

CHAIR'S REPORT

For each of the last two years I wrote in my annual remarks that the year had been “rather” or “completely” transitional. Now it is clear that the transition has finally been accomplished.

That complete transition is, of course, the final closing of activity under the last (2000-07) European Social Fund Programme and the start of the new one, nominally on April 1st this year. Therefore it seems timely to look back, not just over the last year (which is studied in more detail in the *Review of the Year*, below) but also over the last 7 or 8 years.

With the added objectivity of time the first three years of the last ESF Programme look like a golden age. In 2002, 36% of all new ESF contracts went to the Third Sector; Community Empowerment was in full swing in allocating funding for Inclusion Work, with high levels of activity in Capacity Building and Local Social Capital work. **CEFET** was fully involved in running the regional programme: we led on drafting the Inclusion Strategy and the related Guidance for bids; we devised (on the basis of the Strategy) an absolutely transparent scoring system for assessing projects and trained other partners in applying it. In short **CEFET** was an equal participant, on behalf of the sector, in a fully functioning partnership that shaped the Programme – in complete accordance with the Articles in the ESF Regulations. This all meant of course that our advice and support to applicants was absolutely authoritative – we knew and identified with the principles underlying use of the funds – and could help improve quality of proposals to the fund. This was reflected in the improved position of the sector in getting the funds, and using them to reach people and communities that no other agencies could reach.

In retrospect this looks like an *ideal model* of how the Third Sector should be involved in Programmes: contributing equally to setting principles and strategy and working on their implementation through shaping tender specifications and scoring frameworks, and taking the lead where its expertise is most appropriate.

Of course Co-Financing from 2003 was a big step back from this position of influence and identification with the fund. In fact with the benefit of hindsight, it seems like 2 steps back... but then 1 step forward when the Co-Financing Organisations (CFOs - principally the Learning and Skills Councils) got used to working with **CEFET** and the sector and we got used to working with them. Capacity Building and “bottom-up” approaches made a re-appearance in the last 2 or 3 years of the Programme, not least with the TIGER Programmes. Nevertheless the overall proportion of the fund going directly to the sector shrank from the 2002 high to just over half for the period 2003-7: in the 18% - 20% range. As regular readers of this annual snapshot will know, the sector “take” finished up averaging 26.5% for the whole 2000-2007 period.

For **CEFET** the winding up of the Programme has meant the winding up of TIGER², which concluded with an over-performance of 40%.

We also finally concluded **CATALYST**, with the 6th and final Phase ending in March.

CATALYST, as a whole, finished having supported 643 small community projects, involving the direct participation of 6,555 excluded people and benefiting, indirectly, 182,012 community members. The most interesting thing of all though is that two-thirds of those 6,555 people say they would not have participated in *anything else!*

In fact, given the staggering success of **CATALYST** - not just in reaching the excluded but in developing self-activity and achieving better-than-mainstream employment and skills progressions, it is very galling to record the inexplicable (and unexplained) decision to not continue the project, in some form, in the new Programme.

Entering the new Programme, with what seemed to be a clean slate, has been the final transition of this last year. I have to say that the early signs are not good. A year ago the sector was involved in the consultation on the new ESF Regional Framework. We were delighted that

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the successes of Community Empowerment were explicitly cited in the draft Framework, and the consultation explicitly asked, *“How significant a part of Priority 1 should this (Community Empowerment approach) be when it comes to allocating funding?”*

CEFET had, in fact been consulting on this very question for over a year and was able to draw together an integrated, costed, 3-tier community empowerment programme on the basis of experience from the last ESF Programme. The proposal came with internal progression routes, properly estimated outputs, and a “green-book” estimate for economic impact. The sector, in the shape of 300 organisations, supported this proposal – which amounted to 18% of the Programme (as against the larger 25% of the last Programme). Only to find that the proposal was not considered, on the (false) basis that it broke a 2.5% limit set solely for Community “Grants”. (See Review of the Year below for more details)

The uproar in the sector was palpable, and the impasse only removed when GOEM secured assurances that substantial Community Empowerment activity would, in practice, be commissioned.

We are now at the stage when the first ESF contracts have been signed. **CEFET** has asked those tendering through the Learning and Skills Council to report their experience. The report is published today at the AGM and the results compound the feeling within the sector, and more importantly the Communities it alone serves, that we are not treated seriously as components of the Programme. For example, the majority of those who participate do not feel the process fair, and 80% are not content that decisions are explained. Furthermore, many feel that, although the Framework problem was the responsibility of the Regional Skills Partnership, the CFOs are all-of-a-piece with this body in bending ESF to their mainstream agenda - leaving the excluded...well... excluded! As to the sector as a whole – our estimate is that VCS involvement will be below 15%, the lowest since 1998!

We at **CEFET** feel it is our obligation under ESF regulations and our responsibility to the sector to hold the Programme to account on these issues, and to investigate the mysterious case of disappearing Community Empowerment.

On a brighter note the establishment of a single platform for the sector’s Policy work has progressed over the year, and One East Midlands (OEM) is nearing full operation. As befits the most senior regional Infrastructure body, **CEFET**’s experience has been important. I have the honour of Chairing OEM’s strategy group, and Laurie Moran – our Chief Executive is currently a vice-chair. We hope and expect OEM to make great strides over the next year, perhaps enabling the model of full Partnership cited above to be realised across a variety of policy and programme areas.

It is on a sad note that I have to record that, with the end of the **CATALYST** Programme, we have said goodbye to Linda Hawthorne, Norma Tsang and Sandra Casey. They were great stalwarts of the programme and their energy, commitment and vision helped shape the brilliant, internationally recognised project that it became. Sandra Casey subsequently worked for TSEN (Third Sector European Network). Her leaving, paradoxically, marks a level of success in the TSEN project which, after being nurtured for 2 years by **CEFET**, is able to stand alone and has moved office to London – hence Sandra’s departure. We have just heard that TSEN is to be funded for another 2 full years until March 2011. Sandra Turner remains as Executive Director. We have also said goodbye to Sarah Capewell & Hannah Hawthorne, **CATALYST** fieldworkers. We wish all those who have moved on every success in the future – we will miss you.

In conclusion I would like to thank my colleagues on the Executive Committee for their work and support in the last year, to our funders for their support, and to our members and users for their imagination and fortitude - without which nothing we do would have any meaning. Finally my personal thanks are due to the remaining Staff whose, sometimes exhausting, hard work, and flexibility is the rock on which **CEFET**’s success is founded.

Patsy Hunter - **CEFET** Chair

CEFET'S REVIEW OF THE YEAR 2007 - 2008

The year under review, as our Chair has already pointed out, marks a Transition from one ESF Programme to another.

We now have final figures for the participation of the sector in the programme which has just finished.

VOLUNTARY & COMMUNITY SECTOR IN LAST ESF PROGRAMME (2000 – 07)

| | VCS Project Value (ESF) | % of Total ESF Programme | VCS Organisations Benefiting Directly* | VCS Organisations Benefiting Indirectly** | Beneficiaries | Value due to CEFET Co-ordination | Value due to CEFET Policy |
|--------------|-------------------------|--------------------------|--|---|---------------|----------------------------------|---------------------------|
| Total | £53m | 26.5% | 470 | 1,238 | 34,000 + | £18.5m | £10.0m |

* Directly - is VCS orgs who themselves contracted for activity in the programme

**Indirectly - is those who (as in Catalyst and Tiger) worked with an intermediary body who held the programme contract

CEFET'S POLICY WORK

Last year we reported that we were heavily engaged in responding to the Consultation on the ESF Regional Framework, concentrating our efforts on the scope for rolling out Community Empowerment in the new Programme.

We organised a Conference on this with 80 attendees and polled over 200 other organisations. In the end we made a detailed and comprehensive submission taking in all comments and on behalf of all consultees and the sector. Many organisations put in identical or supportive submissions to the following question:

“The framework suggests using a community empowerment approach to working with the most excluded people who are furthest from the labour market. This approach was developed in the region during the 2000-2006 ESF programme. The national programme contains a proposal for a Community Grant scheme worth 2.5% of the funding within Priority 1; however some of the wider activities within Priority 1 could also use a community empowerment approach.

“5. What are your views on the use of a community empowerment approach for some of the activity within Priority 1? How significant a part of Priority 1 should this be when it comes to allocating funding?”

The submissions took up the Framework definition of the challenge...

“A particular challenge is addressing the needs of those who are not engaged in the labour market or in those activities close to it. These people are sometimes referred to as “hard to reach” or “excluded”. A community empowerment approach was developed in the region during the 2000-2006 ESF Programme. This approach can be effective in engaging those furthest from the labour market through delivering support at grass roots level by community based organisations. It would consist of 3 strands:

- local social capital development,
- community based mobilisation and
- community based employability projects.

Some of the indicative activities listed ... could use a community empowerment approach, where this is the most appropriate means of addressing needs.”

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... by scoping an integrated, costed set of activities based on the principles of Community Empowerment that:

- ◆ Exclusion isn't just disadvantage, but it's having **barriers** that require direct attention before participation is possible.
- ◆ Community need, solving problems and overcoming barriers should be the immediate aim of Inclusion Projects, rather than explicit skills or employment focused activities;
- ◆ Inclusion activity should be designed, delivered and controlled by the beneficiaries themselves: done **by** them - not **to** them.

Outputs were described, and economic impact (green book) analysis provided and a methodology for synergy with ERDF spatial targeting proposed. All this amounted to £28m (18%) ESF compared to the £50m (25%) allocated under the Community Empowerment Strategy in 2000-7. An early, but full, summary of **CEFET**'s proposed submission to the Consultation was included in last year's Annual Report.

All the submissions on that question were (illogically and falsely) reduced, in the Employment and Skills Partnership document analysing submissions, to:

"The VCS made a number of representations regarding the allocation of 2.5% of Priority 1 funding for community empowerment (sic) approaches. A number of VCS organisations submitted the same response arguing for a substantial increase (sic) in the level of funding under Priority 1. However the 2.5% allocation is the maximum permitted nationally so the drafting makes clear that this is the case."

No significant elaboration on Community Empowerment activity was written into the final Framework.

Of course **CEFET**, with the full support of the sector, refused to sign off the Consultation, and we made representation to the Minister for the Third Sector and the Regional Director at GOEM (Government Office for the East Midlands) on the matter.

We only gave consent to the Framework going forward, with our concerns registered, provided that – at GOEM's suggestion:

- the Strategic text in the Framework better defined Community Empowerment
- that correspondence from GOEM would seek and secure from Co-Financing Organisations their commitment to employ Community Empowerment approaches significantly in the new Programme
- that the record of the dispute and the way forward would be documented, including the substance of Third Sector submissions, and be put before the incoming Monitoring Committee.

The first two points have been honoured; we still await the third.

Of course the exact wording of a Framework is of secondary importance compared to how delivery itself is shaped and what actions are actually undertaken, with what methodology with which people. As the Chair of the body signing off the Framework (with all the provisos and caveats indicated above) put it "the proof of the pudding is in the eating".

Accordingly **CEFET** is now engaged in trying to see how the Programme is rolling out. This monitoring is in relation to both the process of tendering and developing contracts with the sector and also to the level of Community Empowerment activity in accordance with the definition in the Framework.

The first survey of organisations accredited to respond to LSC Tenders (through Pre-Qualification) is published with this annual report and is summarised below.

VCS PARTICIPATION IN ESF THROUGH THE LSC TENDERING PROCESS

Executive summary

PURPOSE

CEFET identified 81 *bona fide* VCS groups who succeeded in passing the LSC Pre-Qualification Questionnaire (PQQ) process in 2007. We sought to gain statistics, and insight, on their experience of the PQQ process, and the subsequent opportunity to tender. We also established data that would show how the sector compared with other sectors and with the sector's record in previous years. This comparison would then demonstrate if there are any unintended distortions inherent in the system, and help discussion on the relative success of the overall commissioning phase in fulfilling the aims of the ESF Framework.

RESULTS

The picture that emerges is mixed, but shows worryingly low levels of overall engagement, disquiet about partnership building, generally negative experience of the system, and overwhelming lack of confidence in the decision-making.

The commissioning phase alone has led to a decrease in confidence in the relevance of the LSC interpretation of ESF; and this, compounded by the debacle over how the sector's input into the Framework was (mis)handled last year, means that confidence in the system is at a very low ebb. Perception is now that the ESF systems are not aimed at helping the hardest-to-reach. Opinion seems divided over whether this is due to error and misunderstanding (an intellectual problem) or if, covertly, the systems just don't care about the excluded (a political problem).

Key findings are:

- The PQQ system itself had overall satisfaction from users usually, but only just; in the 60% range (bear in mind this is a survey of organisations that got through). Except the Bravo system which only 42% thought fit for purpose.
- Only half of the organisations that got through PQQ felt able to respond to invitations to tender.
- Only 15% of VCS tenders were successful (This is comparable to other regions, but is it comparable to other rounds or other sectors? We know success rates under open bidding were sometimes over 50%).
- 60% of those participating in the tendering process thought it unfair.
- Those not tendering in their own right, but "partners" under other agencies' bids, had serious misgivings about their position.
- Over half felt that the way selections were made was unclear – or worse.
- 80% felt that feedback was unclear or inadequate.

CONCLUSIONS

There is undoubtedly a growing perception in the VCS, especially with smaller community-based agencies that are closer to disadvantaged communities, that the ESF system is – in the words of more than one respondent – "stitched up"; that painstaking research, rigorously evaluated experience, and expressions of need from the sector have been ignored; that the system works to the disadvantage of smaller groups; that pre-determined activities and, to some extent, pre-determined delivery bodies have been in mind from the start and that transparent, fair access is a sham.

No doubt some of this perception is misapprehension and rumour, but unfortunately not all. In any event significant work has to be done to dispel the perception and to ensure the system is able – and is seen to be able – to design and select activity that will deliver the headline aspirations of the fund.

A significant problem is the issue of Community Empowerment. The sector felt its views on Community Empowerment were falsely represented and ignored in the consultation last year, as described above. In the course of conducting the survey the single most frequently occurring question raised *with us* (not by us) was “Whatever happened to Community Empowerment?” The impasse last year was resolved because the CFOs assured the RMC that Community Empowerment would be a prominent part of their programmes. It therefore seems timely now to ask them to identify and quantify those activities, and show how they have made good on this promise.

Suggestions for improvement arising from this survey include:

- Longer turn-around times
- Partnership brokering support, including resourced “ombudsman” service to ensure smaller organisations are real partners.
- Strategic input from the sector, on an equal partnership basis, in designing tender specifications... especially in Priority 1.
- Strategic input from all partners in designing formal scored assessment systems, which are put into the public domain at the opening of the tendering round and not varied; that the scored ranking of bids be binding in the offering of contracts, and results be in the public domain.
- Published, verified statistics on the relative success rates of the sector (and sub-sectors across the Equalities categories) in securing contracts.
- Publication of a community empowerment audit for the current set of actions once contracts are fully let.

With these improvements the sector would have the confidence to invest time, energy and resources in a system that seems to be “going away” from them and from the target groups of the fund itself.

OTHER CEFET ACTIVITY

Other activity has concluded – or moved on – since the last Annual Report. TIGER² and CATALYST have both been wound up, with no apparent “heirs”. Reports follow.

CEFET has acted as host and accountable body for the Third Sector European Network (TSEN), since August 2006. TSEN is the federation of all the regional Third Sector European Coordinating bodies like **CEFET**. It was awarded funding from the Office of the Third Sector as a strategic partner in 2006. That funding has recently been extended to March 2011. Part of the success of the project is that it has been able to emerge from “under **CEFET**’s wing” to be fully independent. From July this year it has set up in London, and **CEFET** is now solely a member organisation, like the other regional European Coordinating bodies.

Finally **CEFET** has been a very active partner in the development of *One East Midlands*, which is set up to represent the whole sector in the region in strategic and policy issues. **CEFET** has always taken the view that such an organisation can benefit the sector if it wins “recognition” and engages in proper partnership with statutory bodies, like the model cited by the Chair in her address above. As well as trying to ensure a path to the table for the most excluded, people representing **CEFET** have worked hard to propel that agenda forward, and will continue to do so.



The Catalyst Programme

The **CATALYST** Programme of small grants to build local social capital finished operation in March this year. The Programme has run under the “Global Grants” allocation in the current Programme and has been worth about £4m (including Match Funding) since the Programme started at the end of 2001.

CATALYST aimed to build Local Social Capital (Community spirit, co-operation and cohesion) both in the aims or product of the projects it supported and also in the way they were carried out. Projects were planned, organised and conducted co-operatively by members of the community themselves. A panel, drawn from the community itself, made effective award decisions. The whole process was supported by Fieldworkers from **CEFET**.

CATALYST has been an amazingly successful project. Featured in 4 National evaluation reports (2 by the Government itself) and showcased at 4 International Conferences (one organised by the Government as part of the UK Presidency of the European Union).

We can now publish final figures for the whole programme (running for over 6 years):

| Grants | Final Total Programme Costs | No of Micro Projects | No of Direct Participants | No of Community Beneficiaries |
|-------------------|-----------------------------|----------------------|---------------------------|-------------------------------|
| £3,202,429 | £3,998,977 | 643 | 6,555 | 182,012 |

- 83% of Direct Participants (5,440) are “inactive” before and only 8% (524) after.
- Average length of time out of employment before participating is 33½ months.
- Roughly two thirds (4,195) of those participating say they have only done so because the project is their own, and not part of another agency’s design.
- 15% (983) progress to full time employment
- Another 27% (1,770) progress to part-time and/or formal learning activity
- 86% (5,637) remain involved in Community activities after **CATALYST**

Remember this has been in communities that lack Social Capital – where there has been little going on, and participation and morale are low to start with.

A **CATALYST** type, Local Social Capital intervention, was of course cited in the draft ESF Framework as the basis of a three tier Community Empowerment Strategy. Indeed – as reported above – the sector worked up a full elaboration of such a strategy. Sadly, this work was ignored and even the new Community Grants (of about £2.5m) has only a tangential address to these programmes and is not structured like **CATALYST** at all.

The reasons for the LSC decision not to re-fund a version of **CATALYST** in response to the Community Grants Tender have, despite requests for clarification, seemed unexplained and inexplicable.

(Details of **CATALYST** Match Funders can be found in the Finance Report section below.)



THE TIGER PROGRAMME

45 TIGER² projects increase skills, change lives

In March 2008, the 45 community projects funded by TIGER² finished. Small groups ran community led projects lasting around 9 months to tackle local problems and increase participants' skills and confidence. In that time, they used their grants of up to £7,000 to achieve positive changes in the lives and future employment prospects of the participants, and improved the social capital in some of the most deprived wards in the East Midlands.

TIGER² had a great range of projects, all designed and run at community level. The TIGER² report (available from **CEFET**) has descriptions of all projects, feedback from participants and information about what they have achieved. The range of projects was exciting, showing imaginative, appropriate, local level responses to problems of long term unemployment, alienation and exclusion within their communities.

- Young People's projects in Nottingham and Derby ran training for skills needed in the music business, sports coaching and personal development, youth work and community development, and, a new and exciting idea, visual media and street advertising.
- Projects run by and for ethnic minorities and new communities enabled many people to come out of isolation, meet and work together. They developed English language and IT skills; strengthened peer support networks; addressed mental health issues; shared parenting ideas; improved links to agencies, services, decision makers and host communities; developed legal expertise and worked on practical skills for employment.
- In Lincolnshire, projects in community centres developed volunteers' skills so that they are now running classes in ICT, arts, crafts, literacy, numeracy and financial management in localities where there is very little happening for local people.

Between them, the fantastic TIGER² community run projects helped over 1,200 people. Before starting, 72% of participants were unemployed for over 6 months and, of these, the average was 34 months unemployed. 88% told us that they fully achieved what they had wanted to do in their project, many achieved qualifications, and 28% moved into employment.

Not only have these projects succeeded in helping individuals, but many of them have developed thriving community level provision, started new initiatives, social enterprise ideas and networks that have built precious social capital in very deprived communities.

Projects benefited disadvantaged people living in selected wards, designated as the most deprived, in Derby, Leicester and Nottingham, the ex-Coalfield areas and Lincolnshire.

TIGER² was funded by the European Social Fund and Learning and Skills Council through a contract with Nottinghamshire LSC. **CEFET** managed this small grants programme as an intermediary body; supporting groups to develop projects and apply for funding, convening community selection panels, running an open and transparent selection process, supporting funded projects to run and monitor activities, and taking care of reporting requirements and overall management of the contract with the LSC.

These types of "bottom up" projects are essential as part of any strategy to engage those who are perceived as "hardest-to-reach". **CEFET** is very aware of the intense frustration at community level over the very low level of provision for this type of Community Empowerment activity in the current European Social Fund Programme in the region.

FINANCE REPORT

This Finance report covers **CEFET**'s accounting period of January to December 2007.

CEFET activity during 2007 was funded by:

- **ESF Technical Assistance via Government Office for the East Midlands (renewable every two or three years)**
To enhance **CEFET** support for voluntary and community organisations seeking to make use of European Social Funds in the East Midlands.
- **Nottinghamshire Learning & Skills Council (TIGER² Funds)**
- **European Anti Poverty Network - England (EAPN-England)** (Expenses of participants from the East Midlands network attending national and regional policy dialogue events)
- **Office of the Third Sector (OTS) for TSEN** (Third Sector European Network, for which **CEFET** acts as accountable body and direct employer)

Catalyst is funded by ESF Objective 3 "Global Grants", matched in 2007 by funding from:

Lincolnshire Community Foundation, Nottingham New Deal for Communities, Charnwood Borough Council, Leicestershire County Council, Big Lottery Fund, Derbyshire Connexions.

We are extremely grateful for the support that the above funders have committed to **CEFET**.

The TIGER² Fund and the Catalyst Programme are funded until March 2008. Core policy & development work, which has given rise to these activities, is funded until March 2008, but with plans to continue throughout the new European Programme until 2013.

We continue to work in partnership with TSEN and EAPN-England.

**INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDED DECEMBER 31, 2007**

| Year ended December 31 | | 2007 | |
|----------------------------------|---|----------------|--------------------------|
| 2006 | | £ | £ |
| 21,764 | E.S.F Objective 3 funding | 25,125 | |
| 49,648 | Big Lottery Fund | - | |
| 186,348 | Learning and Skills Council | 322,973 | |
| - | Other grants – ESF Re: L→Power National | 3,024 | |
| 400 | Membership fees | 510 | |
| 230 | Events | 490 | |
| 7,513 | Bank interest | 8,317 | |
| 55,287 | Other income (Note 1) | 29,825 | |
| (104,972) | Contribution from Catalyst Programme (Note 2) | (75,945) | |
| | Contribution from Third Sector European Network Programme (Note 3) | <u>31,561</u> | |
| <u>16,020</u> | | | |
| 232,238 | | 345,880 | |
| | Administrative expenses- | | |
| 96,618 | Wages and salaries | 79,104 | |
| 3,915 | Redundancy costs | 440 | |
| 14,353 | Rent, rates and services | 14,481 | |
| 2,765 | Insurances | 2,587 | |
| 801 | Training | 426 | |
| 7,846 | Event costs | 70 | |
| 133,539 | Tiger Programme direct costs | 261,874 | |
| 2,202 | Telephone & fax | 2,372 | |
| 3,462 | Stationery & office consumables | 2,928 | |
| 2,611 | Postage | 1,508 | |
| 1,656 | Travelling | 1,326 | |
| 845 | Committee expenses | 2,088 | |
| 957 | Equipment hire | 1,018 | |
| 2,609 | Accountancy & audit | 2,679 | |
| 2,773 | Depreciation (net of release from deferred credit) | 809 | |
| 200 | Professional fees | - | |
| - | L→Power direct costs | 3,857 | |
| 2,703 | Website costs | - | |
| 3,816 | Repairs & maintenance | 4,403 | |
| 70 | Bank charges & interest | 55 | |
| 318 | Sundry administrative costs | <u>697</u> | |
| <u>284,059</u> | | | <u>382,722</u> |
| £(51,821) | Excess of Income over Expenditure/(Expenditure over Income) for the year | | <u>£(36,842)</u> |

NOTES TO THE INCOME AND EXPENDITURE
ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 1

OTHER INCOME

| 2006 | | £ | 2007 |
|---------------|---------------------------------|---|---------------|
| £ | | £ | £ |
| 7,355 | Recharges to TSEN Programme | | 7,981 |
| 22,322 | Recharges to Catalyst Programme | | 16,191 |
| 17,370 | TSEN – National Policy Work | | - |
| 7,706 | European Anti Poverty Network | | - |
| 534 | Other income | | 5,653 |
| <u>55,287</u> | | | <u>29,825</u> |

NOTE 2

CONTRIBUTION FROM CATALYST PROGRAMME

| 2006 | | £ | 2007 |
|-------------------|---------------------------------------|---------|------------------|
| £ | | £ | £ |
| | Grants receivable | | |
| 33,000 | Derbyshire Connexions | | 33,000 |
| 20,625 | Lincolnshire Connexions | | - |
| 88,000 | Lincolnshire Community Foundation | | 88,000 |
| 5,000 | LLR Community Foundation | | - |
| 25,000 | Nottinghamshire County Council | | - |
| 88,000 | New Deal for Communities | | 44,000 |
| 34,000 | Charnwood Borough Council | | 39,000 |
| 5,000 | Leicester Connexions | | 5,000 |
| 44,000 | Leicester City Council | | - |
| 54,000 | Leicestershire County Council | | 44,000 |
| 121,000 | Big Lottery Fund | | 44,000 |
| 426,141 | European Social Fund Objective 3 | | 187,683 |
| <u>943,766</u> | | | <u>484,683</u> |
| 873,326 | Less: Grants made | 443,562 | |
| 40,673 | Wages and salaries | 25,976 | |
| 91,659 | Grant development officers | 73,443 | |
| 1,785 | Office overheads | - | |
| 5,980 | Rent, rates and services | 6,040 | |
| - | Advertising and publicity | - | |
| 5,166 | Travelling | 3,092 | |
| 18,034 | Fieldworker support | 4,377 | |
| 667 | Telephone | 397 | |
| 2,207 | Postage and stationery | 946 | |
| 1,402 | Depreciation | 827 | |
| 2,360 | Recruitment | - | |
| 1,376 | Training | - | |
| 2,373 | Accountancy and audit | 1,826 | |
| - | Professional fees | - | |
| 1,730 | Sundries | 142 | |
| <u>1,048,738</u> | | | <u>560,628</u> |
| <u>(104,972)</u> | Net contribution for the year | | <u>(75,945)</u> |

CEFET

NOTES TO THE INCOME AND EXPENDITURE
ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 3

CONTRIBUTION FROM THIRD SECTOR EUROPEAN NETWORK PROGRAMME

| 2006 | | £ | £ | 2007 |
|-----------------|---|---|-------------------|-----------------------|
| 60,188 | Grants receivable | | | 81,755 |
| - | The Office of the Third Sector / Cabinet office | | | |
| <u> </u> | ESF Objective 3 funding | | | <u>43,910</u> |
| 60,188 | | | | 125,665 |
| - | Other income: | | | |
| <u> </u> | CSV contribution towards launch cost | | | <u>6,482</u> |
| 60,188 | | | | 132,147 |
| 18,006 | Less: Wages and salaries | | 68,227 | |
| 5,820 | Recruitment | | - | |
| 4,605 | Other salaries and fees | | 2,647 | |
| - | Events | | 5,934 | |
| 4,013 | Training | | 5,381 | |
| 1,620 | Travelling | | 4,656 | |
| 3,049 | Website | | 476 | |
| 3,261 | Printing, postage and stationery | | 4,185 | |
| 69 | Telephone | | 1,587 | |
| 1,200 | Rent and Rates | | 5,250 | |
| 1,018 | Repairs and maintenance | | 898 | |
| - | Audit fees | | 156 | |
| 1,427 | Depreciation | | 952 | |
| <u>80</u> | Sundries | | <u>237</u> | |
| <u>44,168</u> | | | | <u>100,586</u> |
| <u>16,020</u> | Net contribution for the year | | | <u>31,561</u> |

CEFET ANNUAL REPORT 2008

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CEFET

We have audited the financial statements of **CEFET** for the year ended December 31,2007 which comprise Statement of Financial Activities (including Income and Expenditure Account), Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and it's company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also directors of **CEFET** for the purposes of the company law) for preparing the Annual Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in, the Trustees' Annual Report is consistent with the financial statements. In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for the audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes as assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

In our opinion:

- the financial statements give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at December 31,2007 and of its incoming resources, including its income and expenditure, for the then year ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and
- the information provided in the Trustees' Annual Report is consistent with the financial statements.

COBB BURGIN & CO, CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS

DIRECTORS & STAFF 2007 - 2008

Directors

| | | | |
|----------------|------------------------|-----------------------------------|-----------------|
| Patsy Hunter | Chair | Product Development Consortium | Nottinghamshire |
| Gordon Hunter | Vice Chair & Treasurer | Lincolnshire Community Foundation | Lincolnshire |
| Gerri Bright + | | Inspire | Nottinghamshire |
| Phil Lakin | | National Trust | Regional |
| John Stroud * | | Endeavour Training | Northants |
| Murphy Brown | | National IVSS | Northants |

+ Appointed July 2007

* Resigned Jan. 2008

Company Secretary Caroline Salzedo

Staff

| | |
|------------------|--|
| Laurie Moran | Chief Executive |
| Clare Caves | Consultation & Information Officer/ TIGER2 Support Worker |
| Caroline Salzedo | Finance Manager |
| Anne Ovenden | CEFET Administrator (to August 2007) |
| Norma Tsang | Catalyst Programme Manager (to April 2008) |
| Stuart Miller | Catalyst Programme Administrator (from April 2007) CEFET Administrator (from September 2007) |
| Sarah Capewell | Catalyst Field Worker (to December 2007) |
| Hannah Hawthorne | Catalyst Field Worker (to September 2007) |
| Linda Hawthorne | Catalyst Field Worker (to May 2008) |
| Sandra Casey | TSEN Administrator (to June 2008) |
| Sandra Turner | TSEN Executive Director (to June 2008) |

CEFET MEMBERS 2007-8

A.I.M
ACCESSIBILITY LINCOLN
ASHFIELD ENVIRONMENTAL PROJECT
BTCV
BTS
BUSINESS IN THE COMMUNITY
CARE AFRICA
CHARNWOOD ARTS
CHAT PROJECT
COMMUNICATION THROUGH STORYTELLING
CORBY FURNITURE TURNAROUND PROJECT
CRESWELL MULTI MEDIA PROJECT
D.A.L.E.S
DANESHOLME ARTS & CRAFT GROUP
DEAF COMMUNITY WORKING TOGETHER
DERBY WEST INDIAN ASSOCIATION CREDIT UNION
DERWENT STEPPING STONES
DIAL MANSFIELD & DISTRICT
DISABILITY LINGS LTD
ENDEAVOUR TRAINING PROJECT
FIRST DATA (Training)
FOREST GREEN YOUTH CRICKET CLUB
GLAD
HARDYAL SINGH GILL
HEALTHY EATING
HIGH PEAK CVS
I.C.E (Inter-Cultural Ethnic Link)
INSPIRE, NOTTINGHAM
KEEFIRA
KEYSTONE AWARDS
KRIZMA FILM PRODUCTION LTD
LEICESTER & COUNTY CO-OPERATIVE DEVELOPMENT AGENCY
LINCOLN ADHD SUPPORT GROUP
LINCOLNSHIRE COMMUNITY FOUNDATION
LINCOLNSHIRE YMCA
LRAC
MEN UNITED FATHERS NETWORK
MENCAP RUSHCLIFFE PROJECT
MIGRANT SUPPORT
MILLENNIUM VOLUNTEERS
MUSIC INDUSTRY WORKSHOP SERIES
N-COMPASS
NEW PARKS MEDIA AND COMMUNICATIONS
NORTHAMPTONSHIRE RACIAL EQUALITY COUNCIL
NORTHAMPTONSHIRE SOCIETY FOR AUTISM
NOTIVATE
NOVA
ONE EAST MIDLANDS
PALS
PATRA EAST MIDLANDS LTD
PDC
POLSKA PROJECT
RAINWORTH & BLIDWORTH DETACHED YOUTH PROJ.
RICHARD SANT
SATELLITE
SEAGULL RECYCLING LTD
SHAMA WOMENS CENTRE
SIGNART DESIGN
SOFT TOUCH
STEP BY STEP
STUDENTS GOODS & SERVICES Co
SUGA
TASTE BEST FOOD
THE COMING TOGETHER PROJECT
THE NATIONAL TRUST
THE SCARMAN TRUST
THE WRITING GROUP
TWIST
VICTORIA CENTRE
VOICE
VOLUNTEERS FOR IT
WOMEN DEVELOPMENT PROJECT
YOUR MOHQA
YUANITA
YWCA-EAST MIDLANDS

CEFET

Coordinating European Funding for the East Midlands Third Sector

OUR MISSION STATEMENT:

CEFET enables Voluntary and Community Organisations to understand, access and manage funds from Europe

CEFET Is the East Midlands regional strategic body for the use of European Funding by the Third Sector

CEFET develops policy and planning within the East Midlands for activity by voluntary and community groups supported by European Funds

CEFET particularly works to combat social exclusion, to promote equal opportunities and social capital, to enable grassroots capacity building and to contribute to local social economic development and training for disadvantaged people

OUR FUNDERS:

Our thanks go to the funders who have supported **CEFET**'s work in 2007 and 2008:



For a full list of all funders, including of the Catalyst Programme, see the Finance Report.



EUROPEAN ANTI POVERTY NETWORK – EAST MIDLANDS

CEFET is the East Midlands arm of EAPN England, the European Anti Poverty Network – England, who connect grassroots groups to the European social agenda and advance the participation of poor and excluded people in developing the UK policy that affects them.

CEFET is a Registered Charity, Charity No. 1089983, and Company Limited by Guarantee in England and Wales, Registration No. 2628752

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