenses	1,227	2,277
Beneficiary costs	7,904	16,904
Publicity	1,562	383
International Womens Day	-	3,005
Sundry expenses	2,679	2,552
	86,732	88,315

8 Governance costs

	2008	2007
	£	£
Other governance costs comprise:		
Unrestricted:		
Audit fees	-	159
Legal and professional fees	35	764
Restricted:		
Audit fees	1,882	1,663
Legal and professional fees	5,552	6,168
	7,469	8,754

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

9 Trustees

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

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2008	2007
	Number	Number
Charity employees	<u>7</u>	<u>7</u>

Employment costs

	2008	2007
	£	£
Wages and salaries	149,682	158,949
Social security costs	14,584	16,035
Other pension costs	9,734	10,129
	<u>174,000</u>	<u>185,113</u>

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

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

11 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 January 2008	24,791
Additions	7,661
At 31 December 2008	32,452
Depreciation	
At 1 January 2008	11,303
Charge for the year	9,323
At 31 December 2008	20,626
Net book value	
At 31 December 2008	11,826
At 31 December 2007	13,488

12 Debtors	2008 £	2007 £
Trade debtors	36,399	4,054
Prepayments and accrued income	5,434	420
	41,833	4,474

13 Creditors: amounts falling due within one year	2008 £	2007 £
Trade creditors	5,312	7,848
Taxes and social security costs	4,023	4,766
	9,335	12,614

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

14 Pension and other post-retirement benefit commitments

Defined contribution

	2008	2007
	£	£
Contributions payable by the company for the year	9,734	10,129

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

15 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 2008
	Balance at 1 January 2008	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Darnall CAP - Core infrastructure	2,694	53,748	(56,905)	463	-
Darnall CAP - Employment project	3,331	23,919	(27,469)	219	-
Community engagement project	10,283	45,608	(57,771)	1,880	-
Breathing Space	9,550	-	(9,550)	-	-
Darnall carnival fund	5,253	10,469	(14,337)	-	1,385
Esmee Fairbairn Foundation	-	14,243	(4,080)	-	10,163
Lloyds TSB Foundation	-	13,700	(1,142)	-	12,558
Tudor Trust	-	35,000	(15,784)	-	19,216
Others	12,826	68,660	(62,706)	(7,541)	11,239
	<u>43,937</u>	<u>265,347</u>	<u>(249,744)</u>	<u>(4,979)</u>	<u>54,561</u>

The Community Action Plan projects were aimed to improve Darnall as a place to live for local people. The projects finished in June 2008.

The Community Engagement project existed to increase the number of Darnall people actively engaged in the local community. The project finished in June 2008.

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

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.

The Esmee Fairbairn Foundation provided funding for non-vocational lifelong learning.

The Tudor Trust provided funding to help the charity become more sustainable as it moves towards greater dependence on social enterprises, the majority to go towards funding the manager's salary.

Lloyds TSB provided funding towards a community engagement worker's salary.

All restricted funds have sufficient resources that they may be applied in accordance with the restrictions.

DARNALL FORUM

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2008 are represented by:			
Tangible fixed assets	11,826	-	11,826
Current assets	25,185	58,255	83,440
Creditors: amounts falling due within one year	(5,641)	(3,694)	(9,335)
	<u>31,370</u>	<u>54,561</u>	<u>85,931</u>

17 Commitments under operating leases

At 31 December 2008 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2008	2007
	£	£
Expiry date:		
Within one year	<u>8,333</u>	<u>8,333</u>