

NEAR NEIGHBOURS
Bringing People Together

TRUSTEES' REPORT
AND FINANCIAL STATEMENTS

For the year ending 31 December 2014



NEAR NEIGHBOURS – TRUSTEES, OFFICERS AND ADVISERS

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ABOUT OUR WORK

The Near Neighbours programme is focused on building up 'civility'. We bring people together as neighbours to strengthen personal relationships and at the same time strengthen civil society. We are engaged in the business of encouraging people to connect with each other across religious and ethnic divides through practical action to improve their neighbourhood. This is not easy work and there are many centrifugal forces that create fragmentation and suspicion and which seek to exploit difference for political and often sectarian ends. Our focus therefore is on the building up a of 'thick middle' where people are encouraged to interact and relate openly across boundaries of faith and ethnicity.

It is well known that many of our cities are characterized by the separation of communities. Many within these communities share the aspiration to come together and at the same time to make things better in their area, but there are few places where they can come together to talk about common concerns or to work collaboratively. There is a desire for change, but the capacity of the community to work together is often undeveloped and resources limited.

Near Neighbours was created in this context by Church Urban Fund and the Archbishops' Council following the award of £5m by the Department for Communities and Local Government (DCLG) in February 2011. In March 2014 a further £3m was awarded to extend the programme for two further years. Church Urban Fund, the Church of England's social action charity has been working for more than 25 years in the most deprived areas of the country, including multi-faith communities. The programme works through the parish system of the Church of England that allows activity to take place deep within local communities, thereby accessing people who these sorts of programmes often do not reach.

So we have two main objectives:

Building up personal relationships so that people understand each other better and are not so susceptible to negative stereotypes of 'the other'. We aim to develop positive relationships that provide a foundation for people to work together.

Building up civil society across divides of faith and ethnicity. We provide the opportunity for people to come together and work together on creating positive change in their neighbourhood.

WHAT HAVE WE BEEN DOING IN 2014?

Building Networks

We have continued our work Building Networks in the areas where we have focused our work widening connections between people of different faiths and ethnicities. So we bring together all those who are interested in supporting work between communities, faith leaders, activists, volunteers and local people themselves. 2014 saw us expand the network into the Black Country, Luton, Rochdale, Bury, Leeds, Dewsbury, Nottingham, and North and West London. Each network acts as a 'hub' for Near Neighbours activities in that area, so we have employed four more Co-ordinators for these networks and we are working in partnership with locally based organisations with existing relationships into different communities.

We have added additional resource to Bradford Churches for Dialogue and Diversity in Bradford which has extended its work in Bradford, Oldham and Burnley to Bury, Rochdale, Dewsbury, and Leeds.

We continue to support Thrive Together Birmingham who have developed a very interesting model of 'welcome centres' across the city which are locations where everyone is welcome regardless of their beliefs or background. They have done much work in supporting the new work in the Black Country.

We have added a network in the Black Country called Transforming Communities Together, which is a Church Urban Fund partnership already working in local communities. They have already established an inter-faith youth group in Dudley. Set up as a partnership between Anglican and Methodist churches, the central mosque and the local branch of the Inter-Faith network, young people of different faiths meet regularly, developing close friendships and tackling community youth tensions.

The St Philips Centre in Leicester has continued its work and now extended it to Nottingham where the coordinator is building on existing networks and making new connections.

The Centre for Theology and Community based in East London has been working at building relationships across faiths for many years and the work of Near Neighbours has increased the reach and depth of those relationships.

We have established a new network in west London based at the Kings Centre in Southall. The Kings Centre is a new organisation established in the last couple of years to facilitate relationships at local level. Many good connections have already been made and the NN programme will build on those. The Centre for Theology and Community has been supporting this new hub.

We have established a new network hub in Luton based at the Grassroots programme that has been working for many years on developing relationships between faith communities.

Building Capacity

We continue to build the capacity of local communities to respond to the issues that they see as important. We want to give local people greater levels of confidence in approaching their neighbours of other faiths and ethnicities and also develop the capacity to bring about positive change in their neighbourhoods by working together.

We build confidence by working with the various dialogue bodies whose role is to broker relationships and build links between different communities. The Hindu Christian Forum, the Christian Muslim Forum, the Council of Christians and Jews as well as the Three Faiths Forum provide events and activities which provide a context for joint working and wider dialogue.

We build capacity and skills through our partnerships with the Nehemiah Programme, The Feast and Catalyst; each of these organisations operate comprehensive training programmes which include programme planning, leadership, financial management, mediation and the capacity to build locally developed strategic plans.

Creating Participation

This is done through our small grants programme where we give grants of between £250 and £5,000 targeted at creating new relationships in neighbourhoods which cross the divide of faith and ethnicity. It is a rolling programme of grants with no deadlines and a 14 day turnaround.

The fund builds on the work done thorough the Building Networks and Building Capacity aspects of the programme and taps into the existing desires to bring change to communities by supporting local initiatives that are organised, run by and directly benefit local people. It encourages creative approaches to bringing people together, and the projects and activities it supports are all driven from the grassroots level. Projects are only funded if they are organized across a faith or ethnic divide.

Projects that meet one or more of the following criteria are eligible for funding:

- First Encounters created between people of different faith and ethnic communities and encouraging the development of friendship and neighbourliness — these encounters can be key moments of transformation in a neighbourhood
- Everyday Interactions created in community life by encouraging families and individuals to come together regularly, for example eating together, participating in religious and other festivals, or children playing together in a neighbourhood
- Social Action created to bring together people from different faith and ethnic communities so they can work together to change their neighbourhoods for the better

Beneficiaries can be from all faiths or none, and it is possible for the same locality or group to be awarded more than one grant, especially as it progresses from First Encounters, to Everyday Interactions, to initiating Social Action.

The Near Neighbours Coordinator and staff at the Centre provide support and advice on how to make an application. Eligibility is restricted to projects within the areas covered by the centres.

Applications are forwarded on to Church Urban Fund for assessment and processing, and a quick review process turns around decisions in 14 days at the most.

Examples of work funded include:

A Jewish community group in Leeds who ran a 'Good Deeds' day on Mitzvah Day, gathering Jewish, Christian, Sikh and Muslim residents in community action. Mitzvah Day was used to launch a series of events where local people gathered together to spruce up community centres. These centres are now being used as meeting places for social events in the coming year. From here they also plan to run a community gardening project, growing food for their neighbourhood.

In Oldham, a local church has brought together neighbours to tidy and transform community spaces. They've been gathering the local Christian and Pakistani Muslim communities to work on regenerating alleyways and side-streets in and around the town. Streets were spruced up and tree and planters installed, creating new communal spaces where people could gather. Their work has enabled neighbours to meet, make friends and benefit the neighbourhood.

Organisational

The announcement of Near Neighbours continuing in 2014-2016 was held on February 27th 2014 at the Rockingham Centre in Elephant and Castle. Secretary of State, Eric Pickles, and Minister for Integration, Stephen Williams MP, were present and spoke in addition to the Archbishop of Canterbury and two local projects. The event was attended by about 50 local people of different faiths. It was supported with press releases and was reported in local press such as in Rochdale and the Black Country, and in some national Church Press, and the Jewish Telegraph.

The conference and 'mela' was held on February 13th 2014 at Carrs Lane conference centre, Birmingham. It was a great success and attended by about 200 people of different backgrounds and faiths, from across all the areas Near Neighbours is working in. The attendees gave very positive feedback. Warwick Hawkins, Dilwar Hussain, Paul Hackwood and Baroness Eaton were speakers. There was a choir of teenagers from The Feast, some African drumming from a Near Neighbours funded women's project, and the Burnley choir, funded by Near Neighbours, sang together with some willing volunteers from London.

WHAT WE AIM TO DO IN 2015

Building Networks

We will be providing some training on fundraising for local groups in the areas we are working in and providing some new resources on Safeguarding. We will continue to encourage local events bringing people together across faith and ethnicity and several local events are planned in all the areas during 2015.

Building Capacity

Catalyst programmes bringing young leaders (17-30) together are taking place in 2015 in Luton, Rochdale, Leeds, the Black Country, Nottingham, and West London. These programmes develop leadership in areas such as identity, media, community work and faiths working together.

The Nehemiah Foundation will be appointing community workers in Nottingham, Rochdale, West London, the Black Country and Luton in order to bring local people and organisations in neighbourhoods together across faith and ethnicity in order to work together on improving their communities.

The Feast have expanded their work into Luton and have had some pilot events bringing teenagers together which will lead to the appointment of a worker there in autumn 2015.

Creating Participation

During 2015 we will continue to give out small grants and we will carry out monitoring and evaluation work to look at the way grants have been used and their effectiveness.

DELIVERING PUBLIC BENEFIT

Near Neighbours brings people together in diverse communities, helping them to build relationships and collaborate to improve the local community in which they live. Near Neighbours also financially supports and works with a wide range of community and faith organisations, all of which are working to bring communities together.

The trustees have reviewed the guidance on public benefit issued by the Charity Commission and consider that Near Neighbours' aims and activities, as set out above, fulfil the criteria. The trustees do not anticipate any change in the future to this operational approach. The trustees consider the guidance on public benefit each year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Near Neighbours is both a company limited by guarantee (Registration Number 7603317) subject to the Companies Act 2006 and a charity registered with the Charity Commission (Charity Number 1142426). It is governed by its Memorandum and Articles of Association dated March 2011.

Governance Structure

The directors of the company are known as trustees. The Articles of Association allow for up to thirteen trustees, six being nominated by the Archbishops Council and seven by Church Urban Fund.

The trustees meet four times a year. They have not established any board sub-committees but have established one 'working party' called the 'evaluation group', to oversee the work in this area on behalf of the Board.

None of the trustees receive any remuneration or benefits from Near Neighbours. Any expenses reclaimed are set out in note 5 to the financial statements.

Trustee Induction and Training

All trustees on appointment receive a detailed briefing on the Memorandum & Articles of Association, the objectives of the programme and the agreements with Church Urban Fund, the Department for Communities and Local Government and delivery partners.

Trustees also have the opportunity to visit projects and are kept abreast of developments at each board meeting through a detailed progress report by the Programme Director and a cycle of presentations by partners.

Management and Organisational Structure

The day-to-day management and delivery of the Near Neighbours programme is the responsibility of the Programme Director who is supported by Church Urban Fund's Chair and other members of Church Urban Fund's staff. Formal reporting by the Programme Director to the Board takes place regularly throughout the year.

Risk

The trustees have considered and reviewed the risks facing the Near Neighbours programme throughout the year and a risk register has been compiled. This assigns responsibility to individuals to monitor and manage each individual risk and is reviewed by the Board at each meeting. The Board has noted that some level of risk will always exist and that any residual risk should be consciously accepted and mitigated as far as possible.

FINANCIAL REVIEW

Income

Total income for the year to 31st December 2014 was £1,335k (2013: £1,933k) - all income was restricted to the Near Neighbours programme and related to funding from the Department for Communities and Local Government.

Expenditure

Total expenditure was £1,637k (2013: £1,643k). Near Neighbours has three charitable activities reflecting the three activities set out in the 'What have we been doing' section above. These are, together with their associated expenditure for the period:

- Building Networks: £318k (2013:£310k) this expenditure principally reflects the grants to extend the capacity of the Local Presence and Engagement centres set out in notes 3 and 7 to the accounts.
- Building Capacity: by these three activities:
 - Faith Leaders: £100k (2013: £118k)
 - Young Leaders: £126k (2013: £132k)
 - Communities: £252k (2013: £396k)This expenditure principally reflects the grants to our partners set out in notes 3 and 7.
- Creating Participation: £807k (2013:£644k) represents Near Neighbours small grant fund, as set out in note 4 to the accounts.

Reserves and Reserves Policy

All reserves are restricted and at 31st December were £66k (2013: £368k). There are no unrestricted reserves. At the year end the reserves represent funds available for future planned programmes of work.

The Trustees' Responsibility For Preparing Annual Financial Statements

The law applicable to charities in England and Wales requires the trustees to prepare annual financial statements for each financial year that give a true and fair view of the Charity's financial activities during the year, its surplus or deficit for the year and its financial position at the end of that year. In preparing annual financial statements, the trustees have followed best practice and:

- Selected suitable accounting policies and applied them consistently
- Made judgments and estimates that are reasonable and prudent
- Followed applicable Accounting Standards and Statements of Recommended Practice
- Prepared the annual financial statements on the going concern basis.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the Charity's assets and for taking reasonable steps to prevent and detect fraud and other irregularities. The trustees have overall responsibility for ensuring that the Charity has appropriate systems of control, financial and otherwise.

Each of the trustees at the date of approval of this report confirms that:

1. So far as the trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware and
2. The trustees have taken all the steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditors

A resolution to re-appoint Mazars LLP as auditors will be proposed at the forthcoming general meeting.

Approved by the trustees on 24th APRIL 2015 and signed on their behalf by: Eaton
Baroness Eaton
Chairman of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEAR NEIGHBOURS

We have audited the financial statements of Near Neighbours for the year ended 31 December 2014 which comprise Statement of Financial Activities, the Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and report in accordance with that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

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

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Nicola Wakefield (Senior Statutory Auditor)
for and on behalf of Mazars LLP

Date

Chartered Accountants and Statutory Auditor, Times House, Throwley Way, Sutton, Surrey, SM1 4JQ
Mazars LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

NEAR NEIGHBOURS

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31st December 2014

		2014	2013
	Notes	£'000	£'000
INCOME & EXPENDITURE			
Incoming resources	2		
Income from charitable activities		1,335	1,933
Total incoming resources		1,335	1,933
Resources expended			
Charitable activities	3		
Building Networks		318	310
Building Capacity			
Faith Leaders		100	118
Young Leaders		126	132
Community		252	396
Creating Engagement	4	807	644
Total charitable activities		1,603	1,600
Governance	5	34	43
Total resources expended		1,637	1,643
Net incoming/ (outgoing) resources for year		-302	290
Balance brought forward at 1 January		368	78
Balance carried forward at 31 December		66	368

The charity has no recognised gains or losses other than the net movement in funds for the year shown above. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. All activities relate to on-going operations.

NEAR NEIGHBOURS

BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014		2013	
		£'000	£'000	£'000	£'000
CURRENT ASSETS					
Debtors & Accrued Income		1			
Cash at bank		93		14	
Amount due from parent charity				360	
			94		374
CURRENT LIABILITIES					
Creditors	10	16		6	
Amount due to parent charity		12		0	
			28		6
NET CURRENT ASSETS			66		368
NET ASSETS			66		368
FUNDS					
Restricted Funds	11		66		368
TOTAL FUNDS			66		368

Approved by the Trustees on 29th APRIL 2015 and signed on their behalf by

Baroness Eaton..... Eaton

Paul Hackwood..... Paul Hackwood

NEAR NEIGHBOURS

Notes to the Financial Statements for the year ended 31 December 2014

1. Accounting Policies

a. Basis of accounting

The financial statements have been prepared under the historical cost convention and have been prepared in accordance with the governing documents of the charity and UK applicable accounting standards and comply with Accounting and Reporting by Charities, the Statement of Recommended Practice 2011 (SORP) and the Companies Act 2006. The financial statements are prepared on an accruals basis.

b. Income recognition

Funds received by the Church Urban Fund from the Department for Communities and Local Government are passed to Near Neighbours, which administers the programme, in accordance with the agreement between Church Urban Fund and Near Neighbours.

Additionally, Church Urban Fund contributed some of its own funds to support Near Neighbours going forward. Income is recognised when it is received.

c. Grants

Delivery Partners submit quarterly returns against budget before they are paid future funding as unspent amounts in one year would result in a reduction of grant in the next. The grants are charged to the Statement of Financial Activities once funds have been transferred to the recipient's account.

The grant to Church Urban Fund to administer and make awards under the Small Grants Programme is charged to the Statement of Financial Activities once the funds have been committed.

d. Governance

Governance costs comprise all costs identified as wholly or mainly attributable to ensuring the public accountability of the charity and its compliance with regulation. These costs include external audit, trustee costs and a proportion of staff time cost.

e. Pensions costs

The costs of contributions to the defined contribution scheme are accounted for in the year to which they relate.

f. Support costs

In addition to the costs incurred directly in the course of each charitable activity, Near Neighbours also incurs support costs that are necessary to enable it to carry out its activities. These costs are apportioned to activities based upon the time spent on each.

g. Fund accounting

Restricted funds are funds subject to specific restrictive conditions imposed by donors.

h. Cash flow Statement

Under Financial Reporting Standard 1(Revised), the charity is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

2. Incoming Resources

	2014 £'000	2013 £'000
Income from Charitable Activities - DCLG via Church Urban Fund	1,335	1,633
Income from Charitable Activities - Church Urban Fund		300
	<u>1,335</u>	<u>1,933</u>

Income from Charitable Activities - DCLG via Church Urban Fund represents the grant from the Department for Communities and Local Government (DCLG) to Church Urban Fund in respect of the Near Neighbours Programme. This is passed to Near Neighbours who administers the overall programme based on the agreement between Church Urban Fund and Near Neighbours. From this income Near Neighbours makes a grant to Church Urban Fund to administer and make awards under the Small Grants Programme - 'Participation & Engagement'. In addition Near Neighbours reimburses CUF for other programme costs.

Income from Charitable Activities - Church Urban Fund represents funding granted by Church Urban Fund for the Near Neighbours programme going forward.

3. Resources Expended

	Staff Costs £'000 (note 6)	Grants £'000 (note 7)	Direct Costs £'000 (note 8)	Support costs £'000 (note 9)	2014 Total £'000	2013 Total £'000
Charitable Activities						
Building Networks: Local Presence and Engagement Centres	32	267	11	8	318	310
Building Capacity						
Faith Leaders	17	73	6	4	100	118
Young Leaders	15	101	6	4	126	132
Community	18	222	7	5	252	396
Creating Participation: Small Grants (note 4)	-	807	-	-	807	644
Total charitable activities	<u>82</u>	<u>1,470</u>	<u>30</u>	<u>21</u>	<u>1,603</u>	<u>1,600</u>
Governance (note 5)	22	-	7	5	34	43
Total resources expended	<u>104</u>	<u>1,470</u>	<u>37</u>	<u>26</u>	<u>1,637</u>	<u>1,643</u>

Support costs have been allocated to activities in proportion to staff time incurred in each activity area. Total resources expended include audit fees for the year of £4k (2013: £8k).

4. Creating Participation: Small Grants

	2014 £'000	2013 £'000
Grants awarded	774	667
Less writebacks of awards	-5	-32
Net grants awarded	<u>769</u>	<u>635</u>
Administration costs	1	24
Other Direct costs	37	40
Total Costs	<u>807</u>	<u>699</u>
Less funding brought forward	0	-55
Plus funding carried forward	0	0
	<u>807</u>	<u>644</u>

Writebacks of awards represent grants awarded which have been wholly or partly unclaimed.

5. Governance

	2014 £'000	2013 £'000
Staff Costs	22	28
Other (incl. Legal, audit, trustee expenses, stationary, subscriptions)	12	15
	<u>34</u>	<u>43</u>

None of the trustees received any emoluments. Expenses incurred in attending meetings and on other business of Near Neighbours were reimbursed to Trustees as follows:

	2014		2013	
	No.	£'000	No.	£'000
Travel, subsistence and other expenses	6	10	5	8

6. Staff Costs

	2014 £'000	2013 £'000
Salaries	41	39
Social Security	5	4
Pensions	3	3
	<u>49</u>	<u>46</u>
Staff Costs allocated by Church Urban Fund and reimbursed by Near Neighbours in respect of programme, financial and communications management	55	39
	<u>104</u>	<u>85</u>

Near Neighbours, as last year, had one full time member of staff.
No staff emoluments for the year exceeded £60,000 (2013: none).

7. Grants

	2014 £'000	2013 £'000
Building Networks: Local Presence and Engagement Centres		
Faithful Neighbourhoods Centre, Birmingham	40	66
St Philip's Centre, Leicester	40	65
Centre for Theology and Community, London	41	65
King Centre, West London	20	0
Bradford Churches for Dialogue and Diversity, Bradford, Leeds & Dewsbury	35	66
Bradford Churches for Dialogue and Diversity, Rochdale & Bury	31	0
Transforming Communities Together, Black Country	29	0
Grassroots, Luton	31	0
	<u>267</u>	<u>262</u>
Building Capacity: Faith Leaders		
Christian Muslim Forum	33	71
Council for Christians & Jews	12	11
Hindu Christian Forum	12	17
3 Faiths Forum	16	0
	<u>73</u>	<u>99</u>
Building Capacity: Young Leaders		
The Feast	35	16
Bradford Catalyst	37	41
Leicester Catalyst	29	60
	<u>101</u>	<u>117</u>

7. Grants (cont.)

	2014 £'000	2013 £'000
Building Capacity: Community Nehemiah	222	371
Creating Participation: Small Grants (note 4)	807	644
Total Grants	1,470	1,493

8. Other Direct Costs

	2014 £'000	2013 £'000
Evaluation	4	20
Communications	21	7
Trustees Expenses	10	8
Faith Advisory Panel	2	6
	37	41

9. Support Costs

	2014 £'000	2013 £'000
Professional Costs	9	9
Other (office costs, travel & subsistence)	18	15
	27	24

10. Creditors (amounts falling due within one year)

	2014 £'000	2013 £'000
Accruals	16	6
Pension	0	0
	16	6

11. Restricted Funds

	Balance at 1/1/14 £'000	Incoming Resource £'000	Resource Expended £'000	Balance at 31/12/14 £'000	Balance at 31/12/13 £'000
Near Neighbours Programme	368	1,335	1,637	66	368

All incoming grants are restricted to expenditure on the Near Neighbours programme.

The total net assets of the charity continue to be represented by the single restricted fund.

12. Ultimate Parent Company

The ultimate parent charity is Church Urban Fund, a company and charity registered in England. Copies of the group accounts can be obtained from Church Urban Fund, Church House, Great Smith Street, London SW1P 3AZ.

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13. Related Party Transactions

During the year, Near Neighbours entered into the following transactions with its parent company CUF: CUF received the full amount of grant from DCLG of £1.3m (2013 - £1.6m) and passes this over to Near Neighbours to deliver the programme.

Near Neighbours paid CUF a grant of £803k (2013: £695k) to administer the Small Grants programme.

Near Neighbours made a contribution of £55k to CUF for the administration of the overall programme.

At the year end, the intercompany balance was £12k owed to CUF (2013 - £360k owed by CUF). In the group accounts these transactions are eliminated on consolidation.

Listed below are grants made where there is a commonality of trusteeship as between Near Neighbours and the recipient charity.

All of these grants were made at arms length and in the normal course of the charity's business in pursuit of its charitable objectives.

Reverend Canons Paul Hackwood and Denise Poole, Trustees of both Church Urban Fund and Near Neighbours, are also trustees of Bradford Churches for Dialogue and Diversity which received grants of £118k during the year.

The Right Reverend Richard Atkinson, a Trustee of Near Neighbours, is also Co-Chair of the Hindu Christian Forum which received a grant of £12k during the year.