

## **Chairman's Report for the year ending 31<sup>st</sup> March 2010**

Community Catalysts was launched in January 2010 at a time of political and financial uncertainty. The severity of the cuts in public sector funding was unclear at the time of our launch – but the fact that there would be cuts was in no doubt. Local authorities have been for the most part paralysed by uncertainty – which has created a tricky trading environment for our new company. It is all the more remarkable then that the company has gained contracts with a number of local authorities in these early months of trading – a result that reflects the strong reputation of our parent organisation NAAPS UK and the efforts of our small but highly effective staff team. Inevitably turnover in the first three months of trading has been slightly lower than predicted but our business model allows us to manage cost in line with income and leave our bottom line unaffected.

These early successes, which continue to be built upon, and the flexibility of our business model mean that we can face the future with optimism despite a challenging trading environment. The aims of our company are aligned with the strategies being put in place by the Coalition government for the delivery of public services – not least the emphasis on enterprise and on local solutions for locally defined problems delivered by local people. This alignment puts us in a strong position to benefit from the many opportunities that will arise over the next few years as these strategies are put into practice. We are particularly fortunate to have a talented and dedicated staff team and to have been able to attract associates with wide ranging skills and a strong commitment to quality and to taking forward the work of our company. Our staff and associates together will make sure that opportunities are seized and that the reputation and work of our company continues to grow. I remain confident that despite the unhelpful economic environment, we are well positioned with a robust and flexible business model that will continue to drive relevant and added value services to local communities, and this confidence has been underpinned by post year end trading. Moreover, much work has been carried out in developing an infrastructure that will allow us to take advantage of future growth opportunities when the business environment inevitably changes for the better.

I am pleased to report that since the launch of Community Catalysts, our Chief Executive, Sian Lockwood, has been awarded the OBE for her services to the charitable sector. This is not only a richly deserved honour for Sian personally, but reflects favourably on all the organisations and people that Sian has worked with, and helped, over the years. I am proud to include Community Catalysts in that list. We are fortunate also in having an experienced Board of Directors that represents many of our interest groups, and which includes non executives who give their time voluntarily to ensure the success of our company. I would like to thank my fellow Directors, and all stakeholders including employees, customers, suppliers and providers of capital for their support in launching an exciting new charitable venture against a backdrop of perhaps the worst business environment that the sector has ever experienced.

Gerry Gray

Chairman

Community Catalysts