

COMPANY NUMBER: 3062222 (ENGLAND AND WALES)
REGISTERED CHARITY NUMBER: 1047745

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST

(A Company Limited by Guarantee)

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

THURSDAY



A12 *A1HCL0LS* #155
13/09/2012
COMPANIES HOUSE

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

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THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST

COMPANY INFORMATION

FOR THE YEAR ENDED 31st DECEMBER 2011

COMPANY NUMBER:	3062222 (England and Wales)																																														
STATUS:	The company is limited by guarantee. In the event of winding-up, the maximum amount required to be contributed by each member is £1. The Churches' Regional Commission in the North East is constituted by Memorandum & Articles as a Company Limited by Guarantee on the 30 th May 1995.																																														
REGISTERED CHARITY NO.	1047745																																														
CRC COUNCIL:	<table><tr><td>Bernadette Askins</td><td></td></tr><tr><td>Ven Stuart Bain #</td><td></td></tr><tr><td>Dr Mark Bonnington</td><td></td></tr><tr><td>Rev John Claydon</td><td></td></tr><tr><td>Alan Coultas #</td><td></td></tr><tr><td>Rt Rev Seamus Cunningham</td><td>Chair of Council</td></tr><tr><td>Bill Cunningham #</td><td>(Appointed 17 05 11)</td></tr><tr><td>Rev Seamus Doyle #</td><td>(Appointed 15 09 11)</td></tr><tr><td>Rt Rev Terence Drainey</td><td></td></tr><tr><td>Major Melvin Fincham</td><td>(Retired 31 07 11)</td></tr><tr><td>Revd Rowena Francis</td><td></td></tr><tr><td>Rev Ruth Gee #</td><td></td></tr><tr><td>Terri Leach #</td><td>Secretary</td></tr><tr><td>Ven Geoff Miller #</td><td>Vice Chair of Board</td></tr><tr><td>Rev Lionel Osborn</td><td></td></tr><tr><td>Rev Keith Phipps#</td><td></td></tr><tr><td>Vincent Robinson OBE #</td><td>Chair of Board</td></tr><tr><td>Canon Robert Spence #</td><td></td></tr><tr><td>Peter Sweeney #</td><td>Treasurer</td></tr><tr><td>Rt Rev Martin Warner</td><td></td></tr><tr><td>Rt Rev Martin Wharton CBE</td><td></td></tr><tr><td>Rt Rev Frank White</td><td>Vice Chair of Council</td></tr><tr><td></td><td>(Appointed 30 09 11)</td></tr></table>	Bernadette Askins		Ven Stuart Bain #		Dr Mark Bonnington		Rev John Claydon		Alan Coultas #		Rt Rev Seamus Cunningham	Chair of Council	Bill Cunningham #	(Appointed 17 05 11)	Rev Seamus Doyle #	(Appointed 15 09 11)	Rt Rev Terence Drainey		Major Melvin Fincham	(Retired 31 07 11)	Revd Rowena Francis		Rev Ruth Gee #		Terri Leach #	Secretary	Ven Geoff Miller #	Vice Chair of Board	Rev Lionel Osborn		Rev Keith Phipps#		Vincent Robinson OBE #	Chair of Board	Canon Robert Spence #		Peter Sweeney #	Treasurer	Rt Rev Martin Warner		Rt Rev Martin Wharton CBE		Rt Rev Frank White	Vice Chair of Council		(Appointed 30 09 11)
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CRC BOARD OF MANAGEMENT:	All # as above, plus Peter Brookes (Appointed 16 03 11)																																														
CHIEF OFFICER:	Paul Southgate																																														
REGISTERED OFFICE:	St James', Northumberland Road Newcastle upon Tyne, NE1 8JF																																														
INDEPENDENT EXAMINER:	W H Sawyer FCA J N Straughan & Co Fram Well House Framwelgate, Durham City DH1 5SU																																														
BANKERS:	The Co-operative Bank Plc 1 Balloon Street Manchester M60 4EP																																														

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER 2011

The Churches' Regional Commission in the North East is constituted by Memorandum & Articles as a Company Limited by Guarantee incorporated on the 30th May 1995 (Company No 3062222) It is a Registered Charity (No 1047745)

Principal Activity

The principal activity of the company is the more effective promotion of the churches' mission and ministry through ecumenical social action in the community of the North East of England

The results for the year and the position at 31st December 2010 are as shown in the attached financial statements

The CRC Council is set out on page 1

The Board of Management is vested with the responsibility for the day-to-day management of the company In addition to the Council members shown on page 1 and marked with an #, it was agreed there would be further places designated as available for other (co-opted) members who are persons with relevant management experience, but who are not Council members Those appointed are

Mr Peter Brookes

(Appointed 16 0311)

Main Objective:

Our main objective is to work in partnership with North East Christian Churches Together (NECCT) to promote social action by churches and faith communities in the North East of England, encouraging faith communities to extend their contribution to the social and economic development of the region In pursuance of this objective we seek to interpret the social and economic trends and issues from the faith perspective and to access support, advice and training to local churches and their related groups We also aim to identify priorities in the churches' mission and in the disposition of resources We work in partnership with other faiths

Chair's Report

It is a pleasing task for a chair to report that CRC is building up a very credible presence both in the North East and further afield both nationally and internationally The fact that CRC is a living example of how the Christian Churches do work well together 'on the ground' has gained it respect and credence As is likely to be known by most readers of this report, CRC aims to promote social action by churches working together It does this principally by encouraging faith participation in public life and decision-making, gathering and sharing intelligence relating to faith groups, and developing networks for learning, reflection and action Over recent years CRC has continued to develop and strengthen its links with public bodies in the region and sought to help them engage more effectively with churches and faith communities CRC has also succeeded in bringing other faiths together with churches to address social action One of our proudest significant moments in 2011 was the achievement of independent charity status gained by NERFN (North East Regional Faiths Network), chaired by CRC since it was formed 5 years ago

The role and function of CRC is probably required more now than when it was originally conceived some 17 years ago The North East faces some huge challenges health and wellbeing, social inequality and injustice, a diminishing economic foundation and underemployment CRC reports and publications illustrate that much of the work of the churches happens 'beneath the radar' The CRC's developing intelligence base illustrates the immense contribution made by the churches to the social, economic and cultural life of the region and beyond CRC builds platforms for churches and faith groups together to express their voice on matters of mutual concern such as the regeneration of our democracy, their local neighbourhoods, the marginalised and disadvantaged, homelessness, health and wellbeing, equalities and many others The report which follows provides a snapshot of this activity during 2011, and further details are accessible through the CRC website

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER 2011

Together with our denominational partners we are initiating imaginative projects in some of the most disadvantaged areas in the North East, such as *Faith in our Community* and the *Forum on Rehabilitation of Offenders*. Action research projects, such as the *Community Resilience Project* in Newcastle and Jarrow, are exploring causes of disadvantage and social injustice and working with churches and civil society organisations to design new ways of addressing intractable social problems.

Few need reminding that the North East is suffering badly from the reduction of public expenditure. CRC received news virtually each day of families and individuals now relying on the 'Foodbanks' now being developed and operated primarily by the churches across the regions. Neither CRC nor north east Churches are insulated against the impact of the recession, economic flat-lining and government cutbacks. Like many organisations the churches are addressing sustainability and economic survival as they navigate the journey ahead in our hard-hit region. CRC is grateful for the sponsorship it enjoys from the churches and those in the public sector who value the contribution of CRC to their work.

As noted in last year's report, CRC's work has been carried out in the fluid environment of change. This was symbolised in 2011 by the relocation of our office from the quiet rural surroundings of County Durham's Ushaw College into the bustling heart of Newcastle's city centre. We record our satisfaction that Ushaw's magnificent buildings, far from being left derelict by the closure of the seminary, are currently home to both the University's Business School and the Centre for Catholic Studies. *Ad Multos Annos Vivas!*

This year CRC has been delighted to welcome onto the Council the Rt Revd Frank White, the Assistant Bishop of Newcastle Anglican Diocese, to be our new Vice-Chair, Father Seamus Doyle of the Roman Catholic Diocese of Hexham & Newcastle, Professor Bill Cunningham and Richard Moriarty of the Society of Friends. Mr Peter Brookes, a Durham County Councillor, also brings considerable experience and skill to the Board. I would like to record our sincere thanks to our Chairperson of 5 years, the Rt Revd Martin Wharton, Bishop of Newcastle who has been such a staunch ally and vigorous supporter of CRC since its inception. This year he hands over the Chair's duties to Rt Rev Seamus Cunningham, Bishop of Hexham & Newcastle.

Finally, in all this my thanks and congratulations go out to Paul Southgate, our Chief Officer, and to Stuart Allan, Sue Blackbird, Lisa Remmer, Pauline Bittlestone, Jim Robertson and also to our other superb volunteers and all other people comprising CRC's team during 2011. I am deeply grateful to the CRC Council and my fellow Board members together with Tees Valley Ministry, Northumbrian Industrial Mission and North East Christian Churches Together for helping to make the whole ecumenical enterprise in our region so dynamic, creative, effective and worthwhile. I should also like to thank the Churches, funding bodies or agencies which saw fit to underpin the work of CRC which you will read about below for, without them, much less could have been accomplished. May God bless you all.

Keith M. Phipps
Chair of the Board

A Regional Voice

The Churches' Regional Commission in the North East (CRC) was set up in 1995 as a joint venture by all the Christian denominations in the North East for the more effective promotion of the Church's mission and ministry through ecumenical social action in the North East of England. It is a registered charity and a company limited by guarantee. CRC's main objective is to be an agency of North East Christian Churches Together (NECCT) to promote social action by churches and faith communities, encouraging them to extend their contribution to the social and economic development of the region. Its Council comprises all of the region's Church Leaders and others appointed by them for their skills and expertise. The Council appoints a Board with responsibility for the management of the company. The Board meets bi-monthly and reports to the Council at least twice a year. The Chief Officer manages the staff and the day to day business of CRC, reporting to the Board. The primary funders of CRC are the Churches themselves.

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER 2011

Gathering information and intelligence

An important function of CRC is to gather intelligence to inform ecumenical work. We continued our Faith Survey of the north east, achieving a response of 30% so far. The Faiths database, which can be found at www.nefaith.org.uk, is a fascinating insight into the scope, nature, condition, value and significance of the faith sector, and demonstrates the immense contribution made by churches to life in our region.

Engaging with those who are marginalised

Between 24% - 30% of prisoners in the North East are re-offenders. CRC, together with the region's prison chaplains and other partners, set up the Inter Faith Forum on the Resettlement of Offenders in 2010 to explore ways in which faith groups can help offenders to be rehabilitated and re-integrated into their communities and reduce the rate of re-offending. In Prisons Week 2011 we held a third major gathering at HMP Holme House, Stockton, bringing together Tees Valley faith groups, prisoners and officers. We look forward to a fourth conference with young offenders early in 2012 at HMYOI Deebolt. Participants take back to their churches the issues they have uncovered and begin conversations about how their churches can help.

CRC is delighted to support DepaulUK, the country's largest youth homelessness charity, by serving on its regional committee.

Faith in Public Life

CRC works directly with local authorities. For example, CRC is facilitating a critical review of Durham County Council's 'Sustainable Communities Strategy' from a faith perspective. CRC produced a booklet "Faith in Sustainable Communities" for the local authority and participants to assist and inform this process. We are running a series of conversations for the Council's elected members and officers to engage in face-to-face dialogue with participants from civil society and faith communities. These "Ethics Breakfasts", seminars and conferences debate such topics as "What place for morality in the public square?" and "Lessons from the riots – what actions from the public square?" CRC publishes briefings to highlight the issues raised and inform future discussions.

CRC accepted Middlesbrough Council's invitation to address its Cohesion Partnership conference and to run workshops on the recent Religion and Belief legislation. We made a presentation to the Redcar and Cleveland Cohesion Partnership and travelled to Parliament for an MPs 'Drop-in' event to discuss any faith matters of concern to them.

CRC's "Engaging with Faith" programme continued to bring together faith groups and public agencies at workshops in Stockton, Hartlepool and Sunderland.

Economic and employment concerns: industrial chaplaincy

TVM (Tees Valley Ministry) has been an integral part of CRC for many years, ably served by its workplace chaplains and committee. The Chair of the TVM sits on the Board of the CRC and the CRC is represented on the TVM Management Group. This year, CRC led a reflection day for TVM chaplains. Guided by its Chair, Revd Ruth Gee, TVM took the opportunity to review its purpose and objectives. These are now stated as "Helping people at work to balance their life, faith and work by providing high quality chaplains who offer them spiritual support, encouraging local churches to minister to workplaces in their locality, and supporting church leaders in speaking to industry." Ruth will hand over the Chair early in 2012 to Mr Tony Sacco after a job well done, and CRC will welcome Tony onto the CRC Board.

NIM (Northumbrian Industrial Mission), although not structurally a part of CRC, nevertheless has close connections with it and is chaired by CRC's Chief Officer, Paul Southgate. NIM, whose chaplains number 46, serves the north of our region as TVM serves the south. They minister to workplaces ranging from Newcastle Airport to Nissan, Fire & Rescue to Football clubs, Tyne Tees Television Centre to the MetroCentre, Town Centres to Call Centres, steelworks to chemical works and Power Stations.

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER 2011

CRC pays tribute to all the region's workplace chaplains who do such indispensable work. They stand in a crucial place often perceived as being outside the mainstream yet in reality deeply involved in the everyday lives and concerns of people in their diverse communities. Chaplains must understand the institutions where they work, be sensitive to the challenges and pressures facing those they serve, learn the questions that most fundamentally concern people, and witness to God's love in a maelstrom of competing forces. This is the mission of the Church in the world and the reason why the Church needs to cherish its chaplains who build bridges of trust, understanding and critical friendship within society. For this reason, NIM will use its 45th anniversary in 2012 to host a unique event celebrating chaplains from all sectors.

CRC, with Church Action on Poverty, is currently researching a "Living Wage" and is most grateful to Mr Alan Armstrong, who studies at Northumbria University, for carrying out this research so diligently and tenaciously on our behalf. We believe that a living wage is a matter of justice and accordingly made submissions to Newcastle's Living Wage Panel.

CRC was very happy to chair a Fair Trade seminar organised in Newcastle by the Ecumenical Council for Corporate Responsibility, and to preach at the Workers Memorial Day Service amid the colour of banners and the strain of bagpipes.

Community Development

Accompanying the new coalition Government's idea of the "Big Society" is the notion of "community organising". CRC organised events to try and unpack both ideas. In our work with asylum seekers and refugees CRC has found community organising methods to be focussed and challenging.

CRC continued to assist Durham Diocese's 'Faith in our Community' project for the 4th year. A short DVD of this community development project has now been produced and we hope that its dissemination will lead to more than interest among other church communities.

Civic and civil society: partnerships and cooperative actions

CRC represents the "Faiths strand" on regional bodies. Public regional agencies like Government Office and One North East may have vanished but our voluntary and community sector in general holds to a regional awareness. CRC serves on the boards of VONNE (Voluntary Organisations Network North East) and NERFN (NE Regional Faiths Network) and on the management committee of the NE Equalities Coalition and on the NE Empowerment Partnership. Watch this space as the idea of a Great North Festival gathers pace for 2013 – CRC is on its steering group. Its purpose will be to celebrate the pioneering achievements of North East England and to revive the creative and innovative spirit of the region by engaging local people – especially the young – in a process of exploration and learning in order to re-ignite hope.

Community resilience and nurturing sustainable communities

Much poverty research in Britain has been concerned with charting trends in income poverty, its prevalence among different household types, ethnic and demographic groups, its spatial distribution and the relationship between poverty and inequality. The qualitative approach taken in CRC's Community Resilience project is based on building up an understanding of changing neighbourhood dynamics from the accounts of residents themselves. It is concerned with how people get by in and around their neighbourhoods, the locus and quality of their primary social relationships, their experiences of and access to employment, and their general perceptions of their living standards in a wider sense.

The Community Resilience project was a relatively innovative venture for CRC. Supported by the Joseph Rowntree Charitable Trust, this action research project aims to explore, with local people and community organisations including the churches, what things help to make the community stronger and what things happen that undermine communities and sap their spirit. From other projects we were aware that having strong and active community groups based in an area makes a big positive contribution and in the North East the Churches are a major contributing force in disadvantaged areas. We also know that no community can survive without support, services and help from outside. It was an interesting and opportune time to be progressing this project with such severe cuts in public expenditure.

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER 2011

An outcome of the project to date is that CRC, in partnership with local people and groups, has produced a 'resilience measure' for identifying the characteristics of a 'resilient community' - what we describe in our reports as 'the building blocks' for ensuring resilience and sustainability particularly in the most marginalised and disadvantaged areas. We have organised both local workshops and regional workshops involving church groups to reflect on these findings (for example, to the Newcastle Conflict Resolution Network). This has resulted in a wider appreciation of the factors that sustain, indeed socially construct, inequality. The findings for these workshops are available on the CRC website as is the report from the project.

CRC is presently negotiating with local groups and appropriate funding sources to sustain this activity. This includes a key role for local churches and local groups and how they can continue to nurture wellbeing and spiritual growth, and develop social networks and enhance the social capital of the area.

Enabling wellbeing and compassionate communities

Faith communities have a distinctive role in most communities and neighbourhoods in some situations providing resources and services, in others, along with other community groups and organisations, expressing views and opinion which inform and shape policy formation and implementation. We organised, again with Durham County Council, a conference on health and wellbeing, showcasing church projects and helping to identify some of the challenges and changes, both personal and political, which may need to be addressed at all levels.

CRC continues to serve on the Strategic Health Authority's Advisory Group dealing with end of life care. The Group was keen to endorse CRC's suggestion of holding a conference about understanding death and dying from the perspectives of different faiths and beliefs. Fundamentally, we invited people to think about how their faith helped them to make sense of the chaos that is death. The conference was fully booked within the first week and St Cuthbert's Hospice at Durham could hold no more than the 100 participants who included Christian, Buddhist, Moslem, Baha'i, Hindu, Jewish, Sikh and Humanist speakers. We intend to make this the basis of a booklet which will be available on the internet in due course.

An interesting and persuasive counterpoint in the Big Society discourse is the theme of 'Compassionate Communities' being adopted especially in health circles of the region. Certainly, CRC is persuaded of it not simply because it resonates so deeply with our faith (and indeed inter faith) values but also because the idea carries more energy, substance and purpose. So CRC has conducted several workshops this year outlining the Church's role in building "Compassionate Communities". These have been given, for example, to the region's Annual Palliative Care Conference at Teesside University, also in Sunderland, Stockton and Easington. In 2012 CRC is booked to make a presentation to Northumberland County Council and even to run a conference in the Ukraine on the subject.

CRC goes international - encouraging active citizens

This Ukrainian connection, as explained in last year's report, came about as a result of CRC's involvement with the British Council's 'Active Citizens' programme. With our partners in Newcastle, the East End Alliance, CRC hosted a visit by 12 Ukrainians who in turn hosted people coming mainly from Newcastle. The purpose of the visits was to increase understanding of the power of global connections, and to develop skills to establish networks engaged in social action. For instance, we arranged a session with offenders and officers at HMP Holme House for a Ukrainian prison reform activist who took back with him a radically different vision for prison reform in Ukraine. The British Council has asked us to continue with them into next year and we look forward to receiving visitors in early 2012 from Bangladesh, Serbia, Jordan and Kenya.

Ecumenical and inter faith partnerships and programmes

Over the past few years, CRC and NECCT (North East Christian Churches Together) have made strenuous efforts to work together more closely. We have established a Blue Sky Thinking Group, a Churches Together Group, and a Joint Liaison Group to facilitate joint working. With the Churches Together Group, for example, CRC organised a conference called "Churches and Communities" at Newcastle, bringing together a number of local ecumenical church projects to share their experience and learning.

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER 2011

As members of the Churches' Regional Network CRC regularly meets with other colleagues around the country to share issues of common concern CRC also took part in a 24 hour symposium about the future ministry and mission of Shepherds Dene which is the pastoral centre for the dioceses of Newcastle and Durham For 2012, CRC is planning with Churches Together in Britain and Ireland (CTBI) an event entitled "Having Faith in a Good Society – a challenge for our times?"


Social action is particularly effective when done in partnership with other faiths, so where appropriate, CRC has involved other faiths in its work As Chair of NERFN we organised a regional link meeting with the UK Inter Faith Network at Newcastle Civic Centre and attended meetings of the English Regional Faith Forums in London Having chaired NERFN (North East Regional Faiths Network) since its inception five years ago, and having steered the organisation to become an independent charity focussed upon social action, CRC felt it was time to step down from the chair while continuing to share in its governance as trustees Sadly, funding for the Regional Faiths Fora was discontinued in 2011 so NERFN's Development Worker Lisa Remmer had to bid farewell CRC will continue to chair County Durham Faiths Network until 2012 We also supported the first meeting of North Tyneside's Inter Faith Group During 2011 CRC took part in the opening of Stockton's new mosque, the Hindu Ganesh Festival in Stanley, welcomed the new Jewish Rabbi Aaron Lipsey to Newcastle's Orthodox Synagogue, attended Islamic evenings at Northumbria University and a Sikh event at Newcastle's Gurdwara The CRC Council invited the Women's Inter Faith Media Network to its September meeting to give a presentation of its work

Funders

Much less would have been achieved in the service of our region without the support of our funders and we thank the Department for Communities and Local Government for funds administered by the Community Development Foundation, the Joseph Rowntree Charitable Trust for funds administered by the Community Foundation for Tyne & Wear and Northumberland, Public Health North East, the British Council, Tyne & Wear Infrastructure Consortium, North East Empowerment Partnership, Durham County Council, Gateshead Metropolitan Council and Gentoo for their in-kind support We particularly thank all the church denominations in the region that, even in these straitened times, continue to give us core funding and essential support in many other ways We are also grateful to Durham Diocese for the payroll service it generously provides to CRC

Thanks

Finally, we take this opportunity to pay tribute to the staff team at CRC who have been unflagging in their enthusiasm and commitment Stuart Allan, Sue Blackbird, Lisa Remmer (who sadly left post in March) and Pauline Bittlestone We record our gratitude to all those who serve CRC and its associated projects in a voluntary capacity on Boards or Committees, or as advisors and consultants, or through working as chaplains Special thanks must go to Jim Robertson and David Penn for their invaluable and energetic work on behalf of CRC and for their unflagging support, to Peter Brookes and Vijaya Kotur, of the Cedar Partnership, who have led so effectively on CRC's "Engaging with Faith" programme, to Michael King, of MK Associates and "Faith to Engage", who has cheerfully worked at our side in a number of projects, especially with offenders, to Susan Atkinson, secretary of NECCT, to Dr Bernhard Nausner who took on the task of preparing NERFN for charitable status, to Alan Armstrong for his work on a 'Living Wage', to Chris Ford who worked with us on community resilience, and to Linda Williams of the East End Alliance



Rt Rev Seamus Cunningham – CHAIR OF COUNCIL
Dated 31st May 2012

**INDEPENDENT EXAMINERS REPORT TO THE SHAREHOLDERS
OF THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST**

I report on the accounts of the company for the year ended 31st December 2011 which are set out on pages 9 to 17

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (The Charities Act) and that an independent examination is needed.

It is my responsibility to

- Examine the accounts under section 145 of the Charities Act,
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145 (5)(b) of the Charities Act), and
- To state whether particular matters have come to my attention

Basis of independent examiner's report

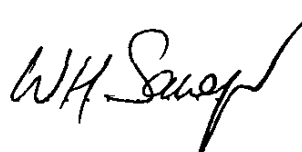
My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in a statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

- 1 Which gives me reasonable cause to believe that in any material respect the requirements -
 - To keep accounting records in accordance with section 130 of the Charities Act, and
 - To prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met
- To which, in my opinion attention should be drawn in order to enable a proper understanding of the accounts to be reached

W H Sawyer FCA,
Fram Well House,
Framwelgate,
Durham City,
DH1 5SU



Dated 31st May 2012



THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	£ Unrestricted Funds	£ Restricted Funds	£ Endowment Funds	Year Ended 31.12.11 £ Total Funds	Year Ended 31.12.10 £ Total Funds
Incoming resources before transfers						
donations, grants and similar incoming resources						
Grants received	4	4,575	42,190	-	46,765	147,343
Churches contributions		43,820	-	-	43,820	69,268
Activities in furtherance of the charity's objects						
Other incoming resources	5	4,114	238	-	4,352	27,067
Investment income and interest	6	<u>666</u>	<u>541</u>	<u>-</u>	<u>1,207</u>	<u>1,075</u>
Total incoming resources before transfers		<u>53,175</u>	<u>42,969</u>	<u>-</u>	<u>96,144</u>	<u>244,753</u>
Resources expended						
Charitable activities						
Costs of activities in furtherance of the charity's objects	8(a)	63,255	73,976	251	137,482	177,689
Management and administration of the Charity	8(b)	<u>21,356</u>	<u>450</u>	<u>-</u>	<u>21,806</u>	<u>20,979</u>
Total resources expended		<u>84,611</u>	<u>74,426</u>	<u>251</u>	<u>159,288</u>	<u>198,668</u>
Net incoming/(outgoings) resources before transfers		(31,436)	(31,457)	(251)	(63,144)	26,085
Unrealised gains (losses) on investments		<u>-</u>	<u>234</u>	<u>-</u>	<u>234</u>	<u>735</u>
Net movement in funds for the year		<u>(31,436)</u>	<u>(31,223)</u>	<u>(251)</u>	<u>(62,910)</u>	<u>26,820</u>
Transfer to/from General Fund		-	-	-	-	-
Fund balances brought forward at 01.01.11		<u>97,984</u>	<u>72,619</u>	<u>1,290</u>	<u>171,893</u>	<u>145,073</u>
Fund balances carried forward at 31.12.11	16	<u>66,548</u>	<u>41,396</u>	<u>1,039</u>	<u>108,983</u>	<u>171,893</u>

See analysis on Page 18

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST
BALANCE SHEET AS AT 31 DECEMBER 2011

	Note	Year Ended 31.12.11 £	Year Ended 31.12.10 £
FIXED ASSETS			
Tangible fixed assets	10	3,655	3,946
CURRENT ASSETS			
Investment	11	11,192	10,959
Debtors	12	957	1,830
Bank and cash		<u>95,269</u>	<u>157,188</u>
		<u>107,418</u>	<u>169,977</u>
CREDITORS DUE IN LESS THAN ONE YEAR			
	13	<u>2,090</u>	<u>2,030</u>
NET CURRENT ASSETS		<u>105,328</u>	<u>167,947</u>
NET ASSETS	17	<u>108,983</u>	<u>171,893</u>
FUNDS			
Unrestricted fund			
General income funds reserves	16	66,548	97,984
Endowment Fund	19	1,039	1,290
Restricted fund	18		
TVM		27,185	24,162
Community Development Fund		11,132	11,132
Joint Website Fund		295	295
NERFN 10 11		-	33,843
British Council		-	-
JRCT		-	-
Durham County Faith Network		1,000	-
NEEP 2		<u>1,784</u>	<u>3,187</u>
		<u>41,396</u>	<u>72,619</u>
		<u>108,983</u>	<u>171,893</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2011

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December, 2011 in accordance with section 476 of the Companies act 2006

The trustees acknowledge their responsibilities for

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 378 of the Companies Act 2006, and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each 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 financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

ON BEHALF OF THE COUNCIL

Terr Leach

Terr Leach **Secretary of Council**

Approved by the Council on 31st May 2012

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

- 1 (a) **Accounting policies**
The accounts have been prepared under the historical cost convention, with the exception of investments, which are included at market value. The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), the Companies Act 2006 and following the recommendations in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) published in March 2005.
- (b) **Donations**
Donations are recognised in full in the Statement of Financial Activities in the period in which they are received. Assets donated are recognised in full as donations and fixed assets.
- (c) **Government grants**
Grants and fees received for current year expenditure and grants for purchase of fixed assets are recognised in full in the Statement of Financial Activities in the period in which they are received, provided that the conditions for receipt have been complied with. Where income is received in advance for expenditure in a future accounting period, it is deferred and recognised in the future period to which it relates.
- (d) **Resources expended**
Resources expended are recognised in the period in which they are incurred. Resources expended include VAT which cannot be recovered.
- (e) **Depreciation and diminution in value of assets**
Tangible fixed assets are stated at cost less depreciation. Items of equipment are capitalised where the purchase price exceeds £100. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:
- | | |
|--------------------|-----------------------------------|
| Office equipment | 25% per annum on reducing balance |
| Computer equipment | 25% per annum on reducing balance |
- (f) **Pension costs**
The company operates a defined contribution pension scheme and pension contributions are charged to profit and loss account to spread the cost of the pensions over the employees working lives.
- (g) **Fund accounting**
Funds held by the charity are either:
- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the board.
 - Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
 - Endowment funds – these are capital funds where there is no power to convert capital into income.
- (h) **Investments**
Investments are valued at market value at 31st December and unrealised gains or losses at that date are accounted for in the SOFA.

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

2 Income

Income is attributable solely to continuing operations and derives from the activities of the more effective promotion of the churches' mission through ecumenical action in the North East of England. The region's churches provide the core funding for the work of the Churches Regional Commission.

Where income is received in advance for expenditure in a future accounting period, it is deferred and recognised in the future period to which it relates.

3 Expenditure

All expenditure is included on an accruals basis and recognised when there is a legal or constructive obligation to pay for the expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA. The Charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Expenditure is allocated to activities in furtherance of the charities objectives and the management and administration of the charity by reference to the nature of the cost. Where a cost is common to both activities, management allocate by reference to time incurred on the activity.

4 Donations, grants and similar other incoming resources

	Unrestricted	Restricted	Endowment	2011 Total	2010 Total
	£	£	£	£	£
Grant and Gift Funding for CRC	4,575	-	-	4,575	11,189
Grant and Gift Funding for TVM	-	3,205	-	3,205	3,162
Grant and Gift Funding for NERFN 09 10	-	-	-	-	12,608
Grant and Gift Funding for NERFN 10 11	-	-	-	-	74,000
Grant and Gift Funding for CUF/CRT	-	-	-	-	4,539
Grant and Gift Funding for NEEP	-	-	-	-	16,920
Grant and Gift Funding for JRCT	-	4,975	-	4,975	14,925
Grant and Gift Funding for NEEP 2	-	12,000	-	12,000	10,000
Grant and Gift Funding DCFN	-	1,000	-	1,000	-
Grant and Gift Funding for British Council	-	21,010	-	21,010	-
	<u>4,575</u>	<u>42,190</u>	<u>-</u>	<u>46,765</u>	<u>147,343</u>

5 Activities in furtherance of the charity's objects

	Unrestricted	Restricted	Endowment	2011 Total	2010 Total
	£	£	£	£	£
Other Incoming resources					
Gift Aid	-	8	-	8	48
Project Management	3,438	-	-	3,438	13,005
Delivery Income	-	-	-	-	11,461
Sundry Income	676	230	-	906	627
Salary Recharge	-	-	-	-	1,926
	<u>4,114</u>	<u>238</u>	<u>-</u>	<u>4,352</u>	<u>27,067</u>

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

6 Investment income

	Unrestricted	Restricted	Endowment	2011 Total	2010 Total
	£	£	£	£	£
Dividends	-	480	-	480	478
Bank interest	<u>666</u>	<u>61</u>	-	<u>727</u>	<u>597</u>
	<u>666</u>	<u>541</u>	<u>-</u>	<u>1,207</u>	<u>1,075</u>

7 Operating surplus

	Year Ended 31.12.11	Year Ended 31.12.10
	£	£
The operating surplus for the year is stated after charging		
Depreciation	<u>1,129</u>	<u>1,167</u>

8 Analysis of resources expended

(a) Costs of activities in the furtherance of the charities objects

	Unrestricted	Restricted	Endowment	2011 Total	2010 Total
	£	£	£	£	£
Rent rates, heat and light	1,720	150	-	1 870	1 653
Salaries	45,746	13 359	-	59,105	70,622
Employers NI	4,033	740	-	4,773	5,851
Pension contributions	2,003	184	-	2,187	3,072
Consultancy	524	39,966	-	40 490	47 835
Telephone	1,108	-	-	1,108	1,041
Insurance	668	375	-	1,043	1,116
Printing, postage and stationery	408	578	-	986	2,558
Publicity	150	2,235	-	2,385	752
Travel	4,328	10,863	-	15 191	8 604
Events	666	1,758	-	2,424	7,106
Bank charges	10	72	-	82	45
Sundry	590	71	-	661	2,365
Training and Seminars	-	73	-	73	453
Accountancy	-	-	-	-	-
Repairs and Renewals	511	-	-	511	105
Refreshments	331	-	-	331	348
Volunteers Travel	20	61	-	81	595
Project Management	-	3,438	-	3,438	13,505
Depreciation	439	-	251	690	751
Delivery Costs	-	-	-	-	8,848
Management Group	-	53	-	53	464
	<u>63,255</u>	<u>73,976</u>	<u>251</u>	<u>137,482</u>	<u>177,689</u>

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

8 Analysis of resources expended

(b) Management and administration of the charity

	Unrestricted	Restricted	Endowment	Total 2011	Total 2010
	£	£	£	£	£
Rent, rates, heat and light	1,720	-	-	1,720	602
Salaries	11,437	-	-	11,437	12,806
Employers NI	1,008	-	-	1,008	1,069
Pension contributions	501	-	-	501	587
Consultancy	523	-	-	523	278
Telephone	1,108	-	-	1,108	556
Insurance	669	-	-	669	561
Printing, postage and stationery	408	-	-	408	61
Publicity	150	-	-	150	751
Events	666	-	-	666	1,089
Bank charges	10	-	-	10	-
Sundry	589	-	-	589	267
Accountancy	1,598	450	-	2,048	1,832
Repairs and Renewals	510	-	-	510	104
Volunteers travel	20	-	-	20	-
Depreciation	439	-	-	439	416
	<u>21,356</u>	<u>450</u>	<u>-</u>	<u>21,806</u>	<u>20,979</u>

9 Staff costs and numbers

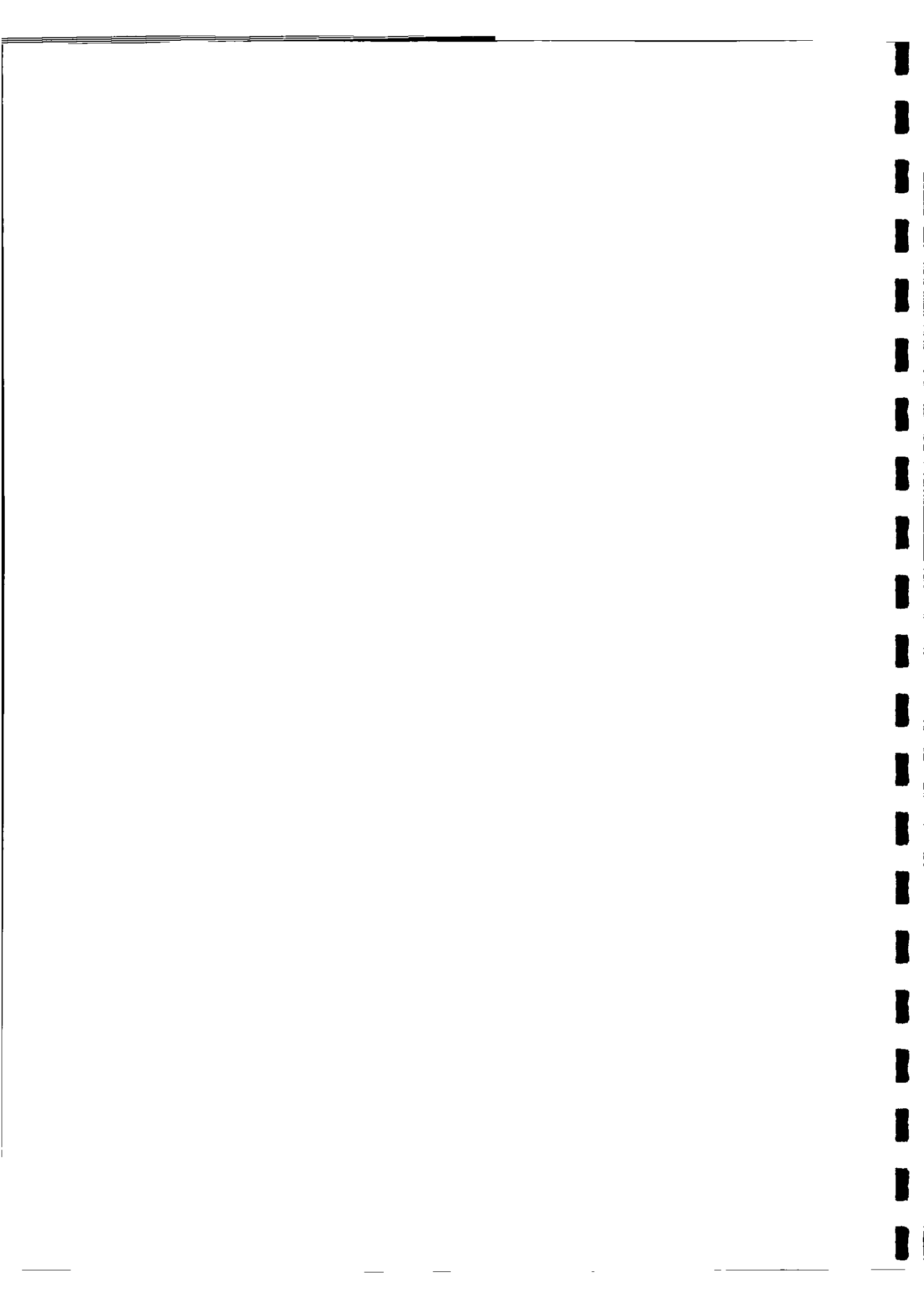
	Year Ended 31.12.11 £	Year Ended 31.12.10 £
Salaries and wages	70,542	83,428
Social security costs	5,781	6,920
Pension	<u>2,744</u>	<u>3,659</u>
	<u>79,067</u>	<u>94,007</u>

No employee received emoluments of more than £60,000

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows -

	2011	2010
Charitable	4	4
Administration and support	<u>1</u>	<u>1</u>
	<u>5</u>	<u>5</u>

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions for the Chief Officer were £1,714 (2010 £1,700) and contributions for other employees were £1,030 (2010 £1,959).



THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

10 Tangible fixed assets

	Computer Equipment £	Office Equipment £	Total £
Cost or valuation			
At 1 January 2011	14,143	9,918	24,061
Additions	<u>773</u>	<u>64</u>	<u>837</u>
Balance at 31 December 2011	<u>14,916</u>	<u>9,982</u>	<u>24,898</u>
Accumulated depreciation			
At 1 January 2011	12,058	8,057	20,115
Charge for the year	<u>658</u>	<u>470</u>	<u>1,128</u>
Balance at 31 December 2011	<u>12,716</u>	<u>8,527</u>	<u>21,243</u>
Net book value at 31 December 2011	<u>2,200</u>	<u>1,455</u>	<u>3,655</u>
Net book value at 31 December 2010	<u>2,086</u>	<u>1,860</u>	<u>3,946</u>

11 Investments

	Year Ended 31.12.11 £	Year Ended 31.12.10 £
Within the UK		
Church of England Investment Fund at market value	<u>11,192</u>	<u>10,959</u>

This investment arose out of the funds transferred for TVM and its original cost was £10,000 of which 536 shares were sold during the year ended 31 December 2007

12 Debtors

	Year Ended 31.12.11 £	Year Ended 31.12.10 £
Trade debtors	-	802
Prepayments	<u>957</u>	<u>1,028</u>
	<u>957</u>	<u>1,830</u>

13 Creditors Amounts due within one year

	Year Ended 31.12.11 £	Year Ended 31.12.10 £
Accruals	<u>2,090</u>	<u>2,030</u>
	<u>2,090</u>	<u>2,030</u>

14 Taxation

The charitable company is exempt from Corporation Tax on its charitable activities

THE CHURCHES' REGIONAL COMMISSION IN THE NORTH EAST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011

15 Analysis of net assets between funds

	Unrestricted	Restricted	Endowment	Total
	£	£	£	£
Tangible fixed assets	2,902	-	753	3,655
Net current assets	<u>63,646</u>	<u>41,396</u>	<u>286</u>	<u>105,328</u>
Net assets at 31 December 2011	<u>66,548</u>	<u>41,396</u>	<u>1,039</u>	<u>108,983</u>

16 General income fund reserves

	Year Ended	Year Ended
	31.12.11	31.12.10
	£	£
At 1 January 2011	97,984	97,406
Surplus retained for the year	<u>(31,436)</u>	<u>578</u>
Balance at 31 December 2011	<u>66,548</u>	<u>97,984</u>

17 Reconciliation of movement of fund

	Year Ended	Year Ended
	31.12.11	31.12.10
	£	£
Surplus/(deficit) for the financial year	(62,910)	26,820
Opening funds at 1 January 2011	<u>171,893</u>	<u>145,073</u>
Closing funds at 31 December 2011	<u>108,983</u>	<u>171,893</u>

18 Restricted funds

	Balance at	Incoming	Outgoing		Balance at
	1 1 11	Resources	Resources	Transfers	31 12 11
TVM	24,162	4,113	(1,090)	-	27,185
Community Development Fund	11,132	-	-	-	11,132
Joint Website	295	-	-	-	295
NERFN 10 11	33,843	-	(33,843)	-	-
British Council	-	21,010	(21,010)	-	-
JRCT	-	4,975	(4,975)	-	-
Durham County Faith Network	-	1,000	-	-	1,000
NEEP 2	<u>3,187</u>	<u>12,105</u>	<u>(13,508)</u>	<u>-</u>	<u>1,784</u>
	<u>72,619</u>	<u>43,203</u>	<u>(74,426)</u>	<u>-</u>	<u>41,396</u>

TVM – Tees Valley Ministry is the charitable organisation which provides pastoral care to workers in industry and commerce in the south of the region

Joint Website – CRC shares its website, northeastchurches.org, with North East Christian Churches Together (NECCT). This fund was created to cover the costs of producing and maintaining the website.

NERFN went on to receive further funding from DCLG with a remit to build the capacity of NERFN in 08/09, to develop the Network during 09/10, and to make it independent and sustainable by 2010/11.

British Council refers to its Active Citizens programme.

JRCT is the Joseph Rowntree Charitable Trust which funded the Community Resilience project.

NEEP 2 is the continuation of a project funded by the North East Empowerment Partnership done by CRC in partnership with Durham County Council.

19 Endowment funds

	Balance at	Incoming	Outgoing		Balance at
	1 1 11	Resources	Resources	Transfers	31 12 11
Fixtures and fittings	753	-	(13)	-	740
Computer equipment	<u>537</u>	<u>-</u>	<u>(238)</u>	<u>-</u>	<u>299</u>
	<u>1,290</u>	<u>-</u>	<u>(251)</u>	<u>-</u>	<u>1,039</u>

Endowment funds represent those assets which must be held permanently by the Charity, in this case grant funding received in respect of capital assets.

CRC IN THE
NORTH EAST

ACCOUNTS YE
31ST DECEMBER 2011

	UNRESTRICTED FUND CRC	ENDOWMENT FUND	RESTRICTED FUNDS								TOTAL
			GENERAL	TVM	Community Development	Joint Website	Durham County Faith Network	NERPN 10 11	BRITISH COUNCIL JRCT	NEEP 2	
Incomes											
1 Churches contributions	43820 00										43820 00
2 Gift Aid				8 00							8 00
3 Events											0 00
4 Grant funding	4575 00			3175 00			1000 00		21010 00	4975 00	46735 00
5 Project management	3438 00									12000 00	3438 00
6 Sundry income	676 00			125 00						105 00	906 00
7 Bank interest	666 00			61 00							727 00
8 Dividends				480 00							480 00
9 Delivery income											0 00
10 Donations				30 00							30 00
11 Salary Recharge											0 00
12 Total Income	53175 00	0 00	3879 00	0 00	0 00	1000 00	0 00	21010 00	4975 00	12105 00	96144 00
Expenses											
13 Rent rates light and heat	3440 00							150 00			3590 00
14 Salaries	57183 00							5196 00	926 00	3242 00	70542 00
15 Employers NI	5041 00							287 00	47 00	180 00	5781 00
16 Pension contributions	2504 00							184 00			2688 00
17 Consultancy	1047 00							22868 00	10256 00	591 00	41013 00
18 Telephone	2216 00										2216 00
19 Insurance	1337 00			375 00							1712 00
20 Printing Postage & stationery	816 00			27 00				466 00		85 00	1394 00
21 Publicity	300 00								642 00	1593 00	2535 00
22 Travel	4328 00							1562 00	8826 00	193 00	15191 00
23 Events	1332 00			51 00				464 00	273 00	309 00	3090 00
24 Bank charges	20 00			72 00							92 00
25 Sundry	1179 00			31 00					40 00		1250 00
26 Training and seminars				73 00							73 00
27 Accountancy	1598 00			150 00				300 00			2048 00
28 Repairs and renewals	1021 00										1021 00
29 Refreshments	331 00										331 00
30 Volunteers travel	40 00			61 00							101 00
31 Project management				250 00				2313 00		375 00	3438 00
32 Depn - computer equipment	421 00	238 00								500 00	659 00
33 Depn - office equipment	457 00	13 00									470 00
34 Delivery costs											0 00
35 Management Group								53 00			53 00
36 Total Expenses	84611 00	251 00	1090 00	0 00	0 00	0 00	33843 00	21010 00	4975 00	13508 00	139288 00
Surplus/(deficit)for year before											
37 transfers	31436 00	251 00	2789 00	0 00	0 00	1000 00	-33843 00	0 00	0 00	1403 00	63144 00
38 unrealised gain			234 00								234 00
39 Net movement in funds	-31436 00	-251 00	3023 00	0 00	0 00	1000 00	-33843 00	0 00	0 00	-1403 00	-62910 00
40 Transfers to/from General Fund											0 00
41 Opening balance	97984 00	1290 00	24162 00	11132 00	295 00	0 00	33843 00	0 00	0 00	3187 00	171893 00
42 Closing balance	66548 00	1039 00	27185 00	11132 00	295 00	1000 00	0 00	0 00	0 00	1784 00	108983 00