



NEIGHBOURHOOD WATCH NETWORK

(Charity No. 1173349)

Report and Financial Statements For the year ended 31 March 2021

As the national umbrella organisation of the largest voluntary movement for crime prevention in England and Wales, we support people to prevent and reduce crime by coming together with their neighbours to create safer, stronger and active communities.

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About Neighbourhood Watch Network

Neighbourhood Watch Network is the strategic voice and national umbrella organisation for England and Wales. We support the grassroots Neighbourhood Watch movement which involves over 2.3 million volunteers in preventing crime and strengthening communities. This work is delivered by our local Associations who are the members of Neighbourhood Watch Network.

Our vision

Our vision is a society where neighbours come together to create safer, stronger and active communities.

Our mission

Our mission is to support and enable individuals and communities to be connected, active and safe, which increases wellbeing and minimises crime.

Our values

Neighbourly, community-focused, inclusive, proactive, trusted, collaborative.

Introduction from the Chair and the CEO

While the Covid-19 pandemic has brought much hardship and sadness over the last 18 months, it has also highlighted the hidden strengths of local communities where people watch out for one another and provide mutual support. It is widely recognised that these are assets to be sustained and developed if the country is to not just recover from the health crisis but to also tackle the inequalities and social pressures highlighted by the pandemic. Neighbourhood Watch groups and volunteers have been at the heart of community responses throughout the pandemic, helping neighbours to connect and support each other, as well as maintaining our traditional role of helping to prevent crime and keep people safe. We are firmly committed to making our knowledge, experience and resources available to even more communities in the future.

We have therefore used the experience of the past year to look towards to our future and to understand how we can better support communities in need across England and Wales. In particular, we have recognised the need to focus on diversity and inclusion and to extend our reach to everyone no matter their age, culture, background, or ethnicity. At the heart of our 5-year strategy are goals to reach more young people, more people in high crime areas and broaden the diversity of our supporter base.

Our staff, trustees and volunteers have embraced the challenges and opportunities that have arisen during the pandemic and have delivered impactful and effective new ways of working to support their communities. The move online has enabled us to more closely connect our trustees with volunteers in the community by running quarterly online meetings and setting up more joint working groups, including: Rural Crime; People, Culture and Ethics; Digital Development; Volunteer Support Programme; and Alert System Multi-Scheme Administrators. This has ensured our volunteers and members are fully involved in the delivery of our ambitious strategy.

With the increased use of virtual technology to maintain engagement, our events have been held online, enabling more people to attend and cutting our running costs. We added these savings to the launch of our Community Grant Programme pilot, which in the first six months to June 2021 distributed over £5,000 to local Neighbourhood Watch groups for projects. More information about this is on page 9.

With the pandemic restrictions tentatively easing, Neighbourhood Watch will remain at the forefront of strengthening communities, with our volunteers becoming more visible once again as they resume face-to-face community activities. The ambitious 5-year strategy is progressing well, with our new Volunteer Development Programme underway, and a stronger focus on working in areas of high need and with people who are vulnerable or isolated.

We want to say a big THANK YOU to our funders, partners, trustees staff and our own communities. Your support means we can keep on progressing and maximise our efforts to help support stronger, connected and resilient communities. We reserve our BIGGEST THANKS for our incredible volunteers! Without you, none of our work would be possible and just like us, we know our communities are hugely proud of you.

With thanks

John Hayward-Cripps
CEO

Ian Bretman
Chair

Trustees report

The Trustees of Neighbourhood Watch Network (NWN) present their report and financial statements for the year ended 31 March 2021.

The financial statements comply with current statutory requirements, the charity's trust deed and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Delivering Our Charitable Purpose

The Objects of NWN, as set out in the Constitution dated 10 April 2017 are to:

- Promote for the benefit of the public good citizenship, community safety and greater public participation in the prevention and detection of crime, and;
- Promote public support for the work of the police service and other partners in the protection of people and property from, and the prevention of, crime.

To achieve these objects, we provide free online resources for everyone to help them reduce their chances of becoming a victim of crime. We also signpost them to local Neighbourhood Watch groups which aim to strengthen community cohesion and wellbeing and create better connected and more resilient communities.

At a national level, we work closely with government departments, and voluntary sector partners to extend the reach of our work as far as possible and involve policy and research institutions in assessing our impact and help us plan for future improvements.

Local Neighbourhood Watch groups make a real, long-lasting difference to communities: as well as helping to reduce crime they increase neighbourliness and community wellbeing and strengthen the voice of the community with councils, the police and other public services. We support and enable local schemes to operate by providing resources, training and networking support to volunteers and members.

Public Benefit & Contribution Made by Volunteers

The public benefit from the activities carried out by the Charity by:

- Having access to information and advice on crime prevention and personal security;
- Being part of better connected and more resilient communities – the Charity facilitates the work of Neighbourhood Watch volunteers to maintain and develop community-based Neighbourhood Watch schemes which in turn contribute to better connected and more resilient communities, where crime and anti-social behaviour can be reduced and also the incidence and impact of loneliness and isolation.

The Trustees confirm that they have had due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Neighbourhood Watch volunteers (estimated to number at least 2.3 million individuals) work through their local schemes, many of which are charities in their own right. So, while this is not a direct contribution to NWN, it is important to recognise the significant social value created within communities by preventing crime, reducing the fear of crime, alleviating loneliness and isolation and providing practical assistance between neighbours.

Main Activities

We review the aims, objectives and activities of the charity each year to ensure they remain focused on the charity's stated purposes. In this report, we describe what the charity has achieved and how it has performed in the reporting period and how each key activity has benefitted the people that the charity was set up to help.

Objectives set out in our 2020-2025 strategic plan are to be:

- *the authoritative voice on community based crime prevention*, so that everyone will be able to access advice and support they need
- *a recognised contributor to community health and wellbeing*, so that community cohesion is increased and loneliness and isolation are reduced
- *the most popular gateway for citizens to engage in their locality*, so that neighbours have a place to go to connect with each other and their communities.

Activities to achieve these objectives, that we carry out as the umbrella body and the national voice for the Neighbourhood Watch movement in England and Wales, include:

- **Providing advice and resources:** we host the Ourwatch website for everyone to access crime prevention and community wellbeing advice and resources.
- **Campaigning:** we raise awareness of crime prevention actions that everyone can use, by launching national crime prevention campaigns across social media channels.
- **Promoting the Neighbourhood Watch movement:** We work with other charities, government bodies, sponsors the press to show Neighbourhood Watch as a modern, relevant movement for safer, connected communities for all.
- **Facilitating work of local Neighbourhood Watch groups:** we providing training, resources and networking opportunities for local groups, schemes and association across England and Wales.
- **Protecting the intellectual property of the NW movement:** we hold trademarks of the Neighbourhood Watch logo and name, to protect the reputation of the Neighbourhood Watch movement and to maximise income opportunities.
- **Assessing and reflecting:** we regularly survey Neighbourhood Watch members and also members of the public and commission research, to evaluate the impact of our work and assess ways to improve.
- **Increasing our reach:** we constantly look for new avenues to reach younger and more diverse audiences.
- **Growing the resources of our charity:** we continuously look for new sources of income and actively manage our relationships with existing sponsors, grant-givers, and other funders to ensure our income is sufficient for us to achieve all the work we set out to do.

Achievement and Performance

Some of our achievements in furthering Neighbourhood Watch Network's charitable purposes 2020/2021 are described below.

- **Providing advice and resources**

Over 1.3million people visited our website during the year. We continue to add new information and advice to the website for everyone to be able to reach.

A new role of '**Community Champion**' was piloted. This aims to build networks and support wellbeing within communities, helping to raise awareness of local issues, crime prevention advice and to reach a wider audience to enhance the existing volunteer structure. Over the year we trained 12 Community Champions with a further 87 volunteers signing up in two pilot areas of Lewisham, South-East London and North Yorkshire.

The '**Communities That Care**' fraud prevention programme, enables volunteers to start conversations about fraud with those who are most at risk within their communities and offer direct advice and practical help to support residents to protect themselves. During the year 273 new Communities That Care volunteers were recruited - 50 in Suffolk, 100 across South East England, 80 in West Yorkshire, and 43 in North Wales, including Neighbourhood Watch members and new partner agencies, Suffolk Good Neighbour Network and Optivo Housing Association.

Cyberhood Watch Ambassadors support their communities in understanding and protecting themselves against cyber risks and to use technology with confidence. This programme is a partnership with cybersecurity firm, Avast. We have trained 53 Cyberhood Watch Ambassadors and developed 14 toolkits for them to use in their communities.

- **Campaigning**

Three national crime prevention campaigns were delivered during the year: 'Protect your Car', 'Protect your Password' and 'Safety in Neighbours' reached 295,000, 182,000 and 53,000 people respectively, through Facebook adverts to members of the public and Neighbourhood Watch members via email.

The Government's Covid-19 messages were relayed to our supporter base throughout the year, sharing guidelines and advice to support everyone through lockdowns and transitioning back to school, work, and socialising. The NHS 'Every Mind Matters' campaign to support mental wellbeing and reduce loneliness and isolation was also featured in our communications.

- **Promoting the Neighbourhood Movement**

The successful Neighbour of the Year competition was repeated in partnership with Co-op Insurance, with the introduction of an award for Young Neighbour of the Year'. Among 655 pieces of media coverage was a comprehensive feature on BBC1's The One Show.

A sponsorship arrangement with the distributors of the film 'The Croods 2: A New Age', enabled us to successfully engage with a younger audience than our traditional supporter base through a competition for children to design a 'Croods 2'-inspired treehouse to be built in their local community. This was organised in partnership with Co-op Insurance and the Wildlife Trust.

Achievements and performance (continued)

NWN joined with over 35 community-focused charities as founder members of the Community Action Response group to campaign for neighbours, community groups and individuals to do their bit to reduce the impact of social isolation, loneliness and localised inequality brought to light during the Covid-19 crisis.

Two surveys on 'cybercrime' and 'using technology during the pandemic' were conducted, reaching over 19,000 people responded to the surveys. We used this and our work with the Cyberhood Watch Ambassadors, to built on our existing relationship with the National Cyber Security Centre and strengthen our voice in this area.

- **Facilitating the work of local Neighbourhood groups**

The National Lottery Community Fund approved our application for a £40,000 grant to support our Volunteer Programme. With this funding secured, we have launched a new 'Knowledge Hub' for volunteers – the hub provides resources and forums, allowing volunteers to learn and exchange information with other volunteers.

Over 1,100 hours of training were delivered to our volunteers via workshops and seminars.

Some examples of the work of local Neighbourhood groups carried out in the year are described below:

- **Kenilworth Watch** appeared on Frontline Fightback on BBC1 and BBC2 to promote what they are doing to fight crime as a community. 1,260 homes in and around Kenilworth are now part of Kenilworth Watch, keeping residents informed about crime in their area 24/7. It also operates a CCTV register of 60 households, helping to reduce the time the police spend investigating crime by identifying CCTV owners in the areas where crimes have occurred and collating CCTV footage to pass onto the police.
- **Greenwich Neighbourhood Watch** raised awareness about measures to reduce bicycle and parcel thefts and saw a 24% reduction in these crimes within a month of the campaign. Residents followed their advice and passed it onto the others. In addition, they delivered crime prevention online workshops to over 250 residents who agreed to take positive action to reduce the risks in their area and share the information.
- **Blackbird Leys Neighbourhood Watch** was recognised by the police as a bridge between themselves and the community in an area where joint work has been challenging in the past. They helped residents with deliveries, organised litter picking groups and set up a Neighbourhood Watch Facebook page with 2,200 members. These activities facilitated communication between residents and led to reduced loneliness and isolation. In addition, residents now pass on information about everything from litter build-ups to drug dealing in confidence to the police. This intelligence contributed to three drugs raids at houses and one closure order.
- **Thames Valley Neighbourhood Watch developed** relationships with the Imams and Secretaries of the main Mosques in their town, enabling them to regularly share crime prevention advice with up to 3,000 members of the Muslim community. The Secretaries of the three largest Mosques have now become Neighbourhood Watch Coordinators, creating three large schemes with members from their mosques.

Achievements and performance (continued)

- **Lancashire Neighbourhood Watch** posted 3,500 leaflets to residents during the first lockdown, with important information for those who needed support and ran weekly socially distanced events to bring the community together. An example of this was organising an Easter bunny parade with inflatables and presented over 600 Easter eggs to children - bringing some much-needed cheer to the community.
- **Grant giving to local communities**

A grant programme for local Neighbourhood Watch groups was introduced for the first time. Local Associations can request funds for their project work. In the first tranche of funding between January and June 2021, we distributed over £5,000 for projects including: Seeds of Change - Young People planting up window boxes for older people, Looking after our Neighbours – creating 'help' cards for support and a thank you recognition scheme, a Little Library, and several brilliant litter pick initiatives. The programme was very well received and we plan to continue (and hopefully extend) it for future years.
- **Assessing and reflecting**

Over 10,000 people responded to our 'new members' survey, which helped us better understand the reasons why people join Neighbourhood Watch.
- **Increasing our reach**

We have established a presence on Instagram to increase our reach to a younger audience and a presence on LinkedIn to enhance our professional and network partnerships. As a result of this, and some of the other promotional work described above, four times as many 18-24 year olds visited our website compared to the previous year.

The Croods 2 campaign described above reached 83,000 younger people online.

Overall, we had over 7,500 new followers on social media.

- **Diversity and Inclusion**

The trustee board considered the revisions to the Charity Governance Code issued in December 2020 and welcomed the increasing focus on Equality, Diversity & Inclusion (EDI) as integral to delivering public benefit by enabling charities to understand where their work is most needed and how it can have most impact. This resonated strongly with our new strategy, as extending the reach of our work requires us to tackle attitudes and perceptions that have limited engagement in the past. We also recognise the need to better support people and communities who are most vulnerable to crime. In order to support our local Associations in this regard, and to share the good practice that exists across the movement, a People and Ethics and Culture Committee was formed, chaired by Rebecca Bryant a member of NWN's Trustee Board and involving volunteers from our local Associations. The Committee has consulted on and developed an organisational Diversity Statement and a Community Charter and updated the organisational Ethics and Standards. The Committee has liaised with other organisations about the Community Charter and is planning on launching the Charter at the Neighbourhood Watch Crime and Community Conference early in 2022.

Future Plans

Our current 5-year strategy runs from 2020 to 2025. In 2021/2022 we aim to continue building on the start to this new phase of work for Neighbourhood Watch Network. The workstreams include:

- Form a new agreement for the schemes and associations that make up the Neighbourhood Watch movement to work together on achieving the ambitions of the strategy by recognising our inter-dependencies, being open to new ways of working and empowering members.
- Creating a more engaging narrative of how our crime prevention mission is supported by work to strengthen community cohesion and resilience, and supports the repositioning of Neighbourhood Watch as a movement of “neighbours watching out for each other, building safer and more inclusive communities”, rather than “residents watching for suspicious behaviour”.
- Further work with to develop renewed and consistent relationships with the police, with clearer separation of roles and an acknowledgement that citizens have a clear responsibility for doing what they can to keep themselves and their neighbours safe from crime, and support the detection of crime.
- Co-development of Neighbourhood Watch in areas of high need (higher crime or disadvantage) and with communities underrepresented in Neighbourhood Watch (young people and BAME) working within an asset-based community development framework.
- Build a more expansive portfolio of partnerships with public services, voluntary organisations and the private sector to amplify our messages and engage with all parts of the community. This will include a broader range of commercial relationships.
- More active and diverse fundraising at community and national level, building on our voluntary ethos but enabling it to deliver professional, measurable work.
- Investment in monitoring, evaluation and learning so that we can demonstrate impact and justify investment, as well as taking on a stronger advocacy and policy-influencing role.

More information about our future plans are contained in the 2020-2025 strategy which can be found on our website: www.ourwatch.org.uk.

Financial review

Financial position

The detailed figures for the year ended 31 March 2021 are set out in the financial statements that follow the Trustees' Report.

There was a net deficit in the year of £71,584 (2019/20: £146,378). The deficit was planned as additional income had been received in previous years that was set aside by the Trustees, as designated funds, for projects in future years. This left total funds of the charity at £220,082 (2019/20: £291,666) at the end of the year.

Reserves

Total funds held by NWN may include those that are –

- Restricted by the donor or funder for specific activities or programmes and that cannot be used for the general purposes of the charity,

and/or those that are
- Received in one financial year as part of a grant for work to be carried out wholly or partly in future financial years.

The existence or level of these funds do not imply that there has been an underspend but may result from a variety of circumstances including timing differences between NWN's financial year and that of our funders.

The balance of funds constitutes the charity's unrestricted funds reserve which should be at a level to maintain a positive cashflow for day-to-day operations and provide sufficient funds for contingencies including scaling back operations in the event of a downturn in funding or for a winding-up of the organisation in the event of more significant loss of revenue. Unrestricted funds may also be designated for investment in future developments as part of NWN's long-term strategy.

We review the reserves policy at least annually and have agreed on an unrestricted reserve fund of £105,000, which is more than three months of all budgeted operating costs. At the end of the year, the reserves held, after taking into account restricted funds and some designated amounts and the carrying amount of fixed assets was £159,000 (2019/20: £187,000). Although this is 52% (2019/20: 79%) above the minimum level, we expect funds surplus to immediate requirements to be applied to implementation of the 2020-2025 strategic plan. We have also mandated the Finance and Audit Committee to monitor reserves on a quarterly basis and to recommend any changes to the policy to the Board.

Going concern

After reviewing the Charity's forecasts, projections and its reserves, the trustees have a reasonable expectation that NWN has adequate resources to continue in operation for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Financial review (continued)

Sources of funds

NWN's core costs in 2020/21 were covered by sponsorship income from three commercial partners - Co-operative Group (home insurance), ERA (home security products) and Avast (internet security software). In addition, the Home Office provides a grant of £280,000 to fund key deliverables through programmes and projects. Work is on-going to secure new sponsors in 2021/22.

We recognise the risks arising from reliance on a narrow base of funders and have agreed an increase in fundraising capacity to address this. There appears to be strong potential for increasing revenue from additional commercial sponsors but this will take sustained investment of time from the Head of Fundraising and the CEO.

Fundraising Practices

Neighbourhood Watch Network is registered with the Fundraising Regulator and is fully compliant with the Code of Fundraising Practice. Our Head of Fundraising is an Individual Member of the Institute of Fundraising. In the year 2020/21 we did not carry out any direct marketing or face-to-face fundraising and received no complaints related to our fundraising practices. We are committed to always protecting vulnerable people and will ensure adherence to the Code of Fundraising practice and clear guidelines should we undertake different types of fundraising in the future. All marketing materials contain clear instructions on how a person can be removed from mailing lists.

Risk Management

We review the main risks facing the charity on a regular basis. The current risk register highlights the reliance on a narrow range of funders mentioned above and the related need to better demonstrate the impact of Neighbourhood Watch activities, particularly in respect of crime prevention. NWN also recognises the need to extend its reach and develop a stronger offer that is relevant to all parts of society and that builds engagement among younger people, those from ethnic minority backgrounds and those most at risk from crime. All of these issues are addressed in NWN's 2020-2025 strategy and being implemented in our future plans. The charity has also insured against risks where practical to do so.

Structure, governance and management

Legal structure

Neighbourhood Watch Network was registered as a Charitable Incorporated Organisation (CIO) on 9th June 2017. The charity replaced Neighbourhood & Home Watch Network, a registered charity and company which was then dissolved. The voting membership of the CIO is explained below; trustees are also voting members.

Governance

NWN's governing document is its Constitution, dated 10 April 2017 which is available on NWN's website www.ourwatch.org.uk. The overall governance, finance and operations of NWN are controlled by the Trustees, within the regulatory framework set by the Charity Commission.

The Constitution, resolutions and complementary procedures set by the Board, are the rules that NWN operates by, and by which decisions are made. The Trustees are ultimately responsible for NWN.

Members

NWN's membership structure aligns with the 43 Police Force areas across England and Wales and each of these can form a "Force Level Association" and become voting members of NWN by signing a Memorandum of Understanding covering joint working arrangements and providing a common framework of ethics and standards. There are currently 30 of these Force Level Associations. The exception to the national structure is the Metropolitan Police Force Area which is organized around the 32 London Boroughs and which collectively account for 4 votes within the membership.

Individual membership of local Neighbourhood Watch Associations does not confer membership of the CIO.

Trustees

The governing document states that there must be between 4 and 12 trustees in post at any time. Trustees who serve at the date of this report, and those who served during the year under review are set out on page 14.

The trustees delegate much of the day-to-day management of the Charity to the CEO, but remain ultimately responsible. Their responsibilities are active, not passive, and include:

- regular evaluation of the strategic direction of the Charity and its management policies
- evaluation of outcomes and the effectiveness with which the CEO and management implement them
- monitoring legal compliance
- management of risks related to the Charity's activities

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Structure, governance, management (continued)

The trustees are members of the Charity but this entitles them only to voting rights. The trustees have no beneficial interest in the Charity.

All trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed are set out in note 6 to the financial statements.

The Board's operations

The Board of Trustees meets at least four times a year to conduct its business and oversee progress against strategic and operational plans. Trustees are also involved in various working groups that support strategic workstreams. The Board is supported by a Finance and Audit Committee, which oversees the Charity's finances (including reserves), income generation and risk management, and reports regularly to the Board on these matters.

Appointment and retirement of trustees

The Trustees are elected by the Members at NWN's Annual General Meeting (AGM) and others may be co-opted by the Board between Annual General Meetings, provided that the total number of trustees does not exceed twelve. Members are entitled to nominate candidates for election as trustees at the AGM and other trustees are recruited through advertising and evidence-based recruitment processes against the trustees' role description.

Board recruitment and induction

The Board is responsible for ensuring that it is made up of trustees who are collectively able to fulfil the governance function of the Board and therefore needs to have a mix of skills, both those which relate to the objectives of NWN and more generic skills and experience such as legal and financial.

The Board regularly undertakes a self-assessed skills audit against the set of skills it has identified as being essential for the governance of the Charity; this enables the Board to identify skills gaps, which informs the recruitment process and training needs. Trustees are able to access learning and development opportunities relevant to their trustee position.

Management

The Trustees delegate day-to-day running of the charity to the CEO who reports directly to the Board. The CEO leads a staff team of 8 salaried staff (6.8 full-time equivalents) at the time of signing the report. The Chair and Treasurer hold a meeting with the CEO each month. The Board receives regular reports on operational performance and provides oversight and scrutiny of results, using a set of key performance indicators.

Remuneration

The remuneration of the CEO is set by the Board and the remuneration of other staff is set by the CEO. In all cases, this is informed by formal and informal benchmarking information from comparable organisations in the voluntary sector, the responsibilities of each individual role and the requirements of the person specification.

Reference and administrative details

Charity name: Neighbourhood Watch Network
Charity number: 1173349
Country of registration: England & Wales

Principal office: Room WG07, Vox Studios, 1-45 Durham Street, London SE11 5JH

Trustees who served during the year and up to the date of this report were:

Ian Bretman	Chair
Peter Buchanan	
Rebecca Bryant OBE	appointed June 2020
Mohamed Hammeda	appointed July 2020
Kirsty McHugh	
Sue Pillar	appointed June 2020
Kardaya Singh Rooprai	Treasurer
David Huse	resigned April 2020
Derek Pratt	resigned June 2020

Key management personnel: John Hayward-Cripps, Chief Executive Officer

Bankers: HSBC, 41 Market Place, Loughborough, LE11 3EJ

Independent Examiner: Joanna Pittman, Sayer Vincent LLP, Invicta House,
108-114 Golden Lane, London, EC1Y 0TL

Trustees responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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 financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the governing document. They are also responsible for safeguarding the assets of the charity and the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of NWN and financial information included on our website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

BY ORDER OF THE BOARD OF TRUSTEES

Ian Bretman

Chair

Date: 4 November 2021

Independent Examiner's Report to the Trustees of Neighbourhood Watch Network

I report to the trustees on my examination of the accounts of Neighbourhood Watch Network for the year ended 31 March 2021.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the CIO's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Since the CIO's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 Accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
- 2 The accounts do not accord with those records; or
- 3 The accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Name: Joanna Pittman FCA
The Institute of Chartered Accountants in England and Wales
Address: Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL
Date: 12 November 2021

Financial Statements

Statement of financial activities for the year ended 31 March 2021

	Notes	Unrestricted funds	Restricted funds	31 March 21 Total	31 March 20 Total
Income from:					
Donations		227	10,000	10,227	-
Charitable activities	2	280,000	63,250	343,250	344,987
Other trading activities	3	116,711	-	116,711	113,534
Investments	-	116	-	116	664
Total income		397,054	73,250	470,304	459,185
Expenditure on:					
Charitable activities	4	428,619	65,244	493,863	546,220
Raising funds	4	48,025	-	48,025	59,343
Total expenditure		476,644	65,244	541,888	605,563
Net (expenditure)/income		(79,590)	8,006	(71,584)	(146,378)
Transfers between funds		-	-	-	-
Net movement in funds		(79,590)	8,006	(71,584)	(146,378)
Reconciliation of funds:					
Total funds brought forward		263,476	28,190	291,666	438,044
Total funds carried forward	11	183,886	36,196	220,082	291,666

All income and expenditure relate to continuing activities.

There are no other gains or losses other than those stated above.

Notes 1 – 14 form part of the financial statements.

**Balance sheet
at 31 March 2021**

	Notes	31 March 2021	31 March 2020
Fixed assets			
Intangible fixed assets	8	11,314	16,971
Tangible fixed assets	8	2,461	2,874
Total fixed assets		13,775	19,845
Current assets			
Stock		840	-
Debtors	9	78,364	79,967
Cash at bank and in hand		183,836	259,475
Total current assets		263,040	339,442
Creditors: amounts due within one year	10	(56,733)	(67,621)
Net current assets		206,307	271,821
Total net assets		220,082	291,666
Funds of the charity			
	11		
Unrestricted funds			
Designated funds		57,771	148,236
General funds		126,115	115,240
Total unrestricted funds		183,886	263,476
Restricted funds		36,196	28,190
Total funds		220,082	291,666

The financial statements were approved by the Board of Trustees and signed on their behalf:

Ian Bretman
Chair

Kardaya Rooprai
Treasurer

Date: 4 November 2021

Date: 4 November 2021

Notes to the financial statements for the year ended 31 March 2021

1. Accounting policies

a. Statutory information

Neighbourhood Watch Network is a Charitable Incorporated Organisation registered in England and Wales. The address of the registered office is Room WG07, Vox Studios, 1-45 Durham Street, London SE11 5JH.

b. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with:

- Charities SORP (FRS 102) - *Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)*
- FRS 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland
- The Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS 102.

c. Critical accounting judgements and estimates

When preparing the financial statements in line with FRS 102, the trustees are required to make judgements and estimates. The estimates and judgements are based on historical experiences and other factors that are considered relevant including expectations of future events. The estimates and judgements include:

- Accruals: costs not yet invoiced (see Expenditure policy below)
- Allocation of support costs (see Expenditure policy below); and
- Depreciation and impairment (see Fixed Assets policy below).

In the view of the trustees, no assumptions concerning the future have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

d. Going concern

When considering going concern, the trustees consider all available information about the future at the date they approve the accounts, which includes information from budgets and forecasts about income, expenditure and cash flows. Attention is also given to reserves.

The charity has not been adversely affected by Covid-19 as it does not rely on donations from the general public as a result of fundraising events.

Given the Home Office grant agreed for the year ending 31 March 2022 and the reserves currently held, the trustees believe that the continuing Covid-19 pandemic does not pose a material uncertainty that would cast doubt on the charity's ability to continue as a going concern. The trustees therefore consider it appropriate for the financial statements to be prepared on a going concern basis.

1. Accounting policies (continued)

e. Income

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

f. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is attributed to the following areas:

- *raising funds*
- *charitable activities*

Where expenditure cannot be directly attributed to these areas, it is allocated to them on a usage or head count basis. Support costs, such as general management, finance, office rent and governance costs are allocated in this way. Governance costs are costs associated with the general running of the charity and include audit, strategic management and trustees' meetings and reimbursed expenses.

Raising funds relate to the costs in carrying out activities that are intended to generate income, such as staff time managing grant applications and developing commercial sponsorship agreements.

Charitable activities are costs incurred in delivering activities and services for the charity's beneficiaries. These include providing information and resources to Neighbourhood Watch members and the general public on the Ourwatch.org.uk website, staff costs for delivering campaigns and project.

The charity is unable to recover the majority of VAT charged. This irrecoverable VAT is included in the costs of those items to which it relates.

g. Fund accounting

Restricted funds are funds which arose when donors gave them for particular restricted purposes which are narrower than the general purposes of the charity. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 11 to the financial statements.

Unrestricted funds are donations and other income received or generated for the general objectives of the charity without further specified purposes and are available as for use at the discretion of the trustees.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the note 11 to the financial statements.

1. Accounting policies (continued)

h. Operating leases

Payments made under operating leases are charged to the SOFA when incurred. The charity does not acquire assets under finance leases.

i. Fixed assets

Tangible fixed assets costing more than £350 are capitalised and are held on the balance sheet at cost less accumulated depreciation and impairment losses.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset evenly over its estimated useful life as follows:

- Office equipment: 25% reducing balance
- Furniture and fittings: 20% reducing balance

Intangible fixed assets are held on the balance sheet at cost less accumulated amortisation and impairment losses.

The Ourwatch.org.uk website for the national Neighbourhood Watch Network is capitalised as an intangible asset and amortised on a straight line basis over its expected useful life of 3 years.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

j. Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments

k. Debtors

Trade and other debtors are recognised at the settlement amounts due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

l. Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

m. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1. Accounting policies (continued)

n. Pensions

Pension costs comprise the costs of the charity's contribution to its employee's pension schemes. The charity provides a money purchase scheme which is available to all employees.

2. Income from charitable activities

	31 March 2021			31 March 2020		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
Grants						
Home Office	280,000	-	280,000	280,000	-	280,000
NESTA	-	15,330	15,330	-	34,987	34,987
National Lottery	-	40,000	40,000	-	-	-
Partners	-	7,920	7,920	-	30,000	30,000
Total	280,000	63,250	343,250	280,000	64,987	344,987

3. Income from other trading activities

	31 March 2021			31 March 2020		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
Sponsorship						
AVAST	39,301	-	39,301	21,700	-	21,700
ERA	50,000	-	50,000	50,000	-	50,000
Co-op	25,000	-	25,000	40,063	-	40,063
Commission						
Patlock	2,410	-	2,410	1,771	-	1,771
Total	116,711	-	116,711	113,534	-	113,534

4. Expenditure

Year ended 31 March 2021

	Raising funds	Charitable activities	Support costs	Total
Direct costs				
Staff costs	32,862	246,968	92,786	372,616
Other direct costs	606	133,029	31,174	164,809
Grants paid	-	4,463	-	4,463
Total	33,468	384,460	123,960	541,888
Support costs	14,557	109,403	(123,960)	-
Total	48,025	493,863	-	541,888
Split between				
Unrestricted funds	48,025	428,619		476,644
Restricted funds	-	65,244		65,244
Total	48,025	493,863		541,888

4. Expenditure (continued)

Prior year, year ended 31 March 2020

	Raising funds	Charitable activities	Support costs	Total
Direct costs				
Staff costs	38,727	246,389	57,129	342,245
Other direct costs	1,050	166,352	86,916	254,318
Grants repaid*	-	9,000	-	9,000
Total	39,777	421,741	144,045	605,563
Support costs	19,566	124,479	(144,045)	-
Total	59,343	546,220	-	605,563
Split between				
Unrestricted funds	59,343	479,869		539,212
Restricted funds	-	66,351		66,351
Total	59,343	546,220		605,563

* Grants repaid are any part of a grant received, that is unspent and needs to be returned to the funder.

Staff costs are allocated to *raising funds*, *charitable expenditure* and *support costs* using an activities-based time split. Non-staff costs are allocated directly to the category to which they relate.

5. Analysis of support costs

Year ended 31 March 2021

	Raising funds	Charitable activities	Total
Staff costs	10,896	81,889	92,785
Office running costs (rent, IT)	2,757	20,718	23,475
Professional fees (HR, legal)	82	618	700
Governance (audit, trustee expenses)	822	6,178	7,000
Total	14,557	109,403	123,960

Prior year, year ended 31 March 2020

	Raising funds	Charitable activities	Total
Staff costs	7,760	49,369	57,129
Office running costs (rent, IT)	6,877	43,749	50,626
Professional fees (HR, legal)	412	2,622	3,034
Governance (audit, trustee expenses)	4,517	28,739	33,256
Total	19,566	124,479	144,045

Support costs are allocated to *raising funds* and *charitable activities* on a percentage basis based on expenditure, as an approximation of usage.

6. Governance costs

The Independent Examiner's fee and the Auditor's remuneration is included within governance costs. The amount payable in the year to the Independent examiner was £3,000 + VAT. The amount paid to the Auditor in the previous year was £4,700+VAT.

Trustees give their time and expertise without charge and do not receive any other benefit from the charity. They are reimbursed for travel and subsistence costs incurred when fulfilling their duties as trustees. During the year no trustees (2019/20: 8) were reimbursed a total of £nil (2019/20: £8,979).

There were no related party transactions during the year.

7. Staff costs and remuneration of key management personnel

	31 March 2021	31 March 2020
Wages and salaries	325,392	286,650
Social security costs	29,734	26,553
Pension costs	11,055	9,647
Total employment costs	366,181	322,850
Other staff related costs	6,435	19,395
Total staff related costs	372,616	342,245

The average head count of staff employed throughout the period was 9.1 (2019/20: 8.4).

There was 1 member of staff (2019/20: 1) whose total employee benefits (excluding employer pension costs) were between £70,001-£80,000.

Key management personnel

The total cost of employee benefits (salary and employer's National Insurance and pension contributions) for key management personnel in the year was £88,033 (2019/20: £86,352).

8. Fixed assets

Intangible assets – Ourwatch.org.uk website

Cost	
1 April 2020	16,971
Additions	
Disposals	-
At 31 March 2021	16,971
Amortisation	
At 1 April 2020	-
Charge for the year	5,657
Disposals	-
At 31 March 2021	5,657
Net book value at 31 March 2021	11,314
Net book value at 31 March 2020	16,971

8. Fixed assets (continued)

Tangible assets

	Fixtures and fittings	Office equipment	Total
Cost			
1 April 2020	1,128	3,063	4,191
Additions	-	334	334
At 31 March 2021	1,128	3,397	4,525
Depreciation			
At 1 April 2020	18	1,299	1,317
Charge for the year	222	525	747
At 31 March 2021	240	1,824	2,064
Net book value at 31 March 2021	888	1,573	2,461
Net book value at 31 March 2020	1,110	1,764	2,874

9. Debtors

	31 March 2021	31 March 2020
Trade debtors	70,000	30,329
Other debtors	5,550	11,803
Prepayments and accrued income	2,814	37,835
Total	78,364	79,967

10. Creditors

	31 March 2021	31 March 2020
Trade creditors	1,684	7,752
Other taxes and social security	4,895	26,180
Other creditors	19,540	18,414
Accruals and deferred income	30,614	15,275
Total	56,733	67,621

11. Movement in funds

Current year	At 1 April 2020	Income	Expenditure	At 31 March 2021
Unrestricted funds				
Designated funds				
Advancement fund	55,787	-	(44,967)	10,820
Project funds	92,449	-	(45,498)	46,951
Total designated funds	148,236	-	(90,465)	57,771
General fund	115,240	397,054	(386,179)	126,115
Total unrestricted funds	263,476	397,054	(476,644)	183,886
Restricted funds				
NESTA	7,969	15,330	(18,168)	5,131
Devon and Cornwall	20,221	7,920	(27,718)	423
Volunteer Programme	-	40,000	(9,893)	30,107
Co-op funded projects	-	10,000	(9,465)	535
Total restricted funds	28,190	73,250	(65,244)	36,196
Total funds	291,666	470,304	(541,888)	220,082

Prior year	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
Unrestricted funds					
Designated funds					
Advancement fund	60,000	-	(4,213)	-	55,787
Project funds	177,053	-	(87,174)	2,570	92,449
Total designated funds	237,053	-	(91,387)	2,570	148,236
General fund	169,037	394,198	(447,825)	(170)	115,240
Total unrestricted funds	406,090	394,198	(539,212)	2,400	263,476
Restricted funds					
NESTA	18,284	34,987	(45,302)	-	7,969
Devon and Cornwall	-	30,000	(9,779)	-	20,221
Patlock Fund	2,270	-	(2,270)	-	-
Segmentation Fund	9,000	-	(9,000)	-	-
CQC Leaflet Fund	2,400	-	-	(2,400)	-
Total restricted funds	31,954	64,987	(66,351)	(2,400)	28,190
Total funds	438,044	459,185	(605,563)	-	291,666

Designated funds

Advancement fund is money received from the Home Office and designated by the trustees for the 'Advancement Areas' programme, which aims to deliver a framework for Neighbourhood Watch development in areas of high crime areas, underrepresented communities and in areas of social disadvantage. The fund has paid for a full-time development manager for one year.

Project fund is money received from the Home Office and designated by the trustees for the charity to deliver a series of intervention projects to support the trustees' 10-point strategy.

11. Movement in funds (continued)

Restricted funds

NESTA grant fund is funding received from NESTA (a national grant-making charity, www.nesta.org.uk) for the 'Communities that Care' project. During the year, a further £15,330 was received to fund a piece of research on social change.

Devon and Cornwall grant is money received to fund a part time post based and working in the Devon and Cornwall Force area. This fund is expected to run for two years from October 2019, with potential to extend for a further period.

Volunteer Programme is restricted money from the National Lottery Community Fund, which was secured to support the volunteer programme – a project to invest in Neighbourhood Watch volunteers.

Co-op funds projects is money received from the Co-op Group for specific projects, including purchase of window stickers for households and development of the Ourwatch website.

Force area Patlock commission fund is money received from Patlock, the manufacturer of a patio locking system, where for each product sold, £5 is donated to the local force area association, and the charity receives an administration fee of £2. In previous years this had been treated as a restricted fund however, the money due to local force area associations is accounted for as a creditor immediately as it is received and is no longer treated as a restricted fund.

Segmentation grant fund was formed from a grant received from the Home Office between 2015-2017 for a project to test the application and measurable impact of the serious and organised crime public intervention model. After discussing the fund with the Home Office, it was agreed the unspent fund would be returned to the Home Office and the fund wound up.

Care Quality Commission (CQC) leaflet and survey fund was formed from money received in September 2015 from the CQC for the charity to deliver a survey and leaflet distribution on behalf of the CQC. After discussing the fund with the CQC, it was agreed the fund could be transferred to general funds.

12. Analysis of net assets between funds

Current year	General fund	Designated funds	Restricted funds	Total funds
Fixed assets	13,775	-	-	13,775
Net current assets	112,340	57,771	36,196	206,307
Total funds	126,115	57,771	36,196	220,082
Prior year	General fund	Designated funds	Restricted funds	Total funds
Fixed assets	19,845	-	-	19,845
Net current assets	96,395	148,236	28,190	271,821
Total funds	115,240	148,236	28,190	291,666

13. Operating leases

The charity had one operating lease at the balance sheet date, for rented office space. The minimum non-cancellable lease payments are:

	31 March 2021	31 March 2020
Not later than one year	8,820	8,400
Later than one year and not later than 5 years	-	-

14. Prior year comparatives

Statement of Financial Activities for year ended 31 March 2020

	Notes	Unrestricted funds	Restricted funds	Total
Income from:				
Charitable activities		280,000	64,987	344,987
Other trading activities		113,534	-	113,534
Investments		664	-	664
Total income		394,198	64,987	459,185
Expenditure on:				
Charitable activities		479,869	66,351	546,220
Raising funds		59,343	-	59,343
Total expenditure		539,212	66,351	605,563
Net income		(145,014)	(1,364)	(146,378)
Transfers between funds		2,400	(2,400)	-
Net movement in funds		(142,614)	(3,764)	(146,378)
Reconciliation of funds:				
Total funds brought forward		406,090	31,954	438,044
Total funds carried forward		263,476	28,190	291,666