

Community Ventures Limited

Introduction

Community Ventures was initially set up to create opportunities for local people in a deprived area of Middlesbrough. It is a charitable holding company with five subsidiaries – a security company employing local people and four consultancy companies. Its main activities centre around a community-owned security company and providing training and support to not-for-profit organizations across the country. It also operates a UK Online Centre giving local residents free access to computers and the internet both for recreation and employment assistance, helping residents from deprived areas back into social and economic activity. Community Ventures began life in the late 1980s as a City Challenge funded project. It has a group turnover of over £1.5m and the charity employs 10 people while the subsidiaries employ over 70.

Social accounting and audit

Community Ventures has never fully prepared social accounts or had them audited. However, some of their senior staff attended the training as part of the Valuing the Difference project which led them to mapping stakeholders and clarifying their mission, values, objectives and activities. They decided to go no further due to a prioritising of needs and a feeling that social accounting was *“not relevant to their immediate requirements”* and although some staff members were enthusiastic, Community Ventures as an organisation felt it *“was never a high priority”*. Thus there was insufficient time available to the proposed social accounting process and although space was made for staff to attend the social accounting training – social accounting was not implemented.

Since then Community Ventures received a loan for developing the social enterprise activity (£250,000) and keep a track of their social impact as they are able to “repay” £100,000 of this loan through providing social benefits to the community. To keep track of this social impact they have applied a model developed by Philip Angier using an SROI framework which looks at measures and how they could be validated. This is then followed by assessing “social output” which is accumulated into a “cumulative social output value”.

Benefits and value of social accounting and audit

Community Ventures completed the first step of social accounting and found this relatively straightforward. They did have problems in deciding what information to collect due to the *“complexity of the organisation”* and the limited resources within the organisation to proceed. Despite this they do regularly consult with stakeholders on specific projects and activities and this informs the reports to funders. Community Ventures felt that the social

accounting training helped them to review their mission, values, objectives and activities; the consultation they already do with stakeholders has been helpful; and as a result of the social accounting training they have expanded their Annual Report to include social performance and impact. The staff member who attended the Valuing the Difference training felt that the training was very valuable as he understands how social accounting and audit can be applied in contract bids and reporting; is able to advise others on social accounting; has helped in his understanding of the organisation; and has learned about consulting stakeholders. Community Ventures is very supportive of the principles for Social Accounting and would expect to be involved in using and promoting the process, by including it in future business planning.

Negatives, problems, snags

For Community Ventures, the main downsides of social accounting was that there wasn't take-up in following through with social accounting mainly due to capacity issues and other priorities gaining precedence.

General thoughts on social accounting and audit

Community Ventures is concerned that there are many quality accreditation systems and if social accounting is just another "box to tick" it loses its meaning. They feel that the Manual and CD should be a web-based resource and social accounting should be better understood and recommended by funding bodies. Finally, the staff member who went through the social accounting training felt it was *"a worthwhile personal experience and was disappointed that it could not, due to circumstances at the time, be adopted by the whole organisation"*. He argued that its benefits need to be more widely promoted and thus providing a wider understanding of the process and how it can be used.

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