

Report of the Trustees and  
Audited Financial Statements for the Year Ended 31 August 2021  
for  
Alt Valley Community Trust Limited

Andrew D. Kilshaw  
Chartered Accountant and  
Registered Auditor  
99 Stanley Road  
Bootle  
Merseyside  
L20 7DA

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for the Year Ended 31 August 2021

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Report of the Trustees  
for the Year Ended 31 August 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of 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).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

Alt Valley Community Trust (AVCT) is a Social Business based in The North East of Liverpool. It serves several electoral wards experiencing significant social and economic challenges (as identified by the 'indices of Multiple Deprivation'). It was founded as an Educational charity in 1988 but has since developed into a multi-faceted anchor organisation contributing to Individual Well-Being and sustainable Communities.

### **Vision**

Sustainable communities where everybody achieves their full potential and leads happy, healthy and fulfilled lives.

### **Mission**

We bring about positive change in Alt Valley and the wider community by developing innovative partnerships to maximise opportunities in community engagement, education and training, sport and wellbeing, and business and enterprise.

The charity's core objectives are

- 1) To contribute to the creation of sustainable communities.
- 2) To provide education and leisure training facilities to enable people to acquire and develop vocational skills.
- 3) To train and educate people through their leisure time activities so their health and wellbeing and conditions of life may be improved.

The charity's objectives are promoted through 4 key operational areas namely;

- Business and Employment
- Community Development
- Education and Training
- Sports and Wellbeing

### **Public benefit**

AVCT was established to provide a range of services to address disadvantage in the Alt Valley and surrounding neighbourhoods of Liverpool. Our activities are intended to improve access to education and training, support for people entering employment and to provide community facilities and well-being activities, all of which build a sustainable community.

AVCT has grown to be one of the biggest social enterprise, community organisations in Liverpool, offering a unique range of services and facilities. AVCT has contracts with Liverpool City Council for the delivery of education and sports activities, the ESFA for the delivery of vocational training and has taken over the management of some City Council community assets to keep them open and to maintain local services for local people. Not only has local provision been retained, the footfall and the community use has increased.

AVCT is increasingly being called on to provide additional support to local community organisations to keep them going. This includes providing advice, staff expertise and affordable office and meeting space. The range of services, resources, partners and experience has made AVCT an invaluable resource for the north east of the city. The Trust's key role as the main 'Anchor' organisation for the Alt Valley communities now extends to the North East wards of Yew Tree and Knotty Ash as well as Croxteth, Norris Green, Clubmoor and Fazakerley.

Report of the Trustees  
for the Year Ended 31 August 2021

## **ACHIEVEMENT AND PERFORMANCE**

### **Charitable activities**

The policies adopted in furtherance of these objectives are reviewed on an annual basis. The company ensures that robust monitoring, evaluation and review processes are in place to evidence the impact and effectiveness of our community focused work.

### **Governance**

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should pursue.

All company policies were reviewed & updated and internal financial controls for charities documentation completed at the AGM on 24th April 2021.

### **Staff and Management**

Two consultants assist senior staff and Trustees in developing plans for the future. The Executive Director along with the Assistant Chief Executive retain an overview of all Trust activities including finance. Staff re-structuring is a permanent feature of the charity and a pre-requisite for adapting to changing needs and contexts.

### **Response to the impact of the public health crisis**

Clearly, the continuing impact of the pandemic presented challenges which required swift responses, flexibility and new direction setting to ensure that AVCT continued to secure community-focused objectives.

September 2020 to August 2021 was characterised by a period of transition in which services gradually re-opened, premises were re-purposed and new ways of working devised.

Obviously most of AVCT's services and activities had been suspended from March 2020 onwards but by September a programme of evolving /partial re-opening commenced. It was impossible to operate under pre pandemic conditions because further national lockdowns were imposed as well as local tier 3 restrictions in November 2020. By August 2021 restrictions were eased but the new Delta variant caused further disruption. With this backdrop of uncertainty, and national anxiety AVCT continued to work towards supporting these new community-based needs.

### **Community Centres**

- Ellergreen. Remained open and fully operational as a community hub providing essential services such as a food bank services and contact with socially isolated community members.
- In Dovecot hub the Library reopened and discussions took place with potential new tenants.
- Communiversity. The centre remained closed during this period as it was subject to a major £470k refurbishment funded through the Liverpool City Region. A substantive learning/skills base was created including a (Design Engineer Construct (DEC) centre of excellence in conjunction with one of our long term partners, Class of Your Own.

### **Libraries**

- All 3 Libraries re-opened with effect from September 2020 but footfall was low given the continuing level of public anxiety caused by the pandemic.

### **Sports Centres**

- 2 centres (Croxteth and Walton) partially reopened with social distancing regulations in place. Walton developed innovative on-line activities to maintain health and well-being amongst members.
- Dovecot centre closed as a temporary measure.

### **Education**

- Skills Centre and Construction Training Centre both closed. Premises leased to a film company until December 2020.
- Educational provision had been based upon remote learning since March 2020. In September 2020 all courses were re-located to Vauxhall Neighbourhood Community building as an operational base whilst the new learning centre was developed at the Communiversity.
- AVCT worked with Mayor Joe Anderson and Class of your own to develop an innovative digital learning project based upon the Stonebridge Cross Housing Development.

Report of the Trustees  
for the Year Ended 31 August 2021

**FINANCIAL REVIEW**

**Financial position**

The Trust continues to operate extremely tight financial margins. All financial years are equally challenging as public funding continues to be put under increasing pressure. The Finance Manager ensures that rigorous systems are applied to secure efficiencies, value for money and contract compliance.

In summary there is total incoming resources in the accounts for year ended 31 August 2021 of £2,216,933 with expenditure on charitable activities £1,604,449 therefore net incoming resources of £612,484.

AVCT's financial year finishes in August and we have lost a considerable amount of income this year, some of which has been offset by business support income and grants from Power to Change and the Steve Morgan Foundation. AVCT have also benefited from the continued support from SIB with freezing the loan repayments which has been crucial in allowing the company to move forward and plan for the future.

We continue to use the government's furlough scheme which has offered invaluable support and secured viability. Staff redundancies were kept to a minimum by re-structuring operations and rationalising hours of work.

Next financial years forecast will include anticipated losses of revenue, however we anticipate growth in education going forward. We have also secured a grant from the lottery to help with on costs and staff cost during this period of change. We have retained 42 staff with a robust forward plan which puts AVCT and partners in a good position to respond to community need and provide services in the future. Our plans for education are unique and have the full backing of the Mayor who has established a senior management team to support developments, in particular with DEC and creative training. The sports centres will continue to be a challenge for the foreseeable future; we are consulting with staff and anticipate making further cuts in October 2021 when the furlough scheme ends.

The SLT have developed improved systems and processes to create synergy between projects and their funding streams. New procedures have strengthened the impact of initiatives such as Kick Start, Elderly and Youth hubs, similarly financial monitoring has secured increased effectiveness and value for money.

**Reserves policy**

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. The Trustees regularly review the finances and budget forecasts in the context of the of an ever changing environment and monitor the Trust's working capital requirements.

In line with Charity Commission guidance, the Trustees believe a good reserves policy helps the organisation to be prepared to deal with unforeseen emergencies or other unexpected needs for funds, such as an unexpected large repair bill. There could also be a need to fund short-term deficits in a cash budget whereby money needs to be spent before a funding grant is received.

The Trustees, in line with Charity Commission guidance have therefore established a reserves policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the Charity should be approximately equal to three months of expenditure at current levels. The Trustees are actively planning to build towards the stated level of reserves.

Report of the Trustees  
for the Year Ended 31 August 2021

## **FUTURE PLANS**

Staff worked indefatigably throughout this period to respond to immediate community needs but despite the tumultuous context we also recognised the need to review all services and prepare an amended strategic response. Having experienced such a seismic shift in society it was clear that innovative new approaches were required in order to 'build back better'. Two key approaches were needed. Firstly, a new strategic plan was devised with an accompanying revised staffing structure to secure greater efficiency and effectiveness. Secondly, plans were devised to 'repurpose' some of our community based assets.

Our plans going forward include involving more partners in all aspects of the sports and wellbeing offer, utilising our locations and links within areas to optimise use and create a social base to re-engage our communities. The Sports and Wellbeing Centres will focus on engaging partners to work cooperatively in providing a range of activities and services that maximise community well-being.

We have contacted the City's Film Office to see if there was any plans to capitalise on the City's growing reputation as a location for the film industry, (Liverpool is the most Filmed city outside of London) it was during these discussions that we had the opportunity to offer the Skills and Construction centres as both a film location to build sets and as a production centre. We are working with the Film Office to look at the possibility of developing training opportunities within the creative industries.

### **Community hubs**

A key feature of our future-focused strategy includes the consolidation of AVCT's 3 community hubs. Investment will be sourced from our own resources and through grant awards.

- Expand provision at Ellergreen Community Centre to support Youth and Elderly hubs
- Re-establish the Communiversity as AVCT's main education base with an emphasis on digital, creative and health related provision. The café and library will become dual use entities given the scope to service the centre and members of the public.
- Further development of Dovecot Community hub by extending the space dedicated to alternative education. The community café and library will be merged to establish an older persons' hub space. The sports facility to be re-opened in conjunction with with new partners. 50% of the first floor space dedicated to youth& community group use. The remainder dedicated to a 'Business Start-up Zone with 6 full service units with meeting and support areas.

As previously outlined our plans for a revised operational model are based upon changing community needs and exacerbated problems associated with the impact of Covid 19. We will, of course continue to work in collaboration with a range of partners including the City Council, Liverpool City Region, social housing providers, key services and most importantly local community organisations. We are fully committed to partnership working and this aspect is always an integral part of our work.

### **Partnerships**

The Trust continues to develop its work in the wider community, building on its successful partnerships with Neighbourhood Services Company, Class of Your Own and Vauxhall Neighbourhood Council. In addition AVCT has close working relationships with several Universities such as Solent (undergraduate work experience), Hope University (social worker placements) and Uppsala University (developing new approaches to reduce NEET rate amongst young people)

Our work and responsibilities as a Community Anchor organisation will continue to be the main driver influencing our future strategies for community sustainability and well-being.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Report of the Trustees  
for the Year Ended 31 August 2021

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Recruitment and appointment of new trustees**

As set out in the Articles of Association there will be a minimum of four trustees and no more than seventeen. When considering the appointment of trustees the Board has regard to the requirement of any specialist skills needed. For example Mrs. L Baugh is an experienced Early Years Practitioner with a Safeguarding Specialism and she joined the board to assist in this regard in the delivery of the education and training programmes for the charity.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

### **Organisational structure**

The board of trustees which can have up to 17 members administers the charity. The board normally meets quarterly and there are link directors who liaise with the Education and Training, Community Development, Sport and Well Being and Business and Employment Managers.

A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. In order to facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the trustees in operational matters including finance, employment and programme delivery.

### **Induction and training of new trustees**

New trustees undergo an induction process to ensure they are aware of their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association as well as the recent financial performance of the charity. Trustees will meet key employees, other trustees and are encouraged to undertake appropriate external training to help facilitate the undertaking of their role.

The Chair of the Board is completing a skills audit to ensure that bespoke support and training is provided to all trustees and that a range of governance competencies are in place.

### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

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.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

### **Registered Company number**

04275541 (England and Wales)

### **Registered Charity number**

519835

### **Registered office**

Communiversiity  
Altcross House  
Altcross Road  
Liverpool  
Merseyside  
L11 0BS

Report of the Trustees  
for the Year Ended 31 August 2021

**Trustees**

Ms A M Mason  
Mrs L A Baugh  
Mr G Brennan  
Mr J Donnelly  
Mr A Jennings  
Dr B McDonough  
Mr A L Rimmer  
Ms S A Sweeney  
Mr R Meredith (appointed 13.10.20)

**Company Secretary**

Ms S A Sweeney

**Auditors**

Andrew D. Kilshaw  
Chartered Accountant and  
Registered Auditor  
99 Stanley Road  
Bootle  
Merseyside  
L20 7DA

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Alt Valley Community Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Andrew D. Kilshaw, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the Trustees  
for the Year Ended 31 August 2021

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 16 August 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'A M Mason'. The signature is written in a cursive, flowing style.

Ms A M Mason - Trustee

### **Opinion**

We have audited the financial statements of Alt Valley Community Trust Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussions with the trustees (as required by auditing standards) and discussed with the trustees the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: Charities Act 2011, Health and Safety at Work Act and Employment Law.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

We design procedures in line with our responsibilities, outlined below to detect material misstatement due to fraud:

- Matters are discussed amongst the audit engagement team regarding how and where fraud might occur
- Identifying and assessing the design and effectiveness of controls that management have in place
- Detecting and responding to the risks of fraud following discussions with management

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of  
Alt Valley Community Trust Limited

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew D. Kilshaw

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Chartered Accountant and

Registered Auditor

99 Stanley Road

Bootle

Merseyside

L20 7DA

16 August 2022

Statement of Financial Activities  
for the Year Ended 31 August 2021

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
<b>Charitable activities</b>	2					
Sports and wellbeing		107,234	-	-	107,234	216,728
Education		262,985	-	388,714	651,699	600,071
Community engagement		723,216	-	322,087	1,045,303	557,751
Covid Funding		412,697	-	-	412,697	386,535
Other income		-	-	-	-	11,067
<b>Total</b>		<b>1,506,132</b>	<b>-</b>	<b>710,801</b>	<b>2,216,933</b>	<b>1,772,152</b>
<b>EXPENDITURE ON</b>						
<b>Charitable activities</b>	3					
Sports and wellbeing		78,926	-	26,107	105,033	318,466
Education		193,567	-	673,198	866,765	494,643
Community engagement		259,832	-	372,819	632,651	627,200
<b>Total</b>		<b>532,325</b>	<b>-</b>	<b>1,072,124</b>	<b>1,604,449</b>	<b>1,440,309</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>973,807</b>	<b>-</b>	<b>(361,323)</b>	<b>612,484</b>	<b>331,843</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<b>1,464,313</b>	<b>-</b>	<b>2,147,828</b>	<b>3,612,141</b>	<b>3,280,298</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>2,438,120</b>	<b>-</b>	<b>1,786,505</b>	<b>4,224,625</b>	<b>3,612,141</b>

**Balance Sheet**  
**31 August 2021**

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	8	2,015,675	-	1,786,505	3,802,180	3,826,235
Social investments	9	82,000	-	-	82,000	82,000
		<u>2,097,675</u>	<u>-</u>	<u>1,786,505</u>	<u>3,884,180</u>	<u>3,908,235</u>
<b>CURRENT ASSETS</b>						
Debtors	10	134,967	-	-	134,967	50,406
Prepayments and accrued income		6,790	-	-	6,790	1,504
Cash at bank and in hand		<u>590,959</u>	<u>-</u>	<u>-</u>	<u>590,959</u>	<u>425,591</u>
		<u>732,716</u>	<u>-</u>	<u>-</u>	<u>732,716</u>	<u>477,501</u>
<b>CREDITORS</b>						
Amounts falling due within one year	11	(265,230)	-	-	(265,230)	(245,620)
		<u>467,486</u>	<u>-</u>	<u>-</u>	<u>467,486</u>	<u>231,881</u>
<b>NET CURRENT ASSETS</b>						
		<u>467,486</u>	<u>-</u>	<u>-</u>	<u>467,486</u>	<u>231,881</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>						
		2,565,161	-	1,786,505	4,351,666	4,140,116
<b>CREDITORS</b>						
Amounts falling due after more than one year	12	(127,041)	-	-	(127,041)	(527,975)
		<u>2,438,120</u>	<u>-</u>	<u>1,786,505</u>	<u>4,224,625</u>	<u>3,612,141</u>
<b>NET ASSETS</b>						
		<u>2,438,120</u>	<u>-</u>	<u>1,786,505</u>	<u>4,224,625</u>	<u>3,612,141</u>
<b>FUNDS</b>						
Unrestricted funds	14				2,438,120	1,464,313
Restricted funds					<u>1,786,505</u>	<u>2,147,828</u>
<b>TOTAL FUNDS</b>					<u>4,224,625</u>	<u>3,612,141</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

Balance Sheet - continued

31 August 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 16 August 2022 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'A M Mason'.

Ms A M Mason - Trustee

Alt Valley Community Trust Limited

Cash Flow Statement  
for the Year Ended 31 August 2021

	Notes	31.8.21 £	31.8.20 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	224,662	402,795
Interest paid		(10,658)	(28,860)
Net cash provided by operating activities		<u>214,004</u>	<u>373,935</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(48,636)	-
Net cash (used in)/provided by investing activities		<u>(48,636)</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>165,368</u>	<u>373,935</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>425,591</u>	<u>51,656</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>590,959</u></u>	<u><u>425,591</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement  
for the Year Ended 31 August 2021

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.8.21 £	31.8.20 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	612,484	331,843
<b>Adjustments for:</b>		
Depreciation charges	72,691	57,447
Interest paid	10,658	28,860
(Increase)/decrease in debtors	(89,847)	96,009
Decrease in creditors	(381,324)	(111,364)
<b>Net cash provided by operations</b>	<u>224,662</u>	<u>402,795</u>

**2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS**

	At 1.9.20 £	Cash flow £	At 31.8.21 £
<b>Net cash</b>			
Cash at bank and in hand	425,591	165,368	590,959
	<u>425,591</u>	<u>165,368</u>	<u>590,959</u>
<b>Debt</b>			
Debts falling due within 1 year	(24,474)	751	(23,723)
Debts falling due after 1 year	(527,975)	400,934	(127,041)
	<u>(552,449)</u>	<u>401,685</u>	<u>(150,764)</u>
<b>Total</b>	<u>(126,858)</u>	<u>567,053</u>	<u>440,195</u>

## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 1% on cost
Long leasehold	- at varying rates on cost
Improvements to property	- 1% on cost and Straight line over the term of the lease
Plant and machinery	- Straight line over 4 years
Fixtures and fittings	- Straight line over 4 years
Motor vehicles	- Straight line over 4 years
Computer equipment	- Straight line over 3 years

Under FRS 102 section 35.10(c) transitional provisions, the Trustees have elected to use the fair value of certain freehold properties as a 'deemed cost'. The valuation was undertaken by Mason Owen Chartered Surveyors. The buildings will be subject to annual depreciation and no further revaluations will be necessary.

### **Social investments**

Programme related social investments are valued at fair value.

### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021

**2. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	31.8.21 £	31.8.20 £
Sports Centre income	Sports and wellbeing	107,234	216,728
Training income	Education	262,985	287,123
Grants	Education	388,714	312,948
Library management	Community engagement	165,000	165,000
Room hire	Community engagement	6,407	12,563
Room rental	Community engagement	181,617	125,172
Grants	Community engagement	692,279	255,016
Grants	Covid Funding	412,697	386,535
		<u>2,216,933</u>	<u>1,761,085</u>

Grants received, included in the above, are as follows:

	31.8.21 £	31.8.20 £
Sports England	54,263	73,688
Power to Change Trust	-	25,000
Liverpool City Council	339,118	289,628
Big Lottery Fund	92,000	103,000
Cobalt Housing	-	4,805
Sefton Council for Voluntary Service	61,683	59,883
Liverpool Community College	4,811	-
Other	250	-
Awards For All	-	9,900
Veolia Environmental Trust	14,664	-
Merseyside Play in Action	2,000	2,060
Covid Funding	417,877	386,535
National Lottery Community Fund	69,000	-
Steve Morgan Foundation	36,127	-
Liverpool Council for Voluntary Service	9,980	-
Department for Work & Pension	21,725	-
Social Enterprise Investment Fund	173,969	-
Future Builders England	196,223	-
	<u>1,493,690</u>	<u>954,499</u>

**3. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 4) £	Totals £
Sports and wellbeing	40,021	65,012	105,033
Education	739,214	127,551	866,765
Community engagement	426,351	206,300	632,651
	<u>1,205,586</u>	<u>398,863</u>	<u>1,604,449</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021

**4. SUPPORT COSTS**

	General	Finance	Governance	Totals
	£	£	costs	£
Sports and wellbeing	61,686	1,680	1,646	65,012
Education	119,393	4,122	4,036	127,551
Community engagement	195,351	5,531	5,418	206,300
	<u>376,430</u>	<u>11,333</u>	<u>11,100</u>	<u>398,863</u>

Support costs, included in the above, are as follows:

	Sports and wellbeing	Education	Community engagement	Total activities	Total activities
	£	£	£	£	£
Premises costs	25,757	63,169	121,191	210,117	252,977
Repairs and renewals	1,191	17,526	40,157	58,874	23,628
Travel expenses	-	-	3,589	3,589	2,590
Postage and stationery	124	304	408	836	9,620
Sundries	90	222	297	609	156
Legal and professional fees	4,109	10,077	15,528	29,714	44,828
Depreciation of tangible fixed assets	30,415	28,095	14,181	72,691	57,447
Bank charges	100	246	329	675	879
Interest payable and similar charges	1,580	3,876	5,202	10,658	28,860
Auditors' remuneration	1,646	4,036	5,418	11,100	10,200
	<u>65,012</u>	<u>127,551</u>	<u>206,300</u>	<u>398,863</u>	<u>431,185</u>

**5. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.8.21	31.8.20
	£	£
Auditors' remuneration	11,100	10,200
Depreciation - owned assets	<u>72,691</u>	<u>57,447</u>

**6. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

Trustees are reimbursed for out-of-pocket expenses incurred whilst carrying out their duties on behalf of Alt Valley Community Trust Limited. The aggregate value reimbursed for the year was £3,661 (2020 £Nil).

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021

**7. STAFF COSTS**

	31.8.21	31.8.20
	£	£
Wages and salaries	506,713	814,536
Social security costs	48,234	53,149
Other pension costs	4,910	7,633
	<u>559,857</u>	<u>875,318</u>

The average monthly number of employees during the year was as follows:

	31.8.21	31.8.20
Teaching staff and trainees	4	9
Caretaker / cleaners	4	5
Office and management	9	15
Sports Centre staff	9	15
Library staff	6	6
	<u>32</u>	<u>50</u>

No employees received emoluments in excess of £60,000.

**8. TANGIBLE FIXED ASSETS**

	Freehold property £	Long leasehold £	Improvements to property £	Plant and machinery £
<b>COST</b>				
At 1 September 2020	1,225,304	1,228,841	1,751,182	65,912
Additions	-	-	-	11,386
Disposals	-	-	-	-
At 31 August 2021	<u>1,225,304</u>	<u>1,228,841</u>	<u>1,751,182</u>	<u>77,298</u>
<b>DEPRECIATION</b>				
At 1 September 2020	71,265	138,790	169,287	65,662
Charge for year	12,253	11,288	33,637	3,096
Eliminated on disposal	-	-	-	-
At 31 August 2021	<u>83,518</u>	<u>150,078</u>	<u>202,924</u>	<u>68,758</u>
<b>NET BOOK VALUE</b>				
At 31 August 2021	<u>1,141,786</u>	<u>1,078,763</u>	<u>1,548,258</u>	<u>8,540</u>
At 31 August 2020	<u>1,154,039</u>	<u>1,090,051</u>	<u>1,581,895</u>	<u>250</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021

**8. TANGIBLE FIXED ASSETS - continued**

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 September 2020	522,375	5,875	102,700	4,902,189
Additions	-	-	37,250	48,636
Disposals	-	(5,875)	-	(5,875)
At 31 August 2021	522,375	-	139,950	4,944,950
<b>DEPRECIATION</b>				
At 1 September 2020	522,375	5,875	102,700	1,075,954
Charge for year	-	-	12,417	72,691
Eliminated on disposal	-	(5,875)	-	(5,875)
At 31 August 2021	522,375	-	115,117	1,142,770
<b>NET BOOK VALUE</b>				
At 31 August 2021	-	-	24,833	3,802,180
At 31 August 2020	-	-	-	3,826,235

**9. SOCIAL INVESTMENTS**

	Programme related investments equity £
<b>MARKET VALUE</b>	
At 1 September 2020 and 31 August 2021	82,000
<b>NET BOOK VALUE</b>	
At 31 August 2021	82,000
At 31 August 2020	82,000

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.21 £	31.8.20 £
Trade debtors	84,967	50,206
Other debtors	50,000	200
	134,967	50,406

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.21	31.8.20
	£	£
Other loans (see note 13)	23,723	24,474
Trade creditors	60,928	54,936
Social security and other taxes	7,880	10,223
Other creditors	131,451	121,107
Accruals and deferred income	41,248	34,880
	<u>265,230</u>	<u>245,620</u>

**12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.8.21	31.8.20
	£	£
Other loans (see note 13)	<u>127,041</u>	<u>527,975</u>

**13. LOANS**

An analysis of the maturity of loans is given below:

	31.8.21	31.8.20
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>23,723</u>	<u>24,474</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>23,723</u>	<u>84,696</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>71,168</u>	<u>250,673</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	32,150	192,606

£700,000 from Futurebuilders England Limited, repayable by instalments over 20 years, commencing April 2007 with an interest rate of 3%. This loan is secured by way of a legal charge on the property at Gillmoss Lane, Liverpool.

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021

14. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
<b>Unrestricted funds</b>			
General fund	1,464,313	973,807	2,438,120
<b>Restricted funds</b>			
ERDF	735,108	(17,530)	717,578
SEIF Sports	459,763	(19,522)	440,241
Power to Change	25,000	(25,000)	-
Sports England - Dovecot MAC	34,446	(357)	34,089
Big Lottery - Dovecot MAC	600,825	(6,228)	594,597
Veolia Environmental Trust	44,156	(44,156)	-
Skills Capital Funding	222,798	(222,798)	-
Sport England - Croxteth	25,732	(25,732)	-
	<u>2,147,828</u>	<u>(361,323)</u>	<u>1,786,505</u>
<b>TOTAL FUNDS</b>	<u>3,612,141</u>	<u>612,484</u>	<u>4,224,625</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021

**14. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,506,132	(532,325)	973,807
<b>Restricted funds</b>			
ERDF	-	(17,530)	(17,530)
SEIF Sports	-	(19,522)	(19,522)
Power to Change	-	(25,000)	(25,000)
Sports England - Dovecot MAC	-	(357)	(357)
Big Lottery - Dovecot MAC	-	(6,228)	(6,228)
Liverpool City Council	86,070	(86,070)	-
Liverpool Community College - Enterprise Hub	4,811	(4,811)	-
Big Lottery - Reaching Communities	92,000	(92,000)	-
Other Restricted Funds	5,430	(5,430)	-
Veolia Environmental Trust	14,664	(58,820)	(44,156)
Include - IT Mersey	26,751	(26,751)	-
Skills Capital Funding	253,048	(475,846)	(222,798)
Merseyside Play Action Council	2,000	(2,000)	-
Sport England - Croxteth	8,311	(34,043)	(25,732)
VOLA New Futures	34,932	(34,932)	-
National Lottery Covid Community Fund	69,000	(69,000)	-
Steve Morgan Older Persons Hub	36,127	(36,127)	-
HAF Funding			
	9,980	(9,980)	-
Youth Hub	21,725	(21,725)	-
Sports England National Leisure Recovery Fund	45,952	(45,952)	-
	<hr/> 710,801	<hr/> (1,072,124)	<hr/> (361,323)
<b>TOTAL FUNDS</b>	<hr/> <hr/> 2,216,933	<hr/> <hr/> (1,604,449)	<hr/> <hr/> 612,484

**14. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
<b>Unrestricted funds</b>			
General fund	878,364	105,951	984,315
Dovecot MAC	483,999	(4,001)	479,998
	<hr/> 1,362,363	<hr/> 101,950	<hr/> 1,464,313
<b>Restricted funds</b>			
ERDF	752,638	(17,530)	735,108
SEIF Sports	479,285	(19,522)	459,763
Power to Change	-	25,000	25,000
Sports England - Dovecot MAC	34,803	(357)	34,446
Big Lottery - Dovecot MAC	607,053	(6,228)	600,825
Veolia Environmental Trust	44,156	-	44,156
Skills Capital Funding	-	222,798	222,798
Sport England - Croxteth	-	25,732	25,732
	<hr/> 1,917,935	<hr/> 229,893	<hr/> 2,147,828
<b>TOTAL FUNDS</b>	<hr/> <hr/> 3,280,298	<hr/> <hr/> 331,843	<hr/> <hr/> 3,612,141

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021

**14. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,204,188	(1,098,237)	105,951
Dovecot MAC	-	(4,001)	(4,001)
	<u>1,204,188</u>	<u>(1,102,238)</u>	<u>101,950</u>
<b>Restricted funds</b>			
ERDF	-	(17,530)	(17,530)
SEIF Sports	-	(19,522)	(19,522)
Drama	1,500	(1,500)	-
Power to Change	25,000	-	25,000
Sports England - Dovecot MAC	-	(357)	(357)
Big Lottery - Dovecot MAC	-	(6,228)	(6,228)
Liverpool City Council	62,130	(62,130)	-
Big Lottery - Reaching Communities	103,000	(103,000)	-
Include - IT Mersey	31,862	(31,862)	-
Big Lottery - Awards for All	9,900	(9,900)	-
Be Your Own Boss	1,377	(1,377)	-
Skills Capital Funding	222,798	-	222,798
Merseyside Play Action Council	2,060	(2,060)	-
Help to Health	1,928	(1,928)	-
Sport England - Croxteth	73,689	(47,957)	25,732
MNF Fund	4,700	(4,700)	-
VOLA New Futures	28,020	(28,020)	-
	<u>567,964</u>	<u>(338,071)</u>	<u>229,893</u>
<b>TOTAL FUNDS</b>	<u>1,772,152</u>	<u>(1,440,309)</u>	<u>331,843</u>

**15. RELATED PARTY DISCLOSURES**

During the year, the charity entered into transactions, on an arms length basis, with community organisations The Neighbourhood Services Company Limited and Vauxhall Neighbourhood Council Limited; both related parties by virtue of there being common directors.

At 31st August 2021, the charity owed The Neighbourhood Services Company Limited the sum of £117,466 by way of Other Creditors.

During the year £50,000 was loaned to Vauxhall Neighbourhood Council Limited. At 31st August 2021, this was still outstanding and included in other Debtors.