

Hartlepool People Limited
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2017

CENSIS
Chartered accountant
Exchange Building
66 Church Street
Hartlepool
TS24 7DN

Hartlepool People Limited
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2017

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Hartlepool People Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2017

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2017.

Reference and administrative details

Registered charity name Hartlepool People Limited

Charity registration number 1062163

Company registration number 02027732

Principal office and registered office Hartlepool People Centre
Raby Road
Hartlepool
TS24 8AH

The trustees

G H Culley
J A Dinning
J Lathan
C McLoughlin
F C Campbell (Resigned 16 January 2017)

Company secretary L J Craddy

Accountants Censis
Chartered accountant
Exchange Building
66 Church Street
Hartlepool
TS24 7DN

Hartlepool People Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2017

Structure, governance and management

The charity is constituted as a company limited by guarantee, and is therefore governed by its Memorandum and Articles of Association.

The Recruitment and Appointment of new Trustees

Trustees are elected from the membership at the annual general meeting.

The Induction and Training of Trustees

New trustees undergo an induction to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles, the Management Board and decision making processes, the business plan and the recent financial performance of the charity. During this induction day they meet the staff and other trustees. Trustees are encouraged to attend appropriate training events which will facilitate efficiency and effectiveness in undertaking their roles.

The Organisational Structure of the Charity

The Management Board is made up of at least 3 and not more than 10 trustees. It meets monthly and is responsible for providing strategic direction to the charity. A project manager is appointed by the Board to manage the day to day operations of the charity.

Risk Management

The trustees have identified the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that essential action is taken to minimise those risks.

A risk management plan has been introduced as part of the formal risk management process in order to assess organisational risk and implement appropriate strategies.

The plan takes into account the types of risk faced by the charity, prioritising them in terms of impact and likelihood of occurrence, and identifying means of mitigating the risks.

Objectives and activities

The charity's object and its principal activity is that of providing low cost social recreational and educational activities for people in the Hartlepool area.

In planning our activities for the year we kept in mind the Charity Commission's guidance on public benefit at our trustee meetings.

The focus of our activities remain the provision of low cost social, recreational and educational activities. The charity achieves this by providing low cost room hire and lots of recreational classes. All facilities are frequently used by the people in the Hartlepool area.

Having purchased the property from which the charity operates the trustees consider that they have secured the building for the public, who greatly benefit from the use of its facilities. The property was previously owned by the local authority who charged an annual rent for the use of the premises. With the assistance of grant funding and a low interest rate mortgage from Hartlepool Revival Ltd, the building was purchased for £150,000.

Hartlepool People Limited

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2017

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

Attendance figures show an average of just under 2,900 visits to the Centre each month. We provide education, leisure and specialised services to thousands of people per year, either directly or in partnership with other statutory and voluntary agencies. We provide support to victims of crime, and to those who have been affected by rape and abuse. We are a social outlet for those living in isolation, those whose families have grown up, moved away or are bereaved. We offer a lifeline of support and company to many people with low confidence or self-esteem, or who are educationally or emotionally challenged.

Financial review

The statement of financial activities shows a deficit for the year of £33,441.

Restricted reserves amount to £818,056 (that is those funds committed to projects). Included in restricted reserves are Building and fixed assets to the value of £818,056.

The unrestricted funds of the charity at 31 March 2017 amounted to £178,348 of which free reserves (that is those not tied up in fixed assets) amount to £26,238.

Included in unrestricted reserves is a mortgage of £20,598 secured on the property. The initial mortgage of £85,000 together with funding of £85,554; enabled the charity to purchase the building from which it operates. The considered opinion of the Board is that the Charity will continue at enhanced operational capacity with the continued support of grant funders and the bank.

Reserve Policy

The trustees have examined the requirement for free reserves, whilst the current level of reserves may prove sufficient, it is the trustees' view that it is prudent to ensure that there are sufficient free reserves at a level which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover support costs, management and administration and to respond to emergency applications for grants which arise from time to time.

The trustees' annual report and the strategic report were approved on 4 December 2017 and signed on behalf of the board of trustees by:

G H Culley
Trustee

Hartlepool People Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Hartlepool People Limited

Year ended 31 March 2017

I report on the financial statements for the year ended 31 March 2017, which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. 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. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

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:

- examine the accounts under section 145 of the 2011 Act;
- 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
- 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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Hartlepool People Limited

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Independent Examiner's Report to the Trustees of Hartlepool People Limited (continued)

Year ended 31 March 2017

Independent examiner's statement

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

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006, and
- to prepare accounts 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

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



CENSIS
Chartered accountant

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Hartlepool People Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

31 March 2017

		Unrestricted funds £	2017 Restricted funds £	Total funds £	2016 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	6,820	—	6,820	22,694
Charitable activities	6	57,471	—	57,471	74,459
Investment income	7	17	—	17	20
Total income		<u>64,308</u>	<u>—</u>	<u>64,308</u>	<u>97,173</u>
Expenditure					
Expenditure on charitable activities	8,9	<u>79,160</u>	<u>18,589</u>	<u>97,749</u>	<u>94,199</u>
Total expenditure		<u>79,160</u>	<u>18,589</u>	<u>97,749</u>	<u>94,199</u>
Net (expenditure)/income and net movement in funds		<u>(14,852)</u>	<u>(18,589)</u>	<u>(33,441)</u>	<u>2,974</u>
Reconciliation of funds					
Total funds brought forward		<u>193,200</u>	<u>836,645</u>	<u>1,029,845</u>	<u>1,026,871</u>
Total funds carried forward		<u>178,348</u>	<u>818,056</u>	<u>996,404</u>	<u>1,029,845</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 9 to 16 form part of these financial statements.

Hartlepool People Limited
Company Limited by Guarantee
Statement of Financial Position
31 March 2017

		2017	2016
		£	£
Fixed assets			
Tangible fixed assets	14	970,166	992,954
Current assets			
Debtors	15	17,576	12,982
Cash at bank and in hand		30,301	52,812
		<u>47,877</u>	<u>65,794</u>
Creditors: amounts falling due within one year	16	<u>10,073</u>	<u>10,713</u>
Net current assets		<u>37,804</u>	<u>55,081</u>
Total assets less current liabilities		<u>1,007,970</u>	<u>1,048,035</u>
Creditors: amounts falling due after more than one year	17	<u>11,566</u>	<u>18,190</u>
Net assets		<u>996,404</u>	<u>1,029,845</u>
Funds of the charity			
Restricted funds		818,056	836,645
Unrestricted funds		<u>178,348</u>	<u>193,200</u>
Total charity funds	19	<u>996,404</u>	<u>1,029,845</u>

For the year ending 31 March 2017 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of trustees and authorised for issue on 4 December 2017, and are signed on behalf of the board by:

G H Culley
Trustee

The notes on pages 9 to 16 form part of these financial statements.

Hartlepool People Limited
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 March 2017

	2017	2016
	£	£
Cash flows from operating activities		
Net (expenditure)/income	(33,441)	2,974
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	22,788	22,879
Other interest receivable and similar income	(17)	(20)
Interest payable and similar charges	2,408	6,304
<i>Changes in:</i>		
Trade and other debtors	(4,594)	(4,471)
Trade and other creditors	(238)	(50)
Cash generated from operations	(13,094)	27,616
Interest paid	(2,408)	(6,304)
Interest received	17	20
Net cash (used in)/from operating activities	<u>(15,485)</u>	<u>21,332</u>
Cash flows from financing activities		
Proceeds from borrowings	(7,026)	(3,130)
Net cash used in financing activities	<u>(7,026)</u>	<u>(3,130)</u>
Net (decrease)/increase in cash and cash equivalents	(22,511)	18,202
Cash and cash equivalents at beginning of year	<u>52,812</u>	<u>34,610</u>
Cash and cash equivalents at end of year	<u>30,301</u>	<u>52,812</u>

The notes on pages 9 to 16 form part of these financial statements.

Hartlepool People Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2017

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Hartlepool People Centre, Raby Road, Hartlepool, TS24 8AH.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Hartlepool People Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Hartlepool People Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	5% straight line
Fixtures and fittings	-	25% straight line

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Hartlepool People Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

4. Limited by guarantee

Hartlepool People Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Donations				
Donations	140	140	877	877
Uk Steel Enterprise	–	–	250	250
Hartlepool Round Table	250	250	250	250
Hereema	250	250	250	250
Dennis Dowen	250	250	–	–
NW Property Management	350	350	–	–
S G Petch	50	50	–	–
Grants				
HVDA - Clinical Commissioning Group	–	–	2,747	2,747
1989 Willan Charitable Trust	–	–	2,000	2,000
The Clarenc House Trust	–	–	750	750
Sir James Knott Trust	–	–	3,000	3,000
Persimmon	–	–	1,000	1,000
The Reso Charitable Foundation	–	–	10,000	10,000
Gregs Foundation Trust	–	–	1,570	1,570
The JSF Pollitzer Charitable trust	1,000	1,000	–	–
Miss WE Lawrence Charitable Settlement	1,000	1,000	–	–
The Mary Heap Charitable Trust	1,000	1,000	–	–
The Rothley Trust	450	450	–	–
Hadrian Trust	1,000	1,000	–	–
The HDH Wills 1965 Charitable Trust	500	500	–	–
The James Wise Charitable Trust	250	250	–	–
Samuel Storey Family Charitable Trust	130	130	–	–
The Fitton Trust	200	200	–	–
	<u>6,820</u>	<u>6,820</u>	<u>22,694</u>	<u>22,694</u>

Hartlepool People Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

6. Charitable activities

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Room hire - footprints	27,171	27,171	28,547	28,547
Room hire	30,300	30,300	45,912	45,912
	<u>57,471</u>	<u>57,471</u>	<u>74,459</u>	<u>74,459</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Bank interest received	17	17	20	20

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
General Fund	79,160	–	79,160
Community Asset Fund	–	18,589	18,589
	<u>79,160</u>	<u>18,589</u>	<u>97,749</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
General Fund	75,619	–	75,619
Community Asset Fund	–	18,580	18,580
	<u>75,619</u>	<u>18,580</u>	<u>94,199</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2017 £	Total fund 2016 £
General Fund	79,160	79,160	75,619
Community Asset Fund	18,589	18,589	18,580
	<u>97,749</u>	<u>97,749</u>	<u>94,199</u>

Hartlepool People Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

10. Net (expenditure)/income

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

	2017	2016
	£	£
Depreciation of tangible fixed assets	<u>22,788</u>	<u>22,879</u>

11. Independent examination fees

	2017	2016
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>840</u>	<u>840</u>

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2017	2016
	£	£
Wages and salaries	36,993	34,306
Employer contributions to pension plans	85	—
	<u>37,078</u>	<u>34,306</u>

The average head count of employees during the year was 3 (2016: 3). The average number of full-time equivalent employees during the year is analysed as follows:

	2017	2016
	No.	No.
Charitable activities	2	2
Management	<u>1</u>	<u>1</u>
	<u>3</u>	<u>3</u>

No employee received employee benefits of more than £60,000 during the year (2016: Nil).

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

Hartlepool People Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

14. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2016 and 31 March 2017	<u>1,139,406</u>	<u>62,603</u>	<u>1,202,009</u>
Depreciation			
At 1 April 2016	146,478	62,577	209,055
Charge for the year	<u>22,788</u>	<u>–</u>	<u>22,788</u>
At 31 March 2017	<u>169,266</u>	<u>62,577</u>	<u>231,843</u>
Carrying amount			
At 31 March 2017	<u>970,140</u>	<u>26</u>	<u>970,166</u>
At 31 March 2016	<u>992,928</u>	<u>26</u>	<u>992,954</u>

15. Debtors

	2017 £	2016 £
Trade debtors	17,342	12,847
Prepayments and accrued income	<u>234</u>	<u>135</u>
	<u>17,576</u>	<u>12,982</u>

16. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	9,032	9,434
Accruals and deferred income	1,035	1,035
Social security and other taxes	–	244
Other creditors	<u>6</u>	<u>–</u>
	<u>10,073</u>	<u>10,713</u>

17. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	<u>11,566</u>	<u>18,190</u>

18. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £85 (2016: £Nil).

Hartlepool People Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

19. Analysis of charitable funds

Unrestricted funds

	At 1 April 2016 £	Income £	Expenditure £	At 31 March 2017 £
General funds	<u>193,200</u>	<u>64,308</u>	<u>(79,160)</u>	<u>178,348</u>

Restricted funds

	At 1 April 2016 £	Income £	Expenditure £	At 31 March 2017 £
The Community Asset Fund	<u>836,645</u>	<u>—</u>	<u>(18,589)</u>	<u>818,056</u>

20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Tangible fixed assets	152,110	818,056	970,166
Current assets	47,877	—	47,877
Creditors less than 1 year	(10,073)	—	(10,073)
Creditors greater than 1 year	<u>(11,566)</u>	<u>—</u>	<u>(11,566)</u>
Net assets	<u>178,348</u>	<u>818,056</u>	<u>996,404</u>