



Community First

**(Company limited by guarantee
and not having a share capital)**

Report and Financial Statements for the year ended 31 March 2011

Registered Company No: 1757334

Registered Charity No: 288117



Community First

(Company limited by guarantee and not having a share capital)

Report and Financial Statements For the year ended 31 March 2011

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Community First

Reference and Administrative Information

1) Charity Name

Community First

2) Registered Office

Wyndhams, St Joseph's Place
Devizes, Wiltshire SN10 1DD

3) Registration Numbers

Charity No 288117
Company No 1757334
Financial Services Authority No FRN311971

4) Company Secretary

Peter Brearley

5) Trustees

Tom McCaw LVO (*Chairman*) 1,3,4,5
Lesley Andrews 4
Dr Hoshang Bharucha 2
Piers Dibben 3,4,5
David Evans (*retired 06 10 10*)
Alan Fox 3,4
Jane Grant 1,5
Alison Irving 2
Jane James 3,5
Arthur Laflin 2,5
Anthony Thorpe (*retired 06 10 10*)
Susan Thorpe 1,5

- 1 Member of the Finance Committee
- 2 Member of the Human Resources Committee
- 3 Member of the Youth Action Wiltshire Committee
- 4 Member of the Marketing & Fundraising Committee
- 5 Member of the Strategic Planning Committee

6) Executive

Philippa Read (*Chief Executive*)
Christopher Holmes (*Assistant Chief Executive (Finance) to 31 July 2010*)
Peter Brearley (*Assistant Chief Executive (Finance) from 1 August 2010*)
Lynn Gibson (*Assistant Chief Executive*)

7) Registered Auditor

David Owen & Co
17 Market Place
Devizes
Wiltshire SN10 1BA

8) Bankers

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

Lloyds TSB Bank plc
38 Market Place
Devizes
Wiltshire SN10 1JD

9) Solicitors

Wansbroughs
Northgate House
Bath Road
Devizes
Wiltshire SN10 1JX

Community First

Report of the Members of the Board of Trustees For the year ended 31 March 2011 (incorporating the Directors' Report)

The members of the Board of Trustees present their report which includes the administrative information set out on page 2 and the audited financial statements for the year ended 31 March 2011 which have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005

Structure, Governance and Management

Community First was founded in 1965 as the Community Council for Wiltshire, incorporated as a company limited by guarantee in September 1983 and registered as a charity in November 1983

Membership of the Charity is comprised of supporting groups and individuals drawn from local communities, statutory bodies and parish and town councils in Wiltshire and Swindon. Community First is a part of the Rural Community Action Network, which operates through Rural Community Councils in each of England's shire counties, supporting the work of the voluntary sector in rural communities and market towns. The network is known nationally as ACRE (Action with Communities in Rural England), and regionally as SWAN (South West ACRE Network)

The governing documents of the Charity are its Memorandum and Articles of Association. Governance of Community First is through a Board of Trustees elected by the membership at the AGM. The Board has final legal authority and is responsible for overseeing the operation of the entire charity and its activities. The Honorary Officers, i.e. the President and Vice Presidents, are elected annually, and one third of nine Trustees are elected annually for a three-year term. Up to four additional Trustees may be co-opted by the Board to fill specialist roles and to provide access to professional expertise. The length of service of Trustees is limited to nine consecutive years. All new Trustees take part in a formal induction programme and receive regular training.

The Board meets six times a year. It regularly reviews its structure, the individual and corporate responsibilities of Board members and the skills and expertise that they bring to the Charity, through its annual Away Day and the Strategic Planning Committee. In 2010-11 the Board appointed a Nominations Working Party to review the recruitment of trustees with the appropriate skills and experience needed to provide high quality effective governance. This has led to a full review of the Board's structure and recommendations for change approved to be put into place following the AGM in September 2011.

The four Board Committees involving Trustees and senior management staff have delegated responsibility for Finance, Human Resources (HR), Youth Action Wiltshire and Marketing and Fundraising.

- The Finance Committee is chaired by a Trustee with financial knowledge and experience and holds responsibility for financial oversight and protecting the assets of the Charity, including the principal asset, Wyndhams. The Committee reviews all financial reports in advance of Board meetings and monitors the overall financial position of the Charity.
- The HR Committee has responsibility for the development of HR policies. It ensures that quality standards are met in full, and monitors performance. In 2000 Community First was recognised as an Investors in People (IIP) organisation and will seek re-accreditation for the third time in 2011. In 2007 Community First achieved the ACRE Quality Standard Level 3, amongst the first RCCs in the country to do so, and as part of the Charity's commitment to continuous improvement was re-accredited in 2010 with full Charity Commission accreditation.

Community First

Report of the Members of the Board of Trustees For the year ended 31 March 2011 (continued)

- The Youth Action Wiltshire Committee oversees the organisation's youth strategy and its implementation, including fundraising, developing and sustaining services for young people as an integral part of community life in Wiltshire and Swindon. The Committee is chaired by a Trustee of Community First and its membership comprises Board representation and volunteers of Youth Action Wiltshire, recognising the wealth of knowledge and skill they have brought to support young people over many years.
- The Marketing and Fundraising Committee oversees the marketing and fundraising strategy, monitors the production of publicity materials used by Community First, develops protocols for presenting the Charity to the public, produces the half yearly magazine *First News* and the annual review, and maintains distribution lists to broaden understanding of the Charity, improve services and strengthen the corporate profile. The committee also advises on the fundraising programme of Community First.

The Chairmen of these committees, together with senior staff and other Trustees as required, form a Strategic Planning Committee as the lead body in producing an annually updated Business Plan. The Committee plays an important role in guiding the strategic development of the Charity, monitoring the operating environment and risk management, identifying growth opportunities, leading on policy development, deciding on future priorities and making the work of the Charity more sustainable.

The Executive Team comprises the Chief Executive and two Assistant Chief Executives, one of whom is a chartered accountant and responsible for all financial matters. It holds responsibility for implementing Board policy, carrying out decisions of the Board, managing the assets of the Charity, strategic planning and development, and advising Trustees on all matters pertaining to the effective running of the Charity.

The Senior Management Team is comprised of six senior staff and the Executive Team, is responsible for overall business management and development and advises the Executive Team in the exercise of its responsibilities. Non-management staff hold responsibility for the delivery of services in the field and are organised into three teams reflecting the strategic objectives of the Charity.

The Charity has three subsidiary companies, none of which were active during the year.

During the year the Charity employed on average 52 staff.

In addition to its Trustees, none of whom receive remuneration, the Charity benefits greatly from the active involvement of many volunteers who contribute their time and skills on sub-committees of the Board of Trustees, and as fundraisers and ambassadors of the Charity.

Risks

Trustees, in conjunction with senior management, have identified and reviewed the major risks to which the Charity is exposed and systems are in place to manage such risks.

Responsibilities of the Members of the Board of Trustees

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied

Community First

Report of the Members of the Board of Trustees For the year ended 31 March 2011 (continued)

that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- comply with applicable accounting standards, 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 charity will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Statements as to disclosure of information to auditors

So far as the Trustees are aware at the time the report is approved

- there is no relevant audit information of which the charity's auditors are unaware, and
- the Trustees have taken all steps 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

Objectives and Activities

Community First has the aim of strengthening communities, growing communities and tackling disadvantage across Wiltshire and Swindon through a team of professional staff providing technical advice, practical support and grant aid to promote local initiatives. The Charity also manages countywide programmes bringing benefits to local people, informing and influencing policy makers in the development of rural policies and practices.

Review of Activities in the Year

Charitable Activities

Strengthening Communities to increase participation in local democracy and community life

- Parish based community-led plans continue to be supported and there is now 23% coverage of parishes either currently preparing a community-led plan or having completed one. In the Wootton Bassett and Cricklade community area the Charity is working with the Area Board to support the production of community-led plans and to provide co-ordination across the community area that will enable the trialling of new ways of working such as clustering of towns and parishes or use of mentoring and local based surgeries and workshops.
- Thirteen village halls received awards under the Hallmark quality standard scheme and 11 grants were awarded totalling £73,000 for hall improvements including three kitchen projects.
- An extensive training programme for youth club leaders and young leaders was delivered including residential leadership training and one day courses in sports leadership, child protection, positive behavioural management, emergency first aid and arts and craft projects.

Community First

Report of the Members of the Board of Trustees For the year ended 31 March 2011 (continued)

Growing communities

- The Charity began work on the second phase of its hugely successful Store is the Core programme which ran during 2007-08. Store is the Core 2 is a regional programme supporting the village and community retail sector across the South West. It is funded by RDPE (The Rural Development Programme for England) and is managed by the Charity with support from regional and national partners. The programme aims to support 150 village and community retailers over the next three years to December 2013.
- The Plain Action Local Action Group Programme approved 35 projects and activities with grants totalling £1,200,000 out of its project budget of £2,126,000. A wide variety of projects have been approved under the three objectives – skills and training, business and employment, and communities. Projects include funding a learning centre at Wellington Academy Ludgershall, provision of toilets and a kitchen in a village church to enable the church to be used as a “village hall”, purchase of catering equipment to help in the expansion of a wedding catering company, and the purchase of instruments to help start a wind band for young people in Tidworth.

Tackling disadvantage

- Following consultation with community transport (CT) groups the Charity has developed a proposal for an ‘umbrella’ CT social enterprise service which will provide a central portal through which new opportunities for local community based services can be pursued directly with Wiltshire Council. The service intends to build the capacity of local CT groups, and communities wishing to set up new CT services, to enable them to deliver locally tendered transport services. The capacity building element of this proposal will include a development fund (for instance to ensure all groups meet a certain quality standard before work is delegated to them).
- The Charity has introduced the new Good Neighbour Service in partnership with AgeUK Wiltshire, Age Concern Salisbury and Wiltshire Council. This is an innovative response to a recognised need to connect elderly and disadvantaged people living in rural communities with the key services that will help them to maintain and support their quality of life, well being and social connection. The first 10 Good Neighbour Scheme co-ordinators were recruited in the year to work within their own communities to establish a trusted and effective bridge between vulnerable individuals and statutory and voluntary services able to offer help and support.
- The Charity’s Wiltshire Money Line (WML) team has achieved its goal in transferring the loan pot across to the Wiltshire Credit Unions to support a single credit union service for Wiltshire, providing extra lending capital which should grow their core business. Everyone who qualifies for a WML loan now joins their local credit union and they are encouraged to save and think about the future.
- The Charity’s aim for a single credit union service for Wiltshire is now emerging, with the ability to employ staff, embed common policies and practices.
- Following feedback from young people the Charity has reorganised the respite support service. Within every district three regular groups are run broken down into age – 5-9 year olds, 10-13 year olds and 14-18 year olds. As well as ensuring regular contact between young carers who may be (or become) at risk, the Charity has run regular issue-based activities including mental well health and relaxation, self defence and assertiveness training, sexual health, manual handling, safe caring boundaries, alcohol awareness, bullying and resilience workshops.

Community First

Report of the Members of the Board of Trustees For the year ended 31 March 2011 (continued)

- The Charity has continued to build its mentoring service and has rolled out its new C4CK credits programme across the county's 12-24 year old young carers. The young carers receiving mentoring support meet an additional set of criteria (identifying them as additionally at risk, isolated or with boundaries preventing them accessing group work). The young carers receiving mentoring are allocated a worker and a personal action plan with aims that they want to achieve.

Grants programme

The Charity's Grants Programme which impacts on all three areas of strategic activity has had a very successful year. Relationships with donors continue to grow and develop with medium term sustainability of the department being secure. Wiltshire Council now makes a contribution to the administration of the Grants Programme which has enabled a more proactive fundraising approach from the staff team.

Grant giving has expanded significantly this year, particularly with regard to the Landfill Communities Fund where 54 grants were approved with a total value of £627,870. These projects include securing additional grant funds to replace funding streams withdrawn by central government in the emergency budget for key recreation facilities. This allows the Charity to position itself at the forefront of the delivery of the Big Society agenda securing private sector funding streams to meet local community needs.

Public benefit

The Charity's activities described above demonstrate the delivery of public benefit. The Trustees confirm that they have referred to the Charity Commission's general guidance when reviewing the charity's objectives and activities.

Fundraising and Publicity

Income from generated funds – ie donations, membership fees, events income, earned income (eg insurance administration fees, training, consultancy), loans repaid etc - totalled £658,160 during the year which was 16% higher than that achieved in 2009/10. This included £66,376 of endowment funds which, together with matched funding from the Government funded Grassroots Endowment Match Challenge, will provide a secure income stream for future years. Expenditure on fundraising and publicity of £118,728 was 28% higher than in 2009/10. However, if the one-off cost of the endowment is excluded then underlying expenditure declined by 44%. In these areas of fundraising and publicity

- The growth in income at a time of challenging economic circumstances demonstrates the success in communicating what the Charity does and can achieve and the recognition by donors and supporters of the key role which it plays within Wiltshire communities.
- A marketing action plan has been developed from the marketing strategy.

Employees

Community First operates an Equal Opportunities Policy in relation to its staff. The Charity recognises its obligations towards disabled people and endeavours to provide employment for them as the work being undertaken allows.

The Charity's commitment to develop further the quality of service provided by its staff was evidenced by its re-accreditation of ACRE Level 3 quality standard in May 2010. A number of areas of good practice were identified including the Leadership and Management Development Programme.

Community First

Report of the Members of the Board of Trustees For the year ended 31 March 2011 (continued)

A Staff Organisational Development Plan has been prepared and is being implemented to improve communication, management and leadership

The Trustees would like to express their gratitude for the hard work, dedication and commitment of the excellent staff teams working in all parts of the Charity

Financial Review

The year's total incoming resources of £2,870,458 were 15% more than in 2009/10 whilst the year's total resources expended of £2,581,780 were 7% higher than in 2009/10. An analysis of incoming resources and resources expended is shown on pages 8 and 9. The net impact of the increase in income and expenditure was net incoming resources from operations (ie an operating surplus) of £288,678 (2009/10 surplus of £83,953)

The increase in the operating surplus and the increases in total income and expenditure reflect

- The success of fundraising, publicity and income generating activity in a challenging recessionary economic environment as noted above
- A increase in grant and service level agreement income of 15% demonstrating the confidence that funders have in the Charity to implement services and achieve the required outcomes
- An increase in expenditure on direct services and grants payable of 7% and 5% respectively as the pace of implementation grew for new services such as the Good Neighbour Scheme
- Firm control of both direct costs and support costs

Chart removed for Companies House purposes

A list of groups and organisations whose financial support has made possible the work of the Charity is included at page 24

Community First

Report of the Members of the Board of Trustees For the year ended 31 March 2011 (continued)

Chart removed for Companies House purposes

The Trustees remain satisfied that the value at which freehold property is shown in the financial statements is appropriate

The net movement in funds for the year was £288,678 (2009/10 £83,953) Unrestricted reserves, excluding those designated for a specific purpose, increased from £109,337 to £189,545 which constituted an increase in the number of months unrestricted expenditure (prior to allocations of support costs to restricted funds) covered by reserves from 2.0 months to 3.7 months

Reserves

General or "free" reserves are retained at a level designed to protect the Charity's work in the event of unforeseen and significant changes in its financial position Trustees believe that a target for unrestricted reserves covering approximately 2 to 3 months expenditure is a reasonable benchmark Principles underlying these decisions are

- Maintaining adequate working capital,
- Ensuring sufficient funds are available to allow the Charity to honour its commitments to its beneficiaries and its staff

Trustees are satisfied that the reserves are sufficient to fulfil the Charity's immediate obligations and to allow it to plan sensibly for the future

Designated funds are funds set aside by Trustees for particular purposes as described in note 14 of the financial statements These funds include the book value of property and fixed assets in use for the Charity's activities Other designated funds are held for development purposes

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Report of the Members of the Board of Trustees For the year ended 31 March 2011 (continued)

Plans for the Future

Following further progress with implementation of the Strategic Plan last year the key priorities for the next financial year include

Strengthening communities

- Piloting supporting parish planning with experienced volunteers from parish plan groups and encourage clusters of communities to share support and learning
- Supporting Parish and Town Councils in their enhanced role in the Localism agenda, developing access to expert advice in spatial planning
- Providing a local and national events training programme to youth clubs including 3 x 8-10 week sports courses

Growing communities

- Piloting School for Social Entrepreneurs with a first course for up to 20 social entrepreneurs in Wiltshire
- Supporting six village shops in Wiltshire through Store is the Core (50 across the South West)
- Developing Taste Wiltshire local food programme

Tackling disadvantage

- Achieving reward fund of £8,000 to support 40 young people who are not in employment, education or training
- Transferring Wiltshire Money Line to Wiltshire Credit Unions and provide development support to achieve a successful single service for the county
- Developing support to Community Transport groups and Link Schemes to respond to cuts in rural bus services

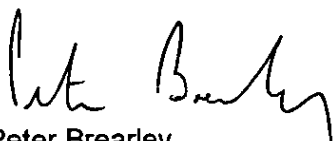
Annual General Meeting

The Annual General Meeting of the members of Community First will be held on 14 September 2011

Auditors

A resolution for the re-appointment of the auditor, David Owen & Co, will be proposed at the Annual General Meeting

By order of the Board of Trustees



Peter Brearley
Company Secretary

20 July 2011

Community First

Independent Auditor's Report to the Trustees of Community First for the year ended 31 March 2011

We have audited the financial statements of Community First for the year ended 31 March 2011 set out on pages 13 to 23. 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).

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement, set out on pages 4 and 5, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

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 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 charitable 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.

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 2011 and of its 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements, or
- the charitable company has not kept adequate accounting records, or

Community First

- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit



Andrew Coombes (Senior Statutory Auditor)

For and on behalf of David Owen & Co

Chartered Accountants

Statutory Auditor

17 The Market Place

Devizes

Wiltshire, SN10 1BA

Dated 20 July 2011

Community First

Statement of Financial Activities

For the year ended 31 March 2011

(Incorporating the Income and Expenditure Account)

		Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2011	Restated Total 2010
	Notes	£	£	£	£	£
Incoming resources						
<i>Incoming resources from generated funds</i>						
Donations and gifts	2	14,390	37,854	66,376	118,620	75,121
Membership and affiliation fees		5,735	4,309	-	10,044	11,127
Activities for generating funds	3	158,128	364,520	-	522,648	473,904
Investment income	4	2,804	4,044	-	6,848	6,444
<i>Incoming resources from charitable activities</i>						
Grants and service level agreements	5	182,648	2,029,650	-	2,212,298	1,926,924
Total incoming resources		363,705	2,440,377	66,376	2,870,458	2,493,520
Resources expended						
<i>Cost of generating funds</i>						
Fundraising and publicity		1,374	50,978	66,376	118,728	93,028
<i>Charitable activities</i>						
Direct services		244,096	1,282,668	-	1,526,764	1,422,782
Grants payable	16	65,013	800,660	-	865,673	821,456
		310,483	2,134,306	66,376	2,511,165	2,337,266
<i>Governance costs</i>		70,615	-	-	70,615	72,301
Total resources expended	6	381,098	2,134,306	66,376	2,581,780	2,409,567
Net incoming/(outgoing) resources before transfers						
		(17,393)	306,071	-	288,678	83,953
<i>Transfers</i>	14 & 15	127,786	(127,786)	-	-	-
Net movement in funds		110,393	178,285	-	288,678	83,953
<i>Reconciliation of funds</i>						
Total funds brought forward		301,457	991,326	-	1,292,783	1,208,830
Total funds carried forward		411,850	1,169,611	-	1,581,461	1,292,783

The notes on pages 15 to 23 form part of these financial statements

Community First

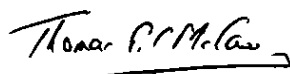
Balance Sheet As at 31 March 2011

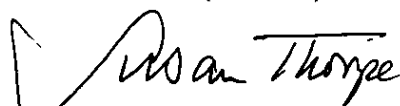
	Notes	2011 £	2010 £
Fixed assets			
Tangible assets	10	148,740	163,965
Investments		100	100
		<u>148,840</u>	<u>164,065</u>
Current assets			
Debtors	11	489,406	488,159
Cash		1,068,067	717,185
		<u>1,557,473</u>	<u>1,205,344</u>
Creditors			
Amounts falling due within one year	12	(124,852)	(76,626)
Net current assets		<u>1,432,621</u>	<u>1,128,718</u>
Net assets	13	<u>1,581,461</u>	<u>1,292,783</u>
Represented by			
Unrestricted funds			
Designated funds	14	222,305	192,120
General reserves	14	189,545	109,337
		<u>411,850</u>	<u>301,457</u>
Restricted funds	15	1,169,611	991,326
		<u>1,581,461</u>	<u>1,292,783</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2011 although an audit has been carried out under section 43 of the Charities Act 1993. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The financial statements on pages 13 to 23 were approved by members of the Board of Trustees on 20 July 2011 and were signed on its behalf by


Tom McCaw (Chairman)


Susan Thorpe (Trustee)

Company Registration No 1757334

Community First

Notes to the Financial Statements For the year ended 31 March 2011

1 Accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets. The financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006.

Comparative figures have been restated to show relevant support costs as an allocation to the costs of generating funds and of charitable activities rather than as income generated through the recovery of expenses and management fees.

(b) Fund Accounting

General reserves are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of the various restricted funds is set out in the notes to the financial statements.

Endowment funds are restricted funds received during the year for the specific purpose of establishing a donor advised fund with The Community Foundation to be invested where only the income generated can be expended to benefit Youth Action Wiltshire services. Donation of the funds to The Community Foundation made them eligible for matched funding under the Government funded Grassroots Endowment Match Challenge, thus doubling the potential income. The funds have been invested with The Community Foundation's other endowment funds.

(c) Incoming resources

Donations are accounted for when received and related gift aid when receivable. Legacies are accounted for when received or when entitlement arises, if it is reasonably certain they will be received and amounts can be measured with sufficient reliability.

Membership income is included in the Statement of Financial Activities in the year of receipt.

Grants receivable are recognised in full in the Statement of Financial Activities in the year to which they relate.

(d) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Support costs, which include management and administration costs incurred in Charity's office, have been allocated to the Charity's activities based on office space occupied, time spent and resources managed.

Community First

Notes to the Financial Statements

For the year ended 31 March 2011 (continued)

1 Accounting policies (continued)

(d) Resources expended (continued)

Governance costs are the costs associated with the governance arrangements of the Charity. Included within this category are the operations of the Board of Trustees and the costs of strategic, constitutional, audit and other statutory matters.

(e) Pensions

At 31st March 2011, pension provision for 28 employees is made by membership of the Wiltshire Pension Fund, which is a multi-employer defined benefit scheme managed by Wiltshire Council. Employer's contributions are charged to employee costs as incurred. Community First had a funding level of 87.0% at 31 March 2010, the date of the most recent actuarial valuation. The rate of employer contribution was 15.9% in 2009/10 plus an annual monetary amount, making an effective rate of 16.6%. The current level of contributions is 16.2% plus an annual monetary amount, making an effective rate of 17.9%.

As from 1 April 2011 no new entrants will be made to the Wiltshire Pension Fund. A defined contribution scheme is being established for new and existing staff who are not members of the Wiltshire Pension Fund and who wish to join and contribute to a pension scheme.

(f) Operating Leases

Operating lease rentals are charged to the income and expenditure account as incurred.

(g) Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and included at cost or valuation.

Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is charged so as to write off the full cost or valuation over their expected useful lives at the following rates:

Freehold buildings	2% of cost or valuation per annum
Office equipment	33⅓% of cost per annum
Motor vehicles	33⅓% - 25% of cost per annum

(h) Irrecoverable VAT

Due to partial exemption and the receipt, for VAT purposes, of non-business income, some VAT input tax is irrecoverable. This is allocated in the accounts as part of support cost.

Community First

Notes to the Financial Statements For the year ended 31 March 2011 (continued)

2 Donations and gifts

	Unrestricted funds	Restricted funds	Endowed funds	Total 2011	Total 2010
	£	£	£	£	£
Donations	14,390	35,854	66,376	116,620	75,121
Legacies	-	2,000	-	2,000	-
	<u>14,390</u>	<u>37,854</u>	<u>66,376</u>	<u>118,620</u>	<u>75,121</u>

3 Activities for generating

	Unrestricted funds	Restricted funds	Total 2011	Restated Total 2010
	£	£	£	£
Events	-	33,985	33,985	38,490
Expenses recovered	24,945	9,100	34,045	16,367
Advertising income	2,241	-	2,241	6,340
Other earned income	26,198	65,396	91,594	120,381
Insurance administration fees	68,615	-	68,615	62,348
Loan repayments and interest	-	154,687	154,687	157,105
Other miscellaneous income	36,129	101,352	137,481	72,873
	<u>158,128</u>	<u>364,520</u>	<u>522,648</u>	<u>473,904</u>

4 Investment income

	Unrestricted funds	Restricted funds	Total 2011	Total 2010
	£	£	£	£
Interest on cash & short term deposits	2,804	4,044	6,848	6,444

5 Grants and service level agreements

	Unrestricted funds	Restricted funds	Total 2011	Total 2010
	£	£	£	£
DEFRA	85,128	33,676	118,804	85,128
DWP	-	4,339	4,339	-
SWRDA	-	6,756	6,756	-
RDPE	13,673	-	13,673	-
CRC	-	15,620	15,620	-
Wiltshire Council	69,899	861,834	931,733	736,126
Borough & District Councils	-	-	-	9,600
Housing Corporations	-	57,554	57,554	74,521
Friends Provident Foundation	-	28,500	28,500	38,000
Landfill Tax Credits	-	696,796	696,796	563,001
Primary Care Trusts	-	64,342	64,342	73,642
South Coast Money Line	-	-	-	35,000
ACRE Capacity Builders	10,548	35,476	46,024	85,720
CIB	2,000	61,483	63,483	-
Sport England	-	54,109	54,109	46,409
VAS	1,400	-	1,400	-
Big Lottery Fund	-	-	-	7,612
Family Trusts and Various Small Grants	-	109,165	109,165	172,165
	<u>182,648</u>	<u>2,029,650</u>	<u>2,212,298</u>	<u>1,926,924</u>

Community First

Notes to the Financial Statements For the year ended 31 March 2011 (continued)

6 Total resources expended

	Activities directly undertaken	Grant funding of activities	Support services	Total 2011	Total 2010
	£	£	£	£	£
Cost of generating funds					
Fundraising costs	42,380	-	9,972	52,352	93,028
Endowment (see Note 1(b))	66,376	-	-	66,376	-
	<u>108,756</u>	<u>-</u>	<u>9,972</u>	<u>118,728</u>	<u>93,028</u>
Charitable activities					
Direct services					
Strengthening communities	350,952	-	116,583	467,535	516,413
Growing communities	136,722	-	50,031	186,753	215,293
Tackling disadvantage	672,731	-	199,745	872,476	691,076
	<u>1,160,405</u>	<u>-</u>	<u>366,359</u>	<u>1,526,764</u>	<u>1,422,782</u>
Grants and allowances	-	845,406	20,267	865,673	821,456
Governance costs	-	-	70,615	70,615	72,301
Total resources expended	<u>1,269,161</u>	<u>845,406</u>	<u>467,213</u>	<u>2,581,780</u>	<u>2,409,567</u>

7 Allocation of support costs

Support costs included in resources expended are made up as follows

	Cost of generating funds	Charitable activities	Governance	Total 2011	Total 2010
	£	£	£	£	£
Cost type					
Staff costs	6,962	269,913	49,299	326,174	328,687
Premises costs	-	83,565	-	83,565	86,872
Depreciation	137	5,319	972	6,428	6,212
Other costs	2,873	27,829	20,344	51,046	44,836
	<u>9,972</u>	<u>386,626</u>	<u>70,615</u>	<u>467,213</u>	<u>466,607</u>

8 Net income for the year

	2011	2010
	£	£
Net income (expenditure) for the year is stated after charging/crediting		
Staff costs (see Note 9)	1,146,235	1,063,908
Depreciation of tangible fixed assets (Note 10)	15,225	17,014
Auditors' remuneration		
Audit work	9,200	8,400
Non-audit work	3,280	5,580
Professional Indemnity Insurance	1,371	992

The professional indemnity insurance is in respect of Trustees, committee members and staff

9 Staff costs

	2011	2010
	£	£
The average number of staff during the year was	52	45
Staff costs were as follows		
Salaries	964,478	893,598
Social security costs	72,570	68,156
Pension costs	109,187	102,154
	<u>1,146,235</u>	<u>1,063,908</u>

Community First

Notes to the Financial Statements For the year ended 31 March 2011 (continued)

9 Staff costs (continued)

No employee received emoluments of more than £60,000 during the year

The Trustees received no remuneration for their services (2010 Nil) During 2010/11 amounts paid on behalf of 3 Trustees, including expenses reimbursed, were £299 (2010 3 Trustees, £196)

10 Tangible fixed assets

	Freehold Land £	Freehold Buildings £	Equipment & vehicles £	Total £
Cost or Valuation				
At 1 April 2010	100,000	50,000	63,593	213,593
Additions	-	-	-	-
Disposals	-	-	(10,454)	(10,454)
At 31 March 2011	100,000	50,000	53,139	203,139
Depreciation				
At 1 April 2010	-	11,000	38,628	49,628
Charge for year	-	1,000	14,225	15,225
Disposals	-	-	(10,454)	(10,454)
At 31 March 2011	-	12,000	42,399	54,399
Net Book Value				
At 31 March 2011	100,000	38,000	10,740	148,740
At 31 March 2010	100,000	39,000	24,965	163,965

Freehold property was revalued in the year ended 31st March 1999 and was based on a valuation prepared by Straker & Co, 6/7 Market Place, Devizes, Wiltshire. The valuation of £150,000 was based on the open market freehold vacant possession as at 2nd March 1999. The Trustees have estimated the split between land and buildings

11 Debtors

	2011 £	2010 £
Trade debtors	481,596	476,792
Prepayments and accrued income	7,659	11,283
Other debtors	151	84
	489,406	488,159

12 Creditors: amounts falling due within one year

	2011 £	2010 £
Trade creditors	104,226	18,323
Other creditors	6,033	9,360
Wiltshire Council loan	-	301
Accruals and deferred income	14,593	48,642
	124,852	76,626

Community First

Notes to the Financial Statements For the year ended 31 March 2011 (continued)

13 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total £
Fund Balances at 31 March 2011 represented by:			
Tangible fixed assets	141,592	7,148	148,740
Investments	100	-	100
Current assets	324,456	1,233,017	1,557,473
Current liabilities	(54,298)	(70,554)	(124,852)
	<u>411,850</u>	<u>1,169,611</u>	<u>1,581,461</u>

14 Unrestricted funds

	Designated Funds				Total designated funds £	General reserves £	Total £
	Property & fixed assets in use £	Building reserve £	Development reserve £	Grant reserve £			
As at 1 April 2010	148,120	39,000	5,000	-	192,120	109,337	301,457
Transfers (net) from restricted funds (Note 15)	-	-	-	-	-	127,786	127,786
Transfer to/(from) designated funds	-	-	(5,000)	29,613	24,613	(24,613)	-
Funds (utilised)/generated	(6,428)	12,000	-	-	5,572	(22,965)	(17,393)
As at 31 March 2011	<u>141,692</u>	<u>51,000</u>	<u>-</u>	<u>29,613</u>	<u>222,305</u>	<u>189,545</u>	<u>411,850</u>

The value of property includes a revaluation reserve of £123,220

Notes on transfers

Transfers (to)/from restricted funds represent

A service funded from restricted funds which was implemented in part by services funded from unrestricted funds	5,832
Surplus of restricted income on completion of a service which the funder agreed could be utilised for general charitable purposes	25,462
Grant funds utilised for managing the grants programme as agreed by the funders	94,996
Grant funds set aside as designated reserve to be used to 'pump-prime' future grant applications	29,613
Services funded from restricted funds where some expenditure was funded from unrestricted funds	(28,117)
	<u>127,786</u>

15 Restricted funds

Restricted funds comprise the unexpended balances of income from donations, activities for generating funds, investment income and grant and service level agreements held for specific purposes

	Balance 1 April 2010 £	Incoming Resources £	Funds utilised £	Transfers (Note 14) £	Balance 31 March 2011 £
General funds for Youth Action Wiltshire (YAW)					
Fundraised income	41,658	50,585	(50,977)	-	41,266
	<u>41,658</u>	<u>50,585</u>	<u>(50,977)</u>	<u>-</u>	<u>41,266</u>

Community First

Notes to the Financial Statements For the year ended 31 March 2011 (continued)

15 Restricted funds (continued)

	Balance 1 April 2010	Incoming Resources	Funds utilised	Transfers (Note 14)	Balance 31 March 2011
	£	£	£	£	£
Strengthening Communities					
Collaboration Benefits	14,126	2,500	(16,626)	-	-
Digital Outreach	7,180	5,508	(6,856)	(5,832)	-
Fit Together	(1,619)	77,219	(76,954)	-	(1,354)
Infrastructure Development Programme	38,092	59,043	(71,673)	(25,462)	-
West of England Network	-	67,352	(44,268)	-	23,084
YAW Club Programme	15,233	47,106	(46,484)	-	15,855
	73,012	258,728	(262,861)	(31,294)	37,585
Growing Communities					
Health Trainers	36,643	28,950	(34,297)	-	31,296
Plain Action	(1,013)	118,070	(118,314)	-	(1,257)
Post Point	-	2,461	(6,405)	3,944	-
Store is the Core	282	6,756	(6,756)	-	282
Village Shop Scheme	(15,529)	13,600	(14,086)	16,015	-
	20,383	169,837	(179,858)	19,959	30,321
Tackling Disadvantage					
Champions Fund	-	15,620	(7,383)	-	8,237
Community Transport	11,487	77,046	(73,150)	-	15,383
Credit Unions	41,027	32,500	(48,853)	-	24,674
Credits for Young People	-	4,500	(599)	-	3,901
Good Neighbour Scheme	-	106,659	(61,359)	-	45,300
Growth Fund Revenue	-	2,970	(2,970)	-	-
Link Schemes	-	101,253	(96,784)	-	4,469
Rural Housing	6,384	8,829	(13,601)	-	1,612
Wheels to Work	(3,519)	48,123	(52,762)	8,158	-
Wiltshire MoneyLine Revenue	4,442	27,500	(25,609)	-	6,333
YAW Young Carers	71,957	244,962	(255,952)	-	60,967
YAW Plain Action	-	52,626	(52,626)	-	-
YAW Project Inspire	146	148,185	(148,302)	-	29
	131,924	870,773	(839,950)	8,158	170,905
Grants Payable					
Business Grants & Loan Fund	65,686	10,354	(14,338)	-	61,702
Credit Union Loan Fund	8,166	-	(8,166)	-	-
Landfill Communities Fund	446,034	699,692	(442,248)	(124,159)	579,319
Link Grants Fund	129,302	89,810	(72,900)	-	146,212
Pansh Plans	11,006	651	3,490	-	15,147
Solve Fund	8,804	5,000	(6,377)	(450)	6,977
Village Hall Grants	36,942	70,256	(73,000)	-	34,198
Wiltshire MoneyLine Loan Fund	18,409	214,691	(187,121)	-	45,979
	724,349	1,090,454	(800,660)	(124,609)	889,534
Total	991,326	2,440,377	(2,134,306)	(127,786)	1,169,611

Notes on transfers to/(from) restricted funds are included in Note 14

Negative balances at 31 March 2011 totalling £2,611 represent expenditure in the year recoverable from future restricted income

Community First

Notes to the Financial Statements For the year ended 31 March 2011 (continued)

16 Grants payable

During the year the following institutional grants were made -

<u>Landfill Communities Fund grants</u>	2011	2010
	£	£
39 grants (2009/10 53 grants) were awarded to assist community groups and voluntary organisations to improve their local environment		
All Saints Church, All Cannings	20,000	
Bratton Recreation Ground	15,000	
Chapmanslade Village Hall	15,000	
Cherhill, Tommy Croker Memorial Park	30,615	
Coleme Recreation Ground	12,000	
Devizes, St Andrews Church Renovations	24,375	
Grittleton REAP Multi-use Games Area	10,000	
Kington Langley Toddler Play Area	12,000	
Landford Village Hall	12,000	
Ludgershall Scout Hut	10,000	
Melksham United Church	19,500	
Potterne Village Hall	14,625	
Purton Sakte Park	35,000	
River Bourne Community Farm	15,210	
Sheldon Road Methodist Church	25,000	
Sustrans - Sands Farm Cycle Path	24,375	
Wiltshire & Berkshire Canal Trust	27,300	
Other grants of less than £10,000	111,652	
	<u>433,652</u>	473,697

An analysis of grants paid and of grants awarded during 2010/11 is as follows

	Paid	Awarded
	£	£
Arts, heritage & churches	107,666	64,060
Environment	78,424	73,875
Play parks	108,449	91,080
Sports facilities	34,689	159,790
Community & village halls	104,424	239,065
Total 2010/11	<u>433,652</u>	<u>627,870</u>

Grants awarded but not paid at 31 March 2011 totalled £367,783 (2010 £173,565)

Link Good Neighbour Scheme grants

39 grants (2009/10 19) each of less than £10,000 were awarded to provide transport and other services to local people in need	72,900	41,646
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Parish Plans grants

1 grant (2009/10 4 grants) was awarded to facilitate the preparation of Parish Plans and refunds from 3 grants (2009/10 6 grants) that were underspent were received generating net (income)	(3,490)	(1,969)
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Solve grants

These grants are given for new projects or new initiatives within existing projects and relate to Community Grants, Small Village Hall Grants, grants under Sustain the Plain programmes and Rural Community Transport Initiatives

Community Grants		
11 grants (2009/10 31 grants)	4,002	10,616

Community First

Notes to the Financial Statements (continued)

16 Grants payable (continued)	2011	2010
	£	£
<u>Solve grants (continued)</u>		
Community Transport Grants		
3 grants (2009/10 7 grants)	2,375	2,496
<u>Village Hall grants</u>		
11 Grants (2009/10 20 grants) were awarded to facilitate the repair and refurbishment of village halls		
Potterne Village Hall	15,000	
Other grants of less than £10,000	58,000	
	<u>73,000</u>	87,500
<u>Wiltshire MoneyLine</u>		
Loans are advanced to financially disadvantaged people living in Wiltshire The scheme is funded by the Department of Work and Pensions and commenced in October 2007		
318 loans (2009/10 240 loans) were advanced	145,129	136,729
<u>Business Grants & Loan Fund</u>		
Grants and loans are extended to Village Shops with a view to facilitating the setting up of new shops or supporting the continued existence of existing shops	10,000	9,000
Total Grants made net of refunds	<u>737,568</u>	<u>759,715</u>
<u>Other grant payments</u>		
Credit Union Loan Fund funds transferred to Credit Unions	8,166	-
Entrust fees	8,596	5,327
Costs of managing grants	69,351	43,502
Costs of managing loans	41,992	12,912
	<u>865,673</u>	<u>821,456</u>

17 Operating Leases

	2011	2010
	£	£
Office Equipment		
Leases which expire within 1 to 5 years	<u>2,922</u>	<u>3,814</u>

18 Related Party Transactions

Various Trustees, officers and employees (and members of their families) of Community First, have in their personal capacities, links with organisations which to some degree either fund or are funded by Community First This is a large, diverse organisation reaching into the community and links are inevitable

The Trustees monitor these links and the Company Secretary maintains a register of declared interests in order to foster a policy of transparency The Trustees strive to promote fairness and consider that no transactions have been influenced by interests other than the Chanty's Inspection of the register can be arranged by contacting the Company Secretary

19 Taxation

As a registered charity Community First is not liable under the provisions of the current legislation to corporation tax and capital gains tax on its charitable activities

20 Members

As at 31 March 2011 there were 414 members (2010 445 members) who each pledge to pay £1 on winding up

Community First

Financial support and other contributions For the year ended 31 March 2011

The work of Community first has been made possible with financial support and contributions from the following groups and organisations

ACRE – Action with Communities in Rural England	Plunkett Foundation
Aster Group	Rank Foundation
Big Lottery Fund	Rotary Club of Bradford on Avon
BBC Children in Need	Fred and Marjorie Sainsbury Trust
Biffa Group Ltd	Sobell Foundation
Herbert and Peter Blagrove Trust	SWERDA – South West England Regional Development Agency
Calne Town Council	Sport England
Capacity Builders	St Thomas and St Edmunds Church, Salisbury
CRC – Commission for Rural Communities	Tidworth Town Council
CSG – Cleansing Service Group	Underwood Trust
Community Foundation for Wiltshire and Swindon	VAS – Voluntary Action Swindon
Culra Chantable Trust	The Roger Vere Foundation
Defra – Department of the Environment, Food and Rural Affairs	Vindor Credits
Digital Outreach	The James Weir Foundation
DWP – Department of Works and Pensions	Westlea Housing Association
Do Something Arts Project	Wiltshire Association of Local Councils
Friends Provident Group	Wiltshire Council
Fulmer Chantable Trust	Wiltshire Infrastructure Consortium
The Galanthus Trust	Wiltshire & Swindon Crimebeat
Greggs Foundation	Wiltshire Village Halls Association
The Walter Guinness Chantable Trust	
Ray Harns Chantable Trust	
HFH Consulting Limited	
Hills Minerals and Waste Ltd	
The Hospital Saturday Fund	
The Inchcape Foundation	
The Last Friday Lunch Club	
Ludgershall Town Council	
NHS Wiltshire	

The Charity has also benefited from the generous support of many individuals whose donations and gifts have enabled services to be maintained and expanded and an endowment fund to be established to provide income in future years

COMMUNITY FIRST

Wyndhams
St Joseph's Place
Devizes
Wiltshire
SN10 1DD

Telephone 01380 722475
Fax 01380 728476
Website www.communityfirst.org.uk

Royal Patron

HRH The Duchess of Cornwall

President

Sarah Troughton DL

Vice Presidents

George Baker MBE
Sylvia Brown OBE
John Bush OBE
Michael Jones
George McDonic MBE
Ken Whatley