

HUMBER & WOLDS RURAL COMMUNITY COUNCIL TRUSTEES ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2007

Reference and Administrative Details

Name of Charity: Humber & Wolds Rural Community Council

Registered Charity Number: 1099439

Company Registration Number: 4606085

Company Secretary: D Nshindano Esq

Registered Office 14 Market Place
Howden
Goole
East Riding of Yorkshire
DN14 7BJ

Auditors Messrs Townends
Chartered Accountants & Registered Auditors
Carlisle Street
Goole
East Riding of Yorkshire
DN14 5DX

Solicitors Alan Robinsons
Cross Keys House
10 The Market Place
Crowle
Scunthorpe
DN17 4LA

Bankers HSBC Bank plc
16 Market Place
Howden
Goole

East Riding of Yorkshire
DN14 7BN

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Abbey National plc
Abbey National House
301 St Vincent Street
Glasgow
G2 5NB

The trustees, who are also directors for the purpose of the Companies Act, have pleasure in presenting their report and financial statement of the charity for the year ended 31st March 2007. The trustees full report covering the information required by the Statement of Recommended Practice 'Accounting and Reporting by Charities' is contained in the Charity's Annual Report which should be read in conjunction with these accounts.

The Board of Trustees

The directors of the company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The directors/trustees who served the charity as at the date of approving the Report.

Bryan Davis (Chair)
David S Walker (Hon. Treasurer)
Jean Turner (Vice-Chair)
Robert A Cooper
Wendy Evans
Nicholas C Evans
Duncan G Anderson
Cllr Arthur Bunyan
Thomas Glossop
Cllr Norman Hall MBE
David M Hughes
Gordon Polley MBE
Cllr David N Rudd
Cllr Hilary M Saynor
Alastair Scargall

Trevor J Sheard
Cllr Alan Smith
Roger Watkins
Brian Witty
Christopher P Worrall
Margaret Solomon
Cllr Doreen Engall
Anthony M Chase

Other trustees who served the charity during the financial year.

Anthony C Ellerby
Cllr Katrin McClure

In addition to the appointed directors/trustees ^ the following were honorary appointments.

Sir Ian MacDonald of Sleat (President)
Rita Hudson (Vice-President)
Helen Varey (Vice-President)

Chief Executive: Mary Cornwell
Company Secretary: Dickson Nshindano

Governing Document

Humber and Wolds Rural Community Council is a company limited by guarantee and is governed by its Memorandum of Association of April 2004. The charity is registered with the Charity Commission

Appointment of Trustees

As set out in the Articles of Association (dated April 2004), Trustees are elected by members at the Annual General Meeting (AGM) and hold office for a period of three years. All members are circulated with invitations to nominate trustees prior to the AGM advising them of trustees retiring and requesting nominations.

Custodian Trustees

The charity has no custodian trustees.

External Appointed Trustees

There were no external persons or bodies entitled to appoint trustees during the financial year.

Organisation

The board of trustees which comprises of a maximum of twenty four members, is responsible for the general administration of the charity. It meets six times in a year. There is also a sub-committee called Policy and Resources Committee which assists the board oversee policy formulation and resource mobilisation. The day to day running of the organisation is delegated to full-time staff under the direction of the Chief Executive. The Chief Executive is appointed by the Board of Trustees. A diagram of the organisational structure of the charity is available on request at the Registered Office of the charity.

Trustees' Responsibilities

Company law requires the directors/trustees to prepare financial statements for each financial year, which gives a true and fair view of the state of affairs of the company/charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the directors/trustees are required to select suitable accounting policies and then apply them consistently, making judgments and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company/charity will continue its activities.

The directors/trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985 and Statement of Recommended Practice on Accounting and Reporting by Charities (SORP) 2005. The directors/trustees are also responsible for safeguarding the assets of the company/charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The company is limited by guarantee. The charitable activities of the company commenced on 1 April 2004 following the transfer of assets and activities of the unincorporated charity of the same name. [Charity No. 505489]

External Auditors

A resolution to re-appoint Messrs Townends of Goole as auditors for the ensuing year will be proposed at the Annual General Meeting in accordance with section 385 of the Companies Act 1985.

Registered Office: Signed by order of the Trustees
14 Market Place
Howden
Goole
East Riding of Yorkshire
DN14 7BJ

Approved by the Board of Trustees on.....18th July 2007
D NSHINDANO
Company Secretary

Explanation of the Work of the Charity

Principal Objectives and Activities

The principal activity of the charity is the promotion of charitable work in order to benefit and enhance the conditions of communities and individuals in the geographic area formerly known as Humberside, with particular reference to the advancement of education, promotion of health and social well-being and relief of poverty, disadvantage and distress. Humber and Wolds Rural Community has identified the following strategic objectives as a vehicle for the fulfilment of its main mission.

1. To influence and support policy development at local, regional and national level to address the needs of the communities.
2. To build the capacity of the rural voluntary and community sector through community development, advice and guidance.
3. To support and deliver services to rural communities.
4. To build organisational capacity in order to ensure quality services and high performance

Achievements and Performances

As with other areas of the national economy, the voluntary sector has recently experienced unprecedented pace of change. In line with the above strategic objectives this state of flux has been seen more as a challenge than as an impediment to sustained development. The main achievements during the year were:

- HWRCC forged a closer relationship with Rural Community Councils (RCCs) network umbrella body - Action with Communities in England (ACRE) to champion the cause of the rural communities at the national level. HWRCC Chair of the board is also a member of the ACRE board.

- Through the appointment of a Regional Policy Coordinator a collective regional voice for the Humber and Yorkshire region is emerging and effectively responding to national and regional rural issues.
- HWRCC continues to be a member of key development initiatives such as the Federation of Local Development Agencies (FoLDA), Humber Rural Delivery Pathfinder, Local Strategic Partnerships and local Agreements.
- HWRCC was privileged to develop and run a unique Community Development Apprenticeship Scheme with funding from the European Social Fund (ESF).
- Activities in the voluntary and community sector capacity building segment included award of grants to disadvantaged groups through the Local Network Fund, establishment of Funding Advice Network for the Humber sub-region
- The successful fulfilment of Yorkshire Forward rural transport programme.
- Continued to run Rural Housing Enabler scheme funded by DEFRA.
- Working in conjunction with the Department for Work and Pension (DWP) HWRCC provided Pension Education Service to the Humber sub-region.

In order to build the capacity of the organisation and make it 'fit for purpose' HWRCC undertook various organisational and staff development programmes, including:

- Modernising, updating and interpreting the latest employment laws
- Training staff in use of IT and management processes
- Attainment of Level 2 of the ACRE Standard
- Selective recruitment
- Induction and training of Trustees
- Acquired more suitable rented accommodation for staff at the Barton Office.

Staff and other assets of the Northern Lincolnshire Rural Community Transport (Charity number 1067842), were transferred to HWRCC during the year under review. NLRCT was voluntarily dissolved for operational reasons.

Prospects for the future

Major controllable future activities of the organisation will be based on the new three year Business Plan 2007 – 2010. In the short to medium term the success of the organisation hinges on what will be spelt in the Government Spending Review for the next three years. Aside from the unknown, events which will have a major impact on the operations of the organisation will be as follows:

- HWRCC will continue to work collaboratively with ACRE to maximise contribution to national awareness and influence opinion on rural issues
- Work with regional and sub-regional bodies to influence how national policy is rolled out.
- Lobby national and regional funding bodies to continue financial support to our efforts in finding sustainable solutions to intractable problems of affordable housing and access to facilities for communities in rural areas
- Support community leadership through existing structures of the Parish/Town Councils and Village Halls Advisory service
- Reposition HWRCC and find alternative sources of funding to replace major funding streams such as the Local Network Fund, European Social Fund, Yorkshire Forward transport funding support which are all coming to an end within the planning period.
- Actively consider setting up of subsidiary trading company to supplement and compliment current reliance on donations
- Improve and enhance staff operational capabilities by upgrading the existing IT infrastructure.

- Achieve Level 3 of ACRE Quality Standard and also work towards acquiring Customer First accreditation.
- Possibility of HWRCC name change in line with the 'Branding the RCC Network' development under the auspices of ACRE.

Financial Review

The trustees are well aware of their financial responsibilities and review actual income and expenditure against budgets on a monthly, quarterly and annual basis.

Fixed Assets

The movement in tangible fixed assets during the year is set out in note 13 to the financial statement.

Sources of Funding

The activities of the company/charity are funded by grants from The Government Office Yorkshire and Humberside, North Lincolnshire Council, national and regional government funding agencies, and administrative fees for work undertaken on behalf of East Riding and Northern Lincolnshire Councils Association [ERNLLCA] and Humber Playing Fields Association [HPFA}.

Contribution of Volunteers

The Trustees recognise that there are situations in which Volunteers help can make an appropriate and significant contribution to the work and service objectives of the charity. Individuals who put their experience, knowledge and skills at the disposal of the charity, free of charge, with the primary aim of helping the charity achieve its service objectives and/or with the aim of bringing some benefit to the local community.

Policies

Trustee Induction Policy

The directors/trustees of the company/charity are committed to delivering a quality service and provide an induction course for all new trustees together with a copy of the Trustees Handbook, which includes everything a trustee needs to know in order to fulfil their role as a director/trustee of HWRCC.

Grant-Making Policy

The trustees promote and market the equitable distribution of funds in the Humber Sub-Region ^ with funding from the Department for Education and Skills - Local Network Fund. The themes under which grants are made are the five outcomes from Every Child Matters; Being Healthy, Staying Safe, Enjoying and Achieving, Making a Positive Contribution and Economic Well-Being.

Investment Policy and Review of Performance

The HWRCC has a positive cashflow position; accounts are held with the HSBC Bank plc, Abbey plc and CAF Bank Limited to attract the maximum ^ bank interest without taking any financial risks and to provide for easy access for project operations. The monitoring of the financial position is done on a quarterly basis with advice from the Head of Finance and Administration cum company Secretary.

Reserves Policy

Concomitant to the three year Business Plan [2007-2010], the directors/trustees also reviewed the organisation's reserves policy, which encompasses the operational requirements of the whole organisation know as HWRCC. This level of reserves is equivalent to four months of working capital and equates to approximately £230,000. For the period under review, HWRCC reserves do not meet the target level.

Risk Management

The directors/trustees have conducted a review of the major risks to which the company/charity is exposed and have devised systems to mitigate these risks. External risks to funding are being mitigated through proactive funding diversification and collaborative continual dialogue with existing funders. Internal risks are minimised by devising and implementing procedures for authorisation of transactions and projects. Procedures are also being improved through the adoption of the ACRE and Customer First quality standards. These procedures and policies are periodically reviewed to ensure that they meet the needs of the charity.

Assets held for other Companies/Charities

There were no assets held on behalf of any other company/charity during the financial year.

Independent Auditors' Report to the Members of Humber & Wolds Rural Community Council

Year Ended 31 March 2007

We have audited the financial statements on pages 11 to 25 which have been prepared under the historical cost convention and the accounting policies set out on page 14.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITORS

The trustees' (who also act as directors for the charitable activities of the company) responsibilities for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities on page 3.

Our responsibility is to audit the financial statements 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 financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees Annual Report is not consistent with the financial statements.

In addition we report to you if, in our opinion, 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 the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

BASIS OF AUDIT 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 financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, 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 financial statements 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 financial statements.

Independent Auditors' Report to the Members of Humber & Wolds Rural Community Council

Year Ended 31 March 2007

OPINION

In our opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 March 2007 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

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Messrs Townends
Chartered Accountants & Registered Auditors
Carlisle Street
Goole
East Riding of Yorkshire
DN14 5DX

**Registered Charity no. 1099439 and Company Limited
by G**