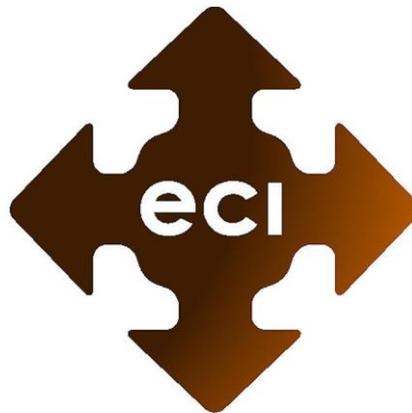


**Company registration number: 02844870**  
**Charity registration number: 1026229**

**Exeter Community Initiatives**



**(A company limited by guarantee)**

**Annual Report and Financial Statements**  
**For the Year Ended 31 March 2014**

**FRANCIS CLARK LLP**  
**Chartered Accountants & Statutory Auditor**  
**Vantage Point**  
**Woodwater Park**  
**Pynes Hill**  
**Exeter**  
**EX2 5FD**

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## General information

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Address	14 York Road, Exeter, EX4 6BA
Phone number	01392 205800
Website	www.eci.org.uk
Registered charity number	1026229
Registered company number	02844870

### Trustees & Directors

Heather Morgan	Chair
Richard Clack	Treasurer and Chair of Business and Resources Committee
Stewart Barr	Chair of Fundraising, Marketing & PR Committee (resigned March 2014)
John Barrett	Member of Fundraising, Marketing & PR Committee
Steve Barriball	Member of Business and Resources Committee
Pat Cusa	Member of Central Exeter Children's Centre's Advisory Board and Fundraising, Marketing & PR Committee
Martyn Goss	Member of Strategy, Project and Review Committee
Ruth Saltmarsh	Member of Business and Resources Committee, Deputy Chair and member of Central Exeter Children's Centre's Advisory Board
Marie Winckler	Chair of Strategy, Project and Review Committee
Tim Goodwin	Member of Strategy, Project and Review Committee (joined December 2013)
Douglas Dettmer	Member of Business and Resources Committee (joined March 2014)

### Non Executive and co-opted members

Vanessa Priddis  
Liz Vizard

### Chief Executive

Matthew Bell                      Chief Executive

### Senior Management

Matthew Bell	Chief Executive
Roy Stephenson	Office and Admin Manager (maternity cover for Sarah Langmaid)
Maggie Wilkins	Finance Manager (left December 2013)
Lee Bingham	Finance Manager (joined May 2014)
Kristin Cain	Family Resource Manager
Gentian Sheer	Children's Centre Manager (left August 2013)
Ann Brandrick	Children's Centre Manager (joined September 2013)
Carole Pilley	Development Manager

# Chair's Report

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A significant birthday is a good opportunity to reflect on the past, and to have thoughts for the future. This was certainly the case for ECI as we celebrated our 20<sup>th</sup> anniversary in the splendid surroundings of RAMM, last November. The film specially prepared for the evening, told the story of how ECI began and developed, and featured a number of people who had played a significant part in that story. It was lovely to be reminded of so many old friends and colleagues, and to see so many of them at the party, among a large number of guests, and supporters of our work.

None of the people who set out all those years ago did so with the intention to create a charity that would last for a generation, and become the substantial enterprise that is now ECI. It all began with a few people in the city centre churches (chief among them John Stroud and South Street Baptist Church, and Michael Selman and the Parish of Central Exeter), who had a single-minded determination to do something to care for the people in need, who were, literally, on our doorstep; the homeless, the hungry, the addicted, and those without the resources to furnish their homes or clothe themselves. This inspiration quickly caught hold, especially after the recruitment of Trevor Gardner to lead the project, and many people responded magnificently to the call to action. St Petrock's and Turntable are a part of the legacy of those early years.

And one thing led to another. The Palace Gate Project became the Exeter Umbrella, and, in due course, ECI, which has continued to flourish under the leadership of Alistair MacIntosh, and our current Chief Executive, Matt Bell, supported by a succession of trustees, staff, shareholders, volunteers and supporters. Thank you to you all. As we go forward, we will continue to rely on you all, and on your time, talents, funding, and prayers.

One of the features of this Annual Report that would surely surprise and delight our founders of 20 years ago, is the breadth and diversity of the work in which ECI is now engaged. Another striking feature is the scale of the enterprise now, both financially, and in the numbers of people who are supported by, or engaged in, current projects. This is apparent even from a cursory glance at page 6 of the report. It is a great privilege to introduce a report that tells the story of such good news.

The process of growth and change has, however, been a consistent and defining characteristic of ECI. The term "social entrepreneur" was not perhaps on everyone's lips in 1994, but this year we have taken our first steps in that direction. A brief encounter with the Urban Farm (mushrooms) was instructive, but not as productive as we hoped. In contrast, another new venture, Jelly (our charity shop in Paris Street) has made an excellent start. As ECI develops, it inevitably becomes more complex, and as we turn our thoughts to the strategic plan for the next five years, the trustees and managers are looking forward to working with Pilotlight. This is a charity that enables ambitious charities and social enterprises to think and plan strategically and to be more effective, efficient and sustainable. One of our key challenges will be to secure the income to maintain our work of identifying and addressing local need—the distinctive feature of our work over the last 20 years. Otherwise, we risk being led by, and wholly dependent upon, statutory funding.

Exeter Community Initiatives  
Year Ended 31 March 2014

As we tackle new challenges, we have welcomed new colleagues. Last summer we said farewell to Gentian Sheer with much gratitude for all her work as manager of the Children's Centres. Her successor, Ann Brandrick has quickly made her mark and is now well established in her post. Our Finance Manager, Maggie Wilkins who significantly improved our financial systems has also left and we welcome Lee Bingham onto the team.

On the Council, we were very sad that the demands of work caused Stuart Barr to resign. He made a huge contribution as a trustee over many years, especially in the area of fundraising and marketing, and he brought valuable expertise and insights; he was also a delightful colleague and we miss him. Meanwhile, we are absolutely delighted to have gained two new trustees; Tim Goodwin and the Reverend Douglas Dettmer, whose combined professional expertise is huge. Their contributions have already had a stimulating and beneficial effect on the deliberations of the Council. We have also had Vanessa Priddis join us as a Non-executive member, bringing her vast experience in Family Law to the team. It is a great joy for the trustees to work with the current staff team at ECI, led with immense thought and determination by Matt Bell. His open and collaborative leadership is a model of its kind, and this is maintained even when we are at our most challenging and persistent.

The business of running and developing any organisation these days is ever more complex, and the voluntary sector is not exempt. As has been the case for most of ECI's existence, uncertainty continues in both public policy and funding. One thing is, however, constant; the vision and the commitment of us all at ECI to making a difference for the better to the lives of the people in need in our city, wherever and however that need is to be found.

Heather Morgan  
August 2014

# Governance and structure

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## Governance and management

The charity is a company limited by guarantee (number 02844870) and was incorporated on 16<sup>th</sup> August 1993. It was registered with the Charity Commission (registration number 106229) on 30<sup>th</sup> September 1993. The company was established under a Memorandum of Association which describes the objects and powers of the charitable company, and it is governed under its Articles of Association.

Individuals, who must be members of the company, are usually elected to the Board of Trustees (the Council) by the company sitting in general meeting. Alternatively, they may be appointed by members of the Council provided two thirds of the members of the Council support their appointment. One third of their number retires by rotation each year and are eligible for re-election.

In furtherance of our charitable objects (see below), it is the company's policy that the Council is responsible for setting the overall strategy and policies of the organisation, and all matters pertaining to general administration. The Council has delegated certain powers and decision making capabilities to 3 sub committees. The work of overseeing the management of corporate financial, premises, ICT and personnel issues is undertaken by a Business and Resources Committee, a sub-group of the Council, and responsibility for developing strategy, reviewing projects and overseeing new developments has been undertaken by a Strategy, Project and Review Committee, another sub-group of the Council. A Fundraising, Marketing and PR Committee are responsible for overseeing this aspect of ECI's work.

Finally, the Chairs Group has delegated powers of decision making when circumstances require quicker decision making than the meeting schedules allow.

Operational management and administration is delegated to the Management Team.

## Trustees' news

We have had a number of new trustees join the team this year, but sadly losing another. Tim Goodwin & Douglas Dettmer join us bringing a vast array of combined skills and experiences, but sadly Stewart Barr decided to step down after 6 years of hugely valued contributions to the charity.

The need for additional trustees is initially identified through a regular skills audit carried out by trustees and senior staff at an annual away-day.

The trustee induction and recruitment processes have been reviewed this year making them clearer and more explicit. Once identified prospective trustees meet with the Chief Executive, then are interviewed by 2 or 3 members of the Board of Trustees, one of which must be the Chair. This meeting is the point at which a decision is made to invite the individual to become a trustee.

## Charitable Objects and strategy

Exeter Community Initiative's (ECI) charitable objects as defined by the Memorandum and Articles of Association can be found on the Charity Commission website: <http://apps.charitycommission.gov.uk/Showcharity/RegisterOfCharities/SearchResultHandler.aspx?RegisteredCharityNumber=1026229&SubsidiaryNumber=0&Ref=CO>. This year we reviewed our Mission and Values statement to bring energy and passion to the expression of what we do and how we put these objects into practice.

Exeter Community Initiatives Mission and Values statement

**We all face difficulties that can throw us off course.**

**Exeter Community Initiatives helps people get back on track and deal with challenges such as inequality, homelessness or coping on a low budget.**

**We support people to improve their mental, emotional and physical wellbeing; to increase their sense of belonging; to learn and to develop the skills to succeed in life.**

**We work with professionalism to deliver to the highest quality: treating everyone with respect and empowering them to help themselves.**

**For our staff and volunteers, we provide a safe and supportive working environment, and encourage a culture of shared learning.**

**We value partnership and work with other organisations where this can create greater impact.**

**We seek to challenge inequality and injustice through our campaigns or supporting the campaigns of others.**

**We believe in the power of community, mutual responsibility, support and understanding.**

**We want to see our communities become stronger, more resilient and ready for the future.**

In March 2014 it was decided to extend the life of the current strategic plan until a full strategic review can be conducted in 2014/15. Our annual objectives for 2014/15 are:

1. Continue to improve ECIs monitoring, evaluation and demonstrating impact
2. Continue to develop ECIs approach towards challenging inequality
3. Start developing a response to need, based on mutual support and community resilience
4. Continue to improve ECIs quality framework and actions

## How Our Activities Deliver Public Benefit

The Board of Trustees have complied with their duty under section 17(5) of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The trustees are satisfied that the aims, objectives and activities of the charity meet with the terms of this guidance.

# 2013-14 Progress

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## Headline figures

Over **230 families** and **50 vulnerable adults** supported through **1 to 1 intensive support** with issues such as:

**Domestic Abuse**  
**Learning Disabilities**  
**Parenting Support/Behaviour**  
**Abuse/Neglect**  
**Financial Pressure/Debt**  
**Isolation**  
**Substance Misuse**  
**Homelessness and Housing**  
**Mental Health**  
**Work or training**

Over **1,300** people participated in group activities and workshops organised or supported by ECI on subjects such as:

**Safeguarding vulnerable adults and children**  
**Health Exercise Nutrition for the Really Young**  
**Parenting courses**  
**Young parents groups**

**98** volunteers have given over **6,156** hours of their time. **£61,560** of notional value given in volunteer time (based on an approximate average wage of £10/hr). (And that's not even including the time the Trustees put into running the charity).

We spent **£930,771** on achieving this, of which **£ 850,084** was spent directly on service provision and approximately **£34,000** on project development, the remainder being core costs of delivery.

**85%** of our income came from statutory sources, **1.5%** came from voluntary grant making trusts and we earned **6%** income. Over **50%** of our spending on project development came from our dedicated group of local supporters.

Our projects create an impact even after they have ended: *"The crafts group Eve started through ECI has really been a catalyst for us in engaging with community. We've found that local folk really feel comfortable about crafts as a first step into getting to know people in their area. Also, as an offshoot of the adults crafts, a few crafts regulars are starting a "Crafty Kids" group for year 3-6 tonight in the hall. Most of them wouldn't touch 'youth work' with a barge pole, but the idea of doing crafts is*

*well within their comfort zone, so it doesn't seem like such a scary thing to then engage with youngsters.*

*The contact through ECI with West Town Farm has also been a great thing for us too and we have lots of shared experience and memories through visits to the farm, and also Kevin being around Beacon Heath”*

PASTOR BRIAN MURRAY FROM BEACON HEATH CHURCH

## **Progress against strategic plans**

### **1. Internal systems development, including monitoring & evaluation and learning & development**

This year we have:

- Completed a PQASSO self-assessment and identified key areas for action.
- Reviewed all key policies to ensure implementation is consistently happening.
- Identified the Theory of Change as important to develop for our impact reporting and started to build skills in this area
- Formed a staff Quality Group to carry forward improvement work

### **2. Embedding and stabilising existing delivery and establishing good quality new projects**

This year we have:

- Set up a new charity shop aiming to build skills and opportunities for people who are unemployed. The shop, Jelly, has made a good start under the excellent leadership of Lyddi, the shop manager.
- Set up the Exeter Urban Farm, which has taught ECI some lessons in business planning. From ECI's perspective, we have had to make a very tough decision and step away from the operation of the farm. We weren't able to create the social benefits we had hoped for so it wasn't financially viable for us. The positive news is that our partners, Grocycle, have taken it on and the farm will continue to be of benefit to the local community.
- Set up and established a grant funded project – the Bike Bank. This has been a good process of setting up a pilot, learning and establishing a project that meets a very real need for meaningful occupation.

### **3. Capitalising on existing momentum in project development and continuing to ensure we are identifying unmet need**

This year we have:

- Run a pilot, Exeter Community Bikes, to establish the most appropriate business model and client group for a bicycle recycling project.
- Identified that the focus for 2014/15 will be on community resilience and meeting needs through mutual and peer support within the community.

### **4. Expressing our voice**

This year we have:

- Continued to build relationships within the sector through a number of activities including the Devon LIVE project led by Exeter CVS and the development of a Chief Executives' network for charities operating with Devon.
  - Seen a loss of the social value group which has not met during the year.
  - Responded to the Social Economy Alliance consultation on recommended social and economic policies. The Social Economy Alliance is an alliance of more than 300 organisations campaigning for a UK economy that is better for society.
  - Stepped up our activities through social media in order to engage a wider audience.
- 5. Ensuring support with managing the changes to benefits is incorporated throughout ECI projects as appropriate**

This year we have:

- Trained staff and volunteers in the changes that have currently been implemented.

### Progress against project plans

#### Ripple Effect (started April 2013)

Ripple Effect is a volunteer led programme for people with lived experience of substance addiction. We create opportunities for people who are in or working towards recovery to sit on strategic panels and have a say in the services that affect them. Ripple Effect is working to build a Devon wide recovery community, bringing people together to raise awareness and reduce stigma.

We have engaged over 20 volunteers who are in recovery with 2 intakes of volunteers from across Devon, and we currently have 12 volunteers.

One of the most important pieces of work that Ripple Effect have been engaged in has been having a group of 6 volunteers involved in the tender of the Drug and Alcohol service. They sat on the panel that judged bids for the £15 million contract and were given equal say as other members of the panel. They were, for the first time, representing service users from Devon. They continue to have a say through the Stakeholder Group which will be monitoring the contract over the next 3 years.

A highlight in the calendar was the Recovery Fair which was attended by around 120 services users from across Devon. This event was organised to offer people in, (or hoping for) recovery, opportunities to try out activities that can support them. This included Mutual Aid, Peer Support, Mindfulness, Meditation, Craft, Drama and even Jive classes! This event was funded entirely by a sponsored event organised and run by volunteers.

#### **The priorities for 2014/15 are:**

Over the next 12 months we intend to start a Ripple Effect Satellite which will run from Barnstaple and will be engaging volunteers shortly. We will be continuing to develop Ripple Effect Social, an arm of the project which is creating opportunities for people in recovery to come together to engage in recreational activities. We plan to run several events, including another sponsored walk, Recovery Fair, Recovery Conference, a sponsored Bike Ride from Exmouth to Plymouth. We are currently developing a website that is designed to be easily accessible for Service users to find out about recovery services in their area and a

presentation about Novel Psychoactive substances to improve education in the areas of youth and vulnerable adult workers.

We will engage two people from our volunteer cohort as part time paid employees for 12 months and hope that they will use this as a springboard into further paid employment.

#### **Jonnie Quick posted on Ripple Effect Devon's Facebook timeline**

*"I personally, needed friends, companionship, today and found it at ripple today. Just what the doctor didn't know how to order. Like-minded people help and can understand each other's dilemmas. Definitely recommend giving it a go peeps."*

#### Family Resource

Family Resource has had a year of both triumphs and adversity. High staff turnover has created capacity issues and highlighted the challenges of recruiting quality staff on a sessional basis. Despite this, we have worked with 46 families and have achieved a high quality service that meets the desired outcomes for both referrers and families. Currently we have seven Family Support Workers on our team, with an impressive range of skills and experience.

We have been involved with the Targeted Family Support Programme as it has been rolled out and are working with families through the Children's Centre provision as well as through Social Services. At the start of 2014/15 we have fifteen families from the programme open and at least the same again that we can allocate as soon as newly recruited staff have completed their induction and initial training.

Our range of referrers has expanded to include secondary schools and we have just received our first funded referral from the Health Sector. We are also increasing our geographical range and are now working in Crediton and Tiverton as well as Exeter. Family Resource received a grant from the Devon Police & Crime Commissioner, Tony Hogg, for £5,000 which we will be spending on a training programme for the family support team. We were one of 25 successful recipients out of 171 applications.

Our reputation is spreading as the quality of our work is recognised and appreciated, as the feedback below demonstrates:

*"Very positive help has been given. The reassurance of knowing that S has had someone to talk to has been a great help".*

*"Claire has been a great asset and will be greatly missed. The advice, support and friendship has been invaluable" (Parent)*

*I have been very grateful for the services provided and will keep Exeter Community Initiatives in mind in the future". (Social Worker)*

#### **The priorities for 2014/15 are:**

- To further expand our referrer base.
- To improve our family support capacity by introducing at least one permanent contract.
- To open our training programme to other participants.

- To continue to be a key player within the Targeted Family Support Programme.

### Central Exeter Children's Centres (Sure Start)

The Central Cluster of Children's Centres services covers the central city centre area, Wonford, Countess Wear, The Rydons and Clyst Heath area of Exeter, in line with the Central Learning Community. There are approximately 2,600 children under 5 years old that live in the central area and services are delivered from our three centres Flying Start, Chestnut and Countess Wear. We support families, from antenatal to when their youngest child is 5 years old. We try to understand their child's development and how they can support this as a parent. In addition we offer a range of family support aimed at reducing the impact of other stress factors that may impact on a child's early development. This includes poverty, health, domestic violence, mental health and drug and alcohol misuse. In order to achieve the best outcome for children and families our staff team is made up from a range of related professional backgrounds and we work closely with partner agencies in the delivery of services, or by referring for specialist support. Services are delivered either in a group or on a one to one basis, dependent on need.

A particular strength in the last year has been the work of the family support team, who mainly provide one to one support in the home, but who are also involved in the delivery of Evidenced Based Parenting Programmes. This year all family support staff have been trained in the Solihull Parenting programme, which aims to support parents to understand the importance of their relationship with their child, the impact this has on the child's brain development and the effect of positive interactions, not only on their development, but also on their general behaviour and responses. All families accessing family support participate in an assessment of need from which a clear action plan is drawn up. Outcomes are evaluated using the Outcome Star model and case studies to capture the qualitative impact.

### **The priorities for 2014/15 are:**

Over the next year we are looking at developing the quality of our group services further by ensuring they attract the families that have the greatest need for support, offer information, related to their child's developmental needs and offer advice, guidance and signposting to specialised services. This will ensure a wider range of family support needs are met. All children attending sign up, targeted services will be assessed against the Early Years Foundation Stage and their developmental progress will be tracked to ensure that children who need additional support are identified early and parents have a clear understanding of how to support their needs. We will have a particular focus from antenatal to 2 years old (1001 Critical Days – paper from all parliamentary committee) in conjunction with Midwifery and Public Health Nursing to ensure that the families identified as vulnerable receive support as early as possible and are helped to understand their child's developmental needs including the importance of attachment and secure relationships and how these impact on a child's brain development, emotional and sensory/physical development.

### Homelessness Collaboration – Soup Kitchen network

This project aims to ensure that agencies working with homeless and vulnerably housed people in Exeter can work collaboratively together for the benefit of this client group. It was changed last year, to focus on the support for soup kitchen groups across the city. The key tasks for this year were:

1. Convening and organising the Soup Kitchen Network meetings

2. Developing the network
3. Volunteering in homelessness
4. Representing the soup kitchen network views to other fora

**The priorities for 2014/15 are:**

1. Convening and organising the Soup Kitchen Network meetings
2. Fund Raising to cover cost of resources to be used for Severe Weather Provision
3. To work with the Soup Kitchen Network and with the Street Homeless Outreach Team to engage volunteers into the homeless sector

**Integrated Working in Practice**

This project aims to protect Devon's children through increasing the skills of children's services staff when working in partnership and safeguarding children's needs. It meets this aim by delivering training courses and providing an on-line resource that teaches children's services, practitioners and managers about the key elements of working in partnership (integrated working) and assessing the needs of children and their families. ECI delivers this project in partnership with South West Family Support, another charity working with vulnerable children, their families and communities to support positive change. This year marks the end of this delivery due to changes in what Devon County Council is commissioning.

**Transitions**

Transitions provides volunteer mentors to people who are going through a period of change, to support them to maintain their wellbeing and independence. Clients may be moving from supported accommodation to independent living, or already living independently but wishing to make some changes to support their wellbeing and stay living independently. Mentoring support involves helping clients to work out what they want to achieve and set realistic goals. Meeting regularly, together they identify smaller steps to take from week to week, review progress, and explore different strategies. We link clients into services and activities in their local community to help sustain their changes in the long-term.

The year 2013/14 was Transitions' third and busiest so far. Having built up our contacts and reputation with clients and partner agencies, the number of enquiries and applications reflected this. Most people find out about us from other agencies they are involved with, such as the mental health services, housing and homelessness agencies, supported housing providers and other support providers.

Volunteers come from all walks of life, the more diverse the better, in order to get suitable matches for our equally diverse clients. We have had volunteers who are exploring a career in support work, several psychology and social work university students looking to supplement their theory with some practice, retired financial experts, a magistrate, performance coaches, social workers, and people with lived experience of dependency, domestic abuse and homelessness. Our strength is in the fact that volunteers are ordinary people, non-expert and support offered is informal. Many clients report this is a refreshing change from being told 'what's good for them' by various professionals.

We noted a marked increase in applications received via the mental health services towards the latter part of the year. This appeared to coincide with a number of changes to their service and we have learnt to thoroughly assess whether our service is appropriate for applicants, and learning to say 'no' when necessary! Often our service is ideal for smoothing

the transition from more formal support services to complete independence, but we cannot be seen as substitutes for underfunded specialist support.

**The priorities for 2014/15 are:**

Looking ahead, we have identified a number of recurring themes in the support requests from clients, notably help with budgeting and debt; getting involved in social activities and reducing isolation, and healthy eating on a budget. We intend to develop our work in these areas by working with specialist money advice agencies; increasing our knowledge of social opportunities and exploring setting up a social group for clients, and recruiting volunteers with a particular skill or interest in nutrition.

**Exeter Urban Farm – started September 2013**

The aim of the Urban Farm was to create opportunities for skills development through a real and practical business selling oyster mushrooms grown on reused coffee grounds.

As stated earlier, it was very unfortunate that the business model proved to be too challenging to deliver the planned social benefit.

**Jelly – started October 2013**

The aim is very similar to that of the Urban Farm. We wanted to set up a shop that sells donated nearly new and used baby and children's clothes in order to give opportunities for people that have been out of work for a long time the chance to discover a passion for learning they never thought they had. In this way we hope to engage those that don't engage elsewhere and give them an opportunity they would otherwise not have. The start has been very promising. We have outperformed our expected takings and have already started to make a real difference to our volunteers' lives. This is very much part of the plan to do our small part to help increase skills and reduce unemployment in Exeter and Devon.

**The priorities for 2014/15 are:**

We will maintain the good financial performance of the project by looking at additional income generating activities and will start offering qualifications from August onwards. To start we will be offering a level 1 OCN (Open College Network) accredited qualification in personal skills and development.

**Development work**

This area of ECI's work is one which gives us a unique advantage compared to other similar organisations. Our capacity to identify and respond to needs within our community brings a value to Exeter that makes our work dynamic and exciting. This year has been focussed on the existing work with Jelly, Exeter Urban Farm and the Bike Bank.

**The priorities for 2014/15 are:**

Over the next year we will develop a response to need, based on mutual support and aid, by conducting research in to the levels and type of need, existing provision and identifying gaps. Then if there is scope to develop a project we will look to do this.

**Development work – Bike Bank**

At the start of the year we decided to establish a pilot – Exeter Community Bikes - to explore how we might run a project that took second hand bikes, renovated them and built the skills of the participants at the same time.

Initially trying to establish the project as income-generating and self-financing, the pilot identified this was unrealistic. Instead, we took the learning from the pilot and created the Bike Bank. The Bike Bank has two principal aims:

1. To create a sheltered workshop with a supportive environment where vulnerable adults are able to learn to rebuild donated bikes that can be re-sold, or made available to people on low incomes.
2. To offer bikes to people who cannot afford them through operating a voucher system that works in a similar way to a food bank.

By providing a sheltered and supportive workshop we aim to build practical skills, self-awareness and self-esteem in vulnerable adults. This will put them in a much better position to take on volunteering, develop better daily routines and take on future employment.

We ran a fundraising campaign for the project and have successfully raised the funds to employ a mechanic for one day per week, supported by volunteers with varying degrees of skill in bike maintenance, who may also want to improve their skills.

**The priorities for 2014/15 are:**

- to raise funds to continue and expand the project.
- to continue to develop close working relations with other groups / agencies. We are currently planning for a project established within mental health services to move into our premises.
- to be able to offer some drop in sessions where people will be able to learn some basic bike maintenance skills to keep them on the road.
- to offer further short-term projects with particular groups e.g. vulnerable young people.

Apart from the benefits that the project provides to people, we hope that it will also benefit the environment by promoting cycling and the re-use and recycling of bikes.

# Financial review and Reserves Policy

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## Funds position

We started this year with better balances than originally expected, and ended using less than expected, resulting in an excellent position going forwards. Most of the gains have been made within restricted funds. Most important is how our unrestricted funds change over time, since these allow us to take forward work that would otherwise remain unfunded. At the beginning of the year we predicted a movement (reduction) of £33,341 and actually used £44,342. This additional use has to be seen in light of the activities through Exeter Urban Farm and Jelly. However, Family Resource has returned worse than expected results, although we fully expect this to turn around in 2014/15.

## Reserves policy

The reserves policy was revised on the 28<sup>th</sup> May 2013 to simplify it. This policy specifies that in the event of ECI having to cease its activities, sufficient funds should be available to pay for the cost of six months of charitable operation to cover the wind-down period and the redundancy costs of any remaining staff.

The charity's free reserves, as disclosed on the balance sheet, were £66,115 at 31<sup>st</sup> March 2014.

A further £21K is held as investments for a restricted capital fund. The capital of this fund can only be used in an unexpected emergency. The charity's Memorandum and Articles of Association authorises the holding of such investments as may be thought fit. The actual investments held are 1845.83 income shares in the COIF Charities Investment Fund.

## Investment policy

Surplus funds are held in a COIF higher-interest charity account specifically designed to maximise returns, and will be reviewed during 2014/15.

## Risk Management

The trustees require all projects to regularly monitor their actual financial position against budgets and forecasts and to report the results to project committees, the Business and Resources Committee and Council meetings. Through the on-going work of the Chief Executive and Finance Manager, the trustees have also conducted their own review of the major risks to which the charity is exposed, and systems have been established to minimise these risks. A detailed risk management policy was developed in 2012, together with more detailed financial procedures, and both of these were significantly reviewed and updated during the year. Significant external risks to funding are managed partly through the implementation of a three-year strategy and business plan which enables the organisation to attract funding from as wide a range of sources as possible. Internal risks are minimised by the implementation of procedures for the authorisation of all new projects and significant transactions, and to ensure consistency across the organisation in all aspects of our work.

Risks are managed and reported on a monthly basis at Management Team meetings and quarterly to trustees. The risk management policy will be reviewed and updated where necessary on an annual basis, to ensure that it still meets the current requirements of the charity.

## Premises

The registered office and address for the corporate support and development functions of Exeter Community Initiatives is:

14 York Road  
Exeter EX4 6BA

The charity has a three-year lease on the ground, first, second and third floors of 14 York Road from the Islamic Centre of the South-West, commencing in July 2012.

The Flying Start Children's Centre is based at the Civic Centre (owned by Exeter City Council) on a sub-lease which expires on 31<sup>st</sup> March 2017. The address is:

Dix's Field  
Exeter  
EX1 1QA

The Chestnut Children's Centre is based at Chestnut Centre (owned by Devon County Council) and the lease is currently being drawn up. The address is:

Chestnut Centre  
Magnolia Avenue  
Exeter  
EX2 6DJ

The Countess Wear Children's Centre is based at Countess Wear Community School (owned by Devon County Council) on a lease which expires on 31<sup>st</sup> March 2017. The address is:

c/o Countess Wear Community School  
Glasshouse Lane  
Exeter  
EX2 7BS

### **Paid staff**

Throughout the year, the company employed 41 paid staff in total, working on both a full and part-time basis, to enable it to carry out its charitable activities. The Council is grateful to all these staff for their hard work, professionalism and commitment, without which none of the work highlighted in this report would be possible.

### **Voluntary help**

The financial statements contain no valuation, estimated or otherwise, of the hundreds of hours of time that the 90 volunteers have given to the charity during the year. Some volunteers give the charity the benefit of their expertise and experience by sitting on committees or acting in a wider advisory capacity e.g. as a staff mentor. Other volunteers help the projects with the administration of their activities. But most volunteers are actually involved in assisting the paid staff in the 'hands on' business of delivering services to clients or users. Without the help of the volunteers, the charity, and the projects which make up its work, would not be able to operate in such a cost-effective and organised manner.

As well as helping the organisation meet the needs of clients/users, involving volunteers also helps the charity meet its objectives through supporting volunteers with their own personal development.

### **In-kind support**

We are also grateful for the generous 'in-kind' support received from different organisations throughout the year. These include payroll services provided by West Country Payroll and IT support services provided by IT Champions, the banking services provided by the Royal Bank of Scotland, personnel advice from Michelmores Solicitors, and the staff time and wider support provided by the Dean and Chapter of Exeter Cathedral.

## **Statement of Trustees' Responsibilities**

The trustees (who are also directors of Exeter Community Initiatives for the purposes of company law) are responsible for preparing the Trustees' Report 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 these financial statements, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with Companies Act 2006. The trustees 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## **Independent Auditor's Report to the Members**

We have audited the financial statements of Exeter Community Initiatives for the year ended 31 March 2014 which comprise the Statement of Financial Activities, Income & Expenditure Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 Trustees and Auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the Audit of the Financial Statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

### **Opinion on Financial Statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of the company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Independent Auditor's Report to the Members (continued)**

### **Matters on Which We are Required to Report by Exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.

S.A Grinsted  
(Senior Statutory Auditor)  
For and on behalf of  
FRANCIS CLARK LLP  
Chartered Accountants & Statutory Auditor  
Vantage Point  
Woodwater Park  
Pynes Hill  
Exeter  
EX2 5FD

2014

Exeter Community Initiatives

Statement of Financial Activities

Year Ended 31 March 2014

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total 2014 £	Total 2013 £
<b>Incoming resources</b>							
Incoming resources from							
Generated funds							
Voluntary income	2	34,795	-	-	-	<b>34,795</b>	32,283
Activities for generating funds	3	9,616	5,515	-	-	<b>15,131</b>	17,147
Investment income	4	3,516	-	-	-	<b>3,516</b>	6,538
Incoming resources from charitable activities	5	20,549	29,539	801,574	-	<b>851,662</b>	866,066
<b>Total</b>		<b>68,476</b>	<b>35,054</b>	<b>801,574</b>	<b>-</b>	<b>905,104</b>	<b>922,034</b>
<b>Resources expended</b>							
Charitable activities		75,138	66,420	784,421	-	<b>925,979</b>	916,213
Governance costs	7	4,792	-	-	-	<b>4,792</b>	2,910
	6	79,930	66,420	784,421	-	<b>930,771</b>	919,123
Net income/(expenditure) before transfers		(11,454)	(31,366)	17,153	-	<b>(25,667)</b>	2,911
<b>Transfers</b>							
Gross transfers between funds		62,128	(63,650)	1,522	-	-	-
Net income/(expenditure) before other recognised gains and losses		50,674	(95,016)	18,675	-	<b>(25,667)</b>	2,911
<b>Other recognised gains/losses</b>							
Gains on investment assets		-	-	-	454	<b>454</b>	2,291
Net movements in funds		50,674	(95,016)	18,675	454	<b>(25,213)</b>	5,202
<b>Reconciliation of funds</b>							
Total funds brought forward		29,760	230,016	95,250	20,853	<b>375,879</b>	370,677
Total funds carried forward		<b>80,434</b>	<b>135,000</b>	<b>113,925</b>	<b>21,307</b>	<b>350,666</b>	375,879

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

The notes on pages 22 to 36 form part of these financial statements.

Exeter Community Initiatives

Balance Sheet

Year Ended 31 March 2014

			<b>2014</b>		<b>2013</b>	
	<b>Note</b>	<b>£</b>		<b>£</b>		<b>£</b>
<b>Fixed assets</b>						
Tangible assets	12		<b>25,982</b>			32,984
Investments	13		<b>21,307</b>			20,852
			<u>47,289</u>			<u>53,836</u>
<b>Current assets</b>						
Debtors	14	<b>49,409</b>			36,112	
Cash at bank and in hand		<b>323,259</b>			353,353	
		<u>372,668</u>			<u>389,465</u>	
<b>Creditors: Amounts falling due within one year</b>						
	15	<b>(69,291)</b>			(67,422)	
<b>Net current assets</b>						
			<u>303,377</u>			322,043
<b>Net assets</b>						
			<u>350,666</u>			<u>375,879</u>
<b>The funds of the charity:</b>						
<b>Endowment funds</b>						
			<b>21,307</b>			20,853
<b>Restricted funds</b>						
			<b>113,925</b>			95,250
<b>Unrestricted funds</b>						
Unrestricted funds – free reserves			<b>66,115</b>			(3,224)
Unrestricted funds – fixed assets			<b>14,319</b>			32,984
Designated funds			<b>135,000</b>			230,016
<b>Total charity funds</b>						
	20		<u>350,666</u>			<u>375,879</u>

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on

2014 and signed on its behalf by:

.....  
Heather Morgan

.....  
Richard Clack

**Company registered number:  
02844870**

## 1. Accounting Policies

### Basis of Preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

### Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

The endowment fund was donated to be retained and only expended in an unexpected emergency or upon dissolution of the company. Income arising from the fund is available for any purpose deemed appropriate by the council of management.

Further details of each fund are disclosed in note 20.

### Incoming resources

Voluntary income, including donations, legacies and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Gifts in kind are valued at the market value of the facilities, goods or services concerned. Where a direct market value cannot be ascertained the estimate of market value is used.

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity where this can be quantified.

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' Annual Report.

Incoming resources from tax reclaims are included in the Statement of Financial Activities (SOFA) at the same time as the gift to which they relate.

### **Incoming resources (continued)**

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

### **Resources expended**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specific service or output.

Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grants which remain in the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

### **Governance Costs**

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

### **Support Costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

### **Fixed Assets**

Individual fixed assets costing £250 or more are initially recorded at cost.

The transfer of the Children's Centres to ECI included certain fixed assets. No value was ascribed to these assets and the trustees do not consider that it would be cost effective to try to value these assets retrospectively. These assets are mainly furniture, fixtures and fittings etc. and the trustees believe that any valuation of them would not materially affect the financial statements.

**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Furniture and equipment 25% straight line basis

**Investments**

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the SOFA in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the SOFA based on the market value at the year end.

**Operating Leases**

Rentals payable under operating leases are charged in the SOFA on a straight line basis over the lease term.

**Pensions**

Pension costs are incurred by way of employer's defined contributions to employees' personal pension schemes. The contribution rate is 5% of gross salary and costs are wholly charged to the SOFA in the year in which they are incurred. Details of the costs and any amounts are shown in the notes to the accounts.

**2. Voluntary income**

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2014	Total Funds 2013
	£	£	£	£	£
<b>Donations and legacies</b>					
Share scheme	17,714	-	-	17,714	19,074
Legacies and bequests	-	-	-	-	500
Donations and Gifts	13,488	-	-	13,488	8,405
Gift Aid tax reclaimed	3,593	-	-	3,593	1,804
	<u>34,795</u>	<u>-</u>	<u>-</u>	<u>34,795</u>	<u>29,783</u>
<b>Grants</b>					
Trusts and foundations	-	-	-	-	2,500
	<u>34,795</u>	<u>-</u>	<u>-</u>	<u>34,795</u>	<u>32,283</u>

**3. Activities for generating funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>Total Funds 2014</b>	<b>Total Funds 2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Rental income	5,468	-	-	<b>5,468</b>	17,147
Training Income	5,510	-	-	<b>5,510</b>	-
Other Income	4,153	-	-	<b>4,153</b>	-
	<u>15,131</u>	<u>-</u>	<u>-</u>	<u><b>15,131</b></u>	<u>17,147</u>

**4. Investment income**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>Total Funds 2014</b>	<b>Total Funds 2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income from listed investments	574	-	-	<b>574</b>	833
Interest on cash deposits	2,942	-	-	<b>2,942</b>	5,705
	<u>3,516</u>	<u>-</u>	<u>-</u>	<u><b>3,516</b></u>	<u>6,538</u>

**5. Incoming resources from charitable activities**

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2014	Total Funds 2013
	£	£	£	£	£
<b>Community, Projects and Social Enterprise</b>					
Donations and gifts	-	8,014	-	<b>8,014</b>	556
Statutory grants	-	-	-	-	10,375
Big Lottery	-	1,995	-	<b>1,995</b>	103,108
Service provisions and other sales	3,223	-	-	<b>3,223</b>	15
Other income	3,500	-	-	<b>3,500</b>	1,618
Donations and gifts	138	-	-	<b>138</b>	-
Sales of donated gifts	8,811	-	-	<b>8,811</b>	-
Gift Aid tax reclaimed	561	-	-	<b>561</b>	-
Urban Farm	448	-	-	<b>448</b>	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	16,681	10,009	-	<b>26,690</b>	115,672
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Vulnerable adults</b>					
Statutory grants	3,500	35,900	-	<b>39,400</b>	5,375
Charitable trusts	-	2,000	-	<b>2,000</b>	-
Big lottery Fund	-	9,063	-	<b>9,063</b>	-
Donations and gifts	318	1,157	-	<b>1,475</b>	-
Service provision and other sales	-	6,142	-	<b>6,142</b>	98
Other Income	50	-	-	<b>50</b>	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	3,868	54,262	-	<b>58,130</b>	5,473
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Children and Families</b>					
Donations and gifts	-	-	-	-	355
Statutory grants	4,702	726,678	-	<b>731,380</b>	693,143
Service provision and other sales	24,837	9,715	-	<b>34,552</b>	41,651
Other income	-	910	-	<b>910</b>	400
Other	-	-	-	-	9,372
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	29,539	737,303	-	<b>766,842</b>	744,921
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	50,088	801,574	-	<b>851,662</b>	866,066
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Exeter Community Initiatives

Notes to the Financial Statements for the Year Ended 31 March 2014

**6. Total resources expended**

	Community, Projects and Social enterprise £	Vulnerable adults £	Project development £	Children and families £	Support costs £	Total 2014 £	Total 2013 £
Wages, salaries and external sessions	33,230	16,938	43,605	530,791	70,038	<b>694,602</b>	756,935
Recruitment costs	58	1,786	121	3,237	610	<b>5,812</b>	(106)
Travelling and other costs	585	82	3,350	5,854	1,422	<b>11,293</b>	1,461
User activities and training courses	1,186	110	2,537	14,747	3,766	<b>22,346</b>	29,780
Telephone and internet	174	109	385	9,909	-	<b>10,577</b>	4,788
Computer software and maintenance costs	3,385	293	1,823	7,410	-	<b>12,911</b>	3,608
Printing postage and stationery	39	263	100	11,059	-	<b>11,461</b>	5,412
Rent rates and room hire	1	2,654	-	12,426	35,250	<b>50,331</b>	43,866
Light, heat and power	-	780	-	21,081	-	<b>21,861</b>	4,020
Insurance	-	403	-	651	3,400	<b>4,454</b>	3,779
Subscriptions	-	147	-	691	490	<b>1,328</b>	1,449
Publicity & marketing	22	1,734	60	890	4,963	<b>7,669</b>	1,297
Repairs and maintenance	-	4,739	23	5,010	507	<b>10,279</b>	4,262
Depreciation	-	710	-	5,186	6,508	<b>12,404</b>	3,971
Equipment	2,811	8,354	-	17,095	-	<b>28,260</b>	-
Professional fees	-	2,102	-	180	5,969	<b>8,251</b>	8,451
Sundries and consumables	38	119	57	3,304	2,019	<b>5,537</b>	19,191
Grants payable	-	-	170	-	-	<b>170</b>	-
Office Expenses	-	-	-	-	10,973	<b>10,973</b>	26,263
Cost of trustee meetings	-	-	-	-	252	<b>252</b>	696
	<u>41,529</u>	<u>41,323</u>	<u>52,231</u>	<u>649,521</u>	<u>146,167</u>	<b><u>930,771</u></b>	<u>919,123</u>

**7. Governance Costs**

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2014	Total Funds 2013
	£	£	£	£	£
Cost of trustee meetings	252	-	-	252	696
Auditor's remuneration	4,540	-	-	4,540	1,989
Support costs allocated	-	-	-	-	225
	<u>4,792</u>	<u>-</u>	<u>-</u>	<u>4,792</u>	<u>2,910</u>

**8. Trustees' remuneration and expenses**

No trustees received any remuneration during the year.

**9. Net (expenditure) / income**

Net (expenditure) / income is stated after charging:

	2014 £	2013 £
Auditor's remuneration – audit services	4,540	1,989
Depreciation of tangible fixed assets	<u>12,404</u>	<u>3,971</u>

**10. Employees' remuneration**

The average number of persons employed by the charity (including trustees) during the year, analysed by category, was as follows:

	2014 No.	2013 No.
Core, governance and generating voluntary income	9	8
Community development and support	1	2
Vulnerable adults	2	1
Project development	2	2
Children and families	26	27
Social Enterprise	1	-
	<u>41</u>	<u>40</u>

The aggregate payroll cost of these persons was as follows:

	2014 £	2013 £
Wages and salaries	602,300	620,937
Social security	40,002	44,337
Other pension costs	15,107	24,392
	<u>657,409</u>	<u>689,666</u>

No employee received emoluments of more than £60,000 during the year (2013: 0).

**Senior employees**

During the year, defined contribution pension contributions on behalf of these staff amounted to £ nil (2013 £nil).

**11. Taxation**

The company is a registered charity and is, therefore, exempt from income and corporation taxes.

**12. Tangible fixed assets**

	<b>Fixtures, fittings and equipment £</b>
<b>Cost or valuation</b>	
As at 1 April 2013	99,884
Additions	5,402
	<hr/>
As at 31 March 2014	<b>105,286</b>
	<hr/>
<b>Depreciation</b>	
As at 1 April 2013	66,900
Charge for the year	12,404
	<hr/>
As at 31 March 2014	<b>79,304</b>
	<hr/>
<b>Net book value</b>	
As at 31 March 2014	<b>25,982</b>
	<hr/> <hr/>
As at 31 March 2013	32,984
	<hr/> <hr/>

**13. Investment held as fixed assets**

	<b>Listed Investments £</b>
<b>Market value</b>	
As at 1 April 2013	20,853
Revaluation	454
	<hr/>
As at 31 March 2014	<b>21,307</b>
	<hr/>
<b>Net book value</b>	
As at 31 March 2014	<b>21,307</b>
	<hr/> <hr/>
As at 31 March 2013	20,853
	<hr/>

All investments assets were held in the UK.

**Listed investments**

Investments have a net book value of £ 21,307 (2013: 20,852) are listed on a recognised stock exchange and had a market value of £ 21,307 at the year-end (2013: £20,852).

**14. Debtors**

	<b>2014 £</b>	<b>2013 £</b>
Trade debtors	<b>26,111</b>	23,555
Other debtors	<b>3,264</b>	415
Prepayments and accrued income	<b>20,034</b>	12,142
	<hr/>	<hr/>
	<b>49,409</b>	36,122
	<hr/> <hr/>	<hr/> <hr/>

**15. Creditors: Amounts falling due within one year**

Trade creditors	<b>19,041</b>	17,594
Taxation and social security	<b>11,091</b>	12,974
Other creditors	<b>2,217</b>	3,310
Accruals and deferred income	<b>36,942</b>	33,544
	<hr/>	<hr/>
	<b>69,291</b>	67,422
	<hr/> <hr/>	<hr/> <hr/>

Creditors: amounts falling due within one year includes deferred income:

As at 1 April 2013	<b>7,152</b>	18,110
Amount released to incoming resources	<b>(7,152)</b>	(18,110)
Amount deferred in the year	<b>33,390</b>	7,152
	<hr/>	<hr/>
As at 31 March 2014	<b>33,390</b>	7,152
	<hr/> <hr/>	<hr/> <hr/>

**16. Members' liability**

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

**17. Operating lease commitments**

As at 31 March 2014 the charity had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	<b>Land and buildings</b>			<b>Other</b>
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
Within one year	-	-	-	7,078
Within two and five years	<b>27,500</b>	24,000	-	-
	<u><b>27,500</b></u>	<u>24,000</u>	<u>-</u>	<u>7,078</u>
	<u><u><b>27,500</b></u></u>	<u><u>24,000</u></u>	<u><u>-</u></u>	<u><u>7,078</u></u>

## **18. Pension Scheme**

### *Defined contribution pension scheme*

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £15,107 (2013: £24,392).

Contributions totalling £1,120 (2013: £1,478) were payable to the scheme at the end of the period and are included in creditors.

### *Defined benefit pension scheme*

The charity participates in the Local Government Pension Scheme. The plan is funded and is not contracted-out of the State scheme. The plan is a multi-employer pension plan offered to existing employees of Devon County Council under TUPE arrangements when Exeter Community Initiatives took over responsibility for operating the Children's Centres and is now closed to new entrants.

The scheme is a defined benefit scheme but Exeter Community Initiatives is unable to identify its share of the underlying assets and liabilities of the scheme.

On admission to this scheme on 1 April 2012, the transfer of liabilities to the charity was fully funded. The share of the current deficit in respect of these transferred liabilities was estimated to be in the order of £124,000.

As at 1 April 2012 the projected deficit of the fund over the 3 year Children's Centre contract was £38,000. Exeter Community Initiatives has indemnified against this liability by purchasing a bond of this amount.

The level of the bond was reviewed in January 2013 by Devon County Council, the fund's administrators, who advised that no change to the level of the bond was necessary. A full, actuarial review of the plan is due to be carried out in 2014.

## **19. Related parties**

### **Controlling entity**

The charity is controlled by the trustees who are all directors of the company.

Exeter Community Initiatives

Notes to the Financial Statements for the Year Ended 31 March 2014

**20. Analysis of Funds**

	<b>At 1 April 2013</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Other recognised gains/losses</b>	<b>At 31 March 2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Designated funds</b>						
New development fund	150,000	-	-	-	-	125,000
ICT	10,000	-	-	-	-	10,000
IWiP training	1,794	5,515	(7,402)	93	-	-
Budget deficit 2013/14	68,222	-	-	(68,222)	-	-
Family resource	-	29,539	(59,018)	29,479	-	-
	<u>230,016</u>	<u>35,054</u>	<u>(66,420)</u>	<u>(63,650)</u>	<u>-</u>	<u>135,000</u>
<b>General funds</b>						
Unrestricted income fund	29,760	68,476	(79,930)	62,128	-	80,434
<b>Restricted funds</b>						
Transitions	19,577	27,205	(38,304)	1,522	-	10,000
Project development	41,372	-	-	-	-	41,372
Food Fund	11,222	1,995	(9,681)	-	-	3,536
Bike Bank	-	8,014	(2,874)	-	-	5,140
Ripple Effect	-	27,057	(26,128)	-	-	929
FS Family Resource	-	5,000	-	-	-	5,000
Targeted Families	-	33,470	(614)	-	-	32,856
Children's Centres:						
Chestnut	7,907	286,122	(285,787)	-	-	8,242
Countess Wear	1,038	168,973	(170,011)	-	-	-
Flying Start	14,134	242,520	(249,804)	-	-	6,850
Small Grants	-	1,218	(1,218)	-	-	-
	<u>95,250</u>	<u>801,574</u>	<u>(784,421)</u>	<u>1,522</u>	<u>-</u>	<u>113,925</u>
Expendable Endowment Endowment fund	20,853	-	-	-	454	21,307
	<u>375,879</u>	<u>905,104</u>	<u>(930,771)</u>	<u>-</u>	<u>454</u>	<u>350,666</u>

**Designated Funds**

New developments fund – for use to develop new projects within the organisation.

ICT – A capital fund for future ICT equipment.

IWiP Training – Safeguarding Devon's children through partnership working.

Family Resource – Enables children to thrive and develop by offering individual family support and parenting programmes for children and families.

**Budgeted deficit 2014/15**

The trustees have agreed a deficit budget for 2014/15. This predicted deficit has been designated because unrestricted funds will be used to cover this shortfall.

**Restricted Funds**

Transitions – works with people making the transition to independent living to increase their resilience through developing their skills and building networks in their communities.

Project development – this fund is to be used in the event of additional funds requiring a focus on developing new projects.

Flying Start Children's Centres – improvements to quality of life and opportunities for children aged 0 to 5 in central Exeter through enabling the provision of a range of support services.

Food fund – increases skills and confidence through providing food growing activities.

Bike bank – a sheltered bike maintenance workshop to increase the skills of those most excluded from society and give meaningful occupation to their time.

Ripple Effect – working to increase the level of influence and skills of people with lived experience of drug and alcohol dependency.

FS Family Resource – A restricted fund for any specific grants received for enabling children to thrive and develop by offering individual family support and parenting programmes for children and families.

Targeted Families – funds to be used for working within the targeted family support programme.

Chestnut Children's Centre – improvements to quality of life and opportunities for children aged 0 to 5 in the Wonford area of Exeter through enabling the provision of a range of support services.

Countess Wear Children's Centre – improvements to quality of life and opportunities for children aged 0 to 5 in the Countess Wear area of Exeter through enabling the provision of a range of support services.

Small Grants – a restricted fund for any miscellaneous small grants received for specific purposes during the year.

**Expendable Endowment**

The endowment fund was donated to be retained and only expended in an unexpected emergency or upon dissolution of the company. Income arising from the fund is available for any purposed deemed appropriate by the council of management. Gains or losses on the investments in which the fund is held are added to or deducted from the fund each year.

**21. Net assets analysed by Fund**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>Total Funds 2014</b>	<b>Total Funds 2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible assets	14,319	11,663	-	<b>25,982</b>	32,984
Investments	-	-	21,307	<b>21,307</b>	20,852
Current assets	254,810	117,858	-	<b>372,668</b>	389,465
Creditors: Amounts falling due within one year	(53,695)	(15,596)	-	<b>(69,291)</b>	(67,422)
Net assets	<u>215,434</u>	<u>113,925</u>	<u>21,307</u>	<u><b>350,666</b></u>	<u>375,879</u>