

Charity Registration No. 1118103

Company Registration No. 05864077 (England and Wales)

ST EDMUNDS COMMUNITY ASSOCIATION LTD

**ANNUAL REPORT AND UNAUDITED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 AUGUST 2018



MAYNARD HEADY LLP

CHARTERED ACCOUNTANTS

ST EDMUNDS COMMUNITY ASSOCIATION LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Melvyn L Day Manji Solanki Susan J Day Ronald J Wright Daryl Peagram Vrajlal Kataria	(Appointed 14 May 2018) (Appointed 24 April 2018)
Charity number	1118103	
Company number	05864077	
Registered office	St Edmunds Community Centre St Edmunds Close Southend-on-Sea Essex SS2 4AS	
Independent examiner	Mr R Baines FCA Matrix House 12-16 Lionel Road Canvey Island Essex SS8 9DE	
Bankers	Lloyds Bank PLC 77 High Street Southend on Sea Essex SS1 1HT	

ST EDMUNDS COMMUNITY ASSOCIATION LTD

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ST EDMUNDS COMMUNITY ASSOCIATION LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees present their report and financial statements for the year ended 31 August 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The main function of the company is to hire out the hall to local community groups and individuals on fair and reasonable commercial terms. Any surplus is spent on improving the facilities both internally and externally and small grants are given to local community groups.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements and performance

Financial review

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Charity is a company limited by guarantee and is a registered charity No. 1118103. The company was incorporated in 2006 and entered into a thirty year lease with Southend-on-Sea Borough Council in order to continue to provide hall services to the local community. Typical activities include dancing, bowls, karate, parties and meetings.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Melvyn L Day

Manji Solanki

Susan J Day

David J Porter

(Resigned 10 October 2018)

Ronald J Wright

Daryl Peagram

(Appointed 14 May 2018)

Vrajlal Kataria

(Appointed 24 April 2018)

ST EDMUNDS COMMUNITY ASSOCIATION LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2018

The Board of Directors (Trustees) meet on a regular basis to ensure the efficient running of the St Edmunds Community Association, to determine company policy, ensure good governance, managing risk and strict control of its resources and that it complies with all or any relevant law appertaining to the United Kingdom. All the Trustees are familiar with the work of the Charity and their various professional backgrounds and experience provide the charity with the necessary skills to run a successful enterprise for the benefit of the local community. The Trustees have noted the changes required in our Constitution by the Charity Commission and work is still in progress to revise this document to meet the recommendations.

The Treasurer is responsible for the day to day management of the finances and reports directly to the Chairman. St Edmunds Community Association are members of the Southend Association of Voluntary Services (SAVS). It is noted that fund balances have increased by 12.6% throughout 2018. Expenses have increased 45.7% and our net income has decreased by 4.1%.

Risk Management

The Trustees have a duty to identify and review risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurances against fraud and error. In particular, we pay attention to Health and Safety issues and ensure that hirers adhere to our terms and conditions of hire.

Latest Developments

The company's website continues to work well and has become a very useful facility especially for those wishing to book.

Statement of Trustees' Responsibilities

The Trustees consider the company to be a viable enterprise with sufficient resources to meet its aims and objectives. The improvements to the Hall and its surroundings over the years are clearly visible which the Chairman hopes will help make a positive contribution to enhancing the local street scene.

The Trustees are responsible for preparing the Report of the Trustees and financial statements in accordance with the law and the United Kingdom Accounting Standards.

As far as the Trustees are aware, all relevant audit information has been declared to the auditors.

Auditor

In accordance with the company's articles, a resolution proposing that Maynard Heady LLP be reappointed as auditor of the company will be put at a General Meeting.

The Trustees' report was approved by the Board of Trustees.

Melvyn L Day

Trustee

Dated: 22 May 2019

ST EDMUNDS COMMUNITY ASSOCIATION LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ST EDMUNDS COMMUNITY ASSOCIATION LTD

I report on the financial statements of the Charity for the year ended 31 August 2018, which are set out on pages 4 to 11.

Respective responsibilities of Trustees and examiner

The Charity's Trustees, who are also the directors of St Edmunds Community Association Ltd for the purposes of company law, are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Mr R Baines FCA

Mr R Baines FCA
Matrix House
Matrix House
12-16 Lionel Road
Canvey Island
Essex
SS8 9DE

Dated: 22 May 2019

ST EDMUNDS COMMUNITY ASSOCIATION LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

		Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
	Notes				
<u>Income from:</u>					
Charitable activities	3	29,958	-	29,958	31,253
Investments	4	10	-	10	10
Total income		29,968	-	29,968	31,263
<u>Expenditure on:</u>					
Charitable activities	5	20,427	-	20,427	14,016
Net income for the year/ Net movement in funds		9,541	-	9,541	17,247
Fund balances at 1 September 2017		74,232	1,319	75,551	58,304
Fund balances at 31 August 2018		83,773	1,319	85,092	75,551

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ST EDMUNDS COMMUNITY ASSOCIATION LTD

BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	10		24,302		24,990
Current assets					
Debtors	12	908		326	
Cash at bank and in hand		60,674		50,475	
		<u>61,582</u>		<u>50,801</u>	
Creditors: amounts falling due within one year	13	<u>(792)</u>		<u>(240)</u>	
Net current assets			60,790		50,561
Total assets less current liabilities			<u>85,092</u>		<u>75,551</u>
Income funds					
Restricted funds			1,319		1,319
Unrestricted funds			83,773		74,232
			<u>85,092</u>		<u>75,551</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2018.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustees on 22 May 2019

Melvyn L Day
Trustee

Company Registration No. 05864077

ST EDMUNDS COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

Charity information

St Edmunds Community Association Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is St Edmunds Community Centre, St Edmunds Close, Southend-on-Sea, Essex, SS2 4AS.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended include irrecoverable VAT.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include independent examination fees and costs linked to the strategic management of the charity.

ST EDMUNDS COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Leasehold land and buildings	No depreciation provided
Fixtures and fittings	20% reducing balance
Computers	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ST EDMUNDS COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

	Activities for generating funds	PCT Car Park	Refunds	Total 2018	Total 2017
	£	£	£	£	£
Sales within charitable activities	22,882	7,350	(274)	29,958	31,253

4 Investments

	Unrestricted funds	Total
	2018 £	2017 £
Interest receivable	10	10

ST EDMUNDS COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

5 Charitable activities

	2018 £	2017 £
Depreciation and impairment	688	691
Light and heat	4,348	1,862
Rates	745	435
Insurance	1,126	233
Telephone	993	872
Internet costs	569	569
Cleaning, hygiene and refuse collection	3,957	3,516
Repairs and maintenance	5,727	3,727
Sundry expenses	789	466
Travel expenses	-	180
	<u>18,942</u>	<u>12,551</u>
Share of support costs (see note 6)	141	457
Share of governance costs (see note 6)	1,344	1,008
	<u>20,427</u>	<u>14,016</u>

6 Support costs

	Support costs £	Governance costs £	2018 £	2017 £
Bank charges	41	-	41	201
Printing, postage and stationery	100	-	100	256
Accountancy	-	1,344	1,344	1,008
	<u>141</u>	<u>1,344</u>	<u>1,485</u>	<u>1,465</u>
Analysed between Charitable activities	<u>141</u>	<u>1,344</u>	<u>1,485</u>	<u>1,465</u>

Governance costs includes payments to the independent examiners of £1,344 (2017- £1,008) for an independent examination.

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

ST EDMUNDS COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

8 Employees

There were no employees during the year.

9 Taxation

The charity is exempt from corporation tax.

10 Tangible fixed assets

	Leasehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 September 2017	21,609	3,943	544	26,096
At 31 August 2018	21,609	3,943	544	26,096
Depreciation and impairment				
At 1 September 2017	-	791	315	1,106
Depreciation charged in the year	-	631	57	688
At 31 August 2018	-	1,422	372	1,794
Carrying amount				
At 31 August 2018	21,609	2,521	172	24,302
At 31 August 2017	21,609	3,152	229	24,990

11 Financial instruments

	2018 £	2017 £
Carrying amount of financial liabilities		
Measured at amortised cost	792	240

12 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Prepayments and accrued income	908	326

13 Creditors: amounts falling due within one year

	2018 £	2017 £
Accruals and deferred income	792	240

ST EDMUNDS COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

14 Analysis of net assets between funds

	Total 2018 £	Total 2017 £
Fund balances at 31 August 2018 are represented by:		
Tangible assets	24,302	24,990
Current assets/(liabilities)	60,790	50,561
	<hr/>	<hr/>
	85,092	75,551
	<hr/>	<hr/>

15 Related party transactions

There were no disclosable related party transactions during the year (2017 - none).