

COMPANY REGISTRATION NUMBER: 07308396
CHARITY REGISTRATION NUMBER: 1154840

Alvechurch Communities Together Ltd
Company Limited by Guarantee
Unaudited Financial Statements
31 July 2017

Alvechurch Communities Together Ltd

Company Limited by Guarantee

Financial Statements

Year ended 31 July 2017

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Alvechurch Communities Together Ltd

Company Limited by Guarantee

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

Year ended 31 July 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 July 2017.

Objectives and activities

The charity has continued to operate from its base in Alvechurch, supporting the local community and delivering youth provision. During 2017 there was a period where we moved from the temporary arrangements to a more sustainable model.

The development of the team, with a new project manager has been a turning point for the charity and decisive action to improve the community hub (café), youth offering and financial grants.

There has been a considerable volunteer effort, as well as rationalising the staff employed by the charity to a more sustainable level. The charity has 6 Trustees, and additional 4 members of the management committee, who meet regularly. These volunteers work in 3 teams: Youth Team, Finance and Funding Team, Business Support Team.

Over the course of this year 4 original members have resigned and we have 1 additional recruit.

With the short term relatively secure we need to look forward to addressing some of the other issues and build a cohesive plan for 2017-18, that we can use to plan well and publicise widely. In order to address this we need to put in place some simple controls to allow transparency and governance to ensure that we can manage the charity, within both the volunteer time and finances of the charity.

At all times the trustees have had regard to the Charity Commission's guidance on public benefit when planning their activities.

Achievements and performance

Youth Provision Team

We have achieved a lot so far this year, with highlights being the design and delivery of specific coaching on Money Management, and several sessions on Adventurous Training to supplement the activity in the Youth Club and after school provision.

The success of funding from the council and others, on an activity basis, means that we have committed to the work, and need to build a plan to co-ordinate and deliver through 2017/18. We have continued with an expert Youth Worker, to boost resource and capability in these areas and having an agreed plan will allow us to ensure that both the events and her role will be successful.

We plan to continue with the 'Youth Diner' facility, using the Lounge premises twice weekly, on a commercial basis. The typical running cost of £7,500, + any paid staff will need to be funded from Grants and a small contribution from each user.

It is suggested that the proposal to continue with this, is submitted annually to the Trustees for approval, in the same way as any other initiative.

Alvechurch Communities Together Ltd

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

Year ended 31 July 2017

Achievements and performance *(continued)*

Funding and Finance Team

In 2017 the fundraising has continued with the usual Parish Council support being supplemented by additional funds from Thomas Brothers (Granted for diner activity), PITP and local groups who have chosen to support us. Additional funding was received from the local Bromsgrove Council £12,500 for various projects and a further £1,250 to allow training for Money Management advice. The Lounge generated £2,000 funding through the PITP activity and about £100/month in Lounge Lottery activity.

So far other sources of funding have not materialised, but we have a plan to revisit some areas (Rotary, Divisional Funds). We have agreed to join again BARN (£20/year) in order to benefit from their contacts/database of fund raising options.

Financial forecasting suggests that in order to remain with current levels of activity we need to raise an additional £12,000 per year of external funding, or reduce expenditure by a similar amount and we should look at planning our fundraising activity with a similar timescale (to the end of 2018) to ensure that we can minimise stress and have enough capacity to go after short term money, successfully.

Business Support Team

This team has reduced in numbers since 2016, but remains active in looking after the community hub (café), publicity etc. The increased use of social media (usually Facebook) has increased our profile, and many new people are using the café. The new team quickly stabilised the offering with improved quality of catering, improved service and commercial approach. The evening pop-ups have been successful in generating additional money, but the extended opening hours struggle to break even on a consistent basis.

Overall the café operation breaks even (when employer costs are factored in) and relies on the Youth Diner internal subsidy to cover the fixed costs of the building, energy, insurance etc. Without this, the café operation would not be a going concern, in spite of the considerable effort put in. We have taken advantage of the new planning rules that allow us to use the premises for A3 use, rather than the original A1 use.

There are some legacy issues to be concluded now, with details of the building lease, services and insurances, being concluded in 2018 and we are grateful of additional voluntary expertise to help us here. There may be additional risk associated with increases in fixed and variable costs that will need to be addressed through additional funding activity, reduction in losses/waste from the café operation or an overall increase in the café footfall.

The plan that we put together for activity supporting this looking forward into 2017/18 particularly around reviewing café activity viability, new initiatives etc., together with a set of management accounts on a quarterly basis is paying dividends.

Alvechurch Communities Together Ltd

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

Year ended 31 July 2017

Financial review

The year ended 31 July 2017 saw an increase in cafe takings from £41,997 to £54,865. Costs of running the cafe decreased from £57,399 to £53,880 after allowing for allocations of expenses to activities funded from restricted income. Together with increased income from the charity's social lottery and grants to help with both cafe expense and the youth work this led to a surplus for the year of £6,221. Because the charity's year-end differs from that of many grant funders, the income received will be used over the coming months.

There was a surplus brought forward of £4,983 to which the current surplus has been added making a balance carried forward of £11,204.

Grants totalling £13,750 were received in the year towards specific youth related projects. £13,007 was spent in the year leaving net income of £743. This has been added to the reserves brought forward of £7,654 leaving £8,397 to be spent in future years.

Reserves Policy

Consequent upon the sudden deaths and extended illnesses of a number of trustees and senior management committee members during previous years, a substantially new board of trustees has been established. The formulation of a robust reserves policy is one of the key objectives.

Structure, governance and management

Alvechurch Communities Together is a charity registered with the Charities Commission number 1154840.

In addition to the trustees there is a management committee that meets on a monthly basis to review progress and plan activities. This committee has general delegated powers to operate on a day to day basis.

Reference and administrative details

Registered charity name	Alvechurch Communities Together Ltd
Charity registration number	1154840
Company registration number	07308396
Principal office and registered office	1 Upper St Marys Road Smethwick West Midlands B67 5JR

The trustees

D Dearden
S Reeves
L Evans
M Newberry
K Swadkins
W Ulyett

Alvechurch Communities Together Ltd

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

Year ended 31 July 2017

Accountants

David Seeley FCA
Chartered accountant
Accuo Accounting Limited
Chartered Accountants
Alvechurch
Birmingham
B48 7JX

Plans for future periods

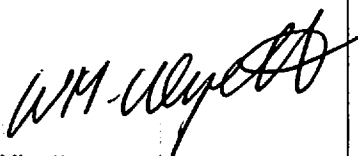
Our priority areas for the future are to:

- Focus on the financial sustainability of the café and increased investment for youth work from grants in the ever changing environment.
- Increase interest in The Lounge through improved communication methods with people within the parish.
- Improve our own internal communications through better use of technology.
- Improve the support and training of our volunteers, which hopefully will encourage more volunteers and those we have to stay longer.
- Continue to develop a programme projects for young people that they enjoy and support.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 21 May 2018 and signed on behalf of the board of trustees by:



W Ulyett
Chair of Trustees

Alvechurch Communities Together Ltd

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Alvechurch Communities Together Ltd

Year ended 31 July 2017

I report to the trustees on my examination of the financial statements of Alvechurch Communities Together Ltd ('the charity') for the year ended 31 July 2017.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



DAVID SEELEY FCA
Chartered accountant

Accuo Accounting Limited
Chartered Accountants
Alvechurch
Birmingham
B48 7JX

23 May 2018

Alvechurch Communities Together Ltd

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

31 July 2017

		Unrestricted funds £	2017 Restricted funds £	Total funds £	2016 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	11,746	13,750	25,496	16,475
Charitable activities	6	54,865	—	54,865	42,845
Other trading activities	7	1,775	—	1,775	1,099
Investment income	8	54	—	54	60
Total income		<u>68,440</u>	<u>13,750</u>	<u>82,190</u>	<u>60,479</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	53,880	—	53,880	57,399
Expenditure on charitable activities	10,11	8,339	13,007	21,346	17,203
Total expenditure		<u>62,219</u>	<u>13,007</u>	<u>75,226</u>	<u>74,602</u>
Net Income/(expenditure) and net movement in funds		<u>6,221</u>	<u>743</u>	<u>6,964</u>	<u>(14,123)</u>
Reconciliation of funds					
Total funds brought forward		4,983	7,654	12,637	26,760
Total funds carried forward		<u>11,204</u>	<u>8,397</u>	<u>19,601</u>	<u>12,637</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 8 to 15 form part of these financial statements.

Alvechurch Communities Together Ltd

Company Limited by Guarantee

Statement of Financial Position

31 July 2017

		2017	2016
		£	£
Current assets			
Debtors	16	1,250	—
Cash at bank and in hand		20,976	13,920
		<u>22,226</u>	<u>13,920</u>
Creditors: amounts falling due within one year	17	<u>2,625</u>	<u>1,283</u>
Net current assets		19,601	12,637
Total assets less current liabilities		19,601	12,637
Net assets		19,601	12,637
Funds of the charity			
Restricted funds		8,397	7,654
Unrestricted funds		<u>11,204</u>	<u>4,983</u>
Total charity funds	18	19,601	12,637

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

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors 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 have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 21 May 2018, and are signed on behalf of the board by:



W Ulyett
Trustee/Director

The notes on pages 8 to 15 form part of these financial statements.

Alvechurch Communities Together Ltd

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 July 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 1 Upper St Marys Road, Smethwick, West Midlands, B67 5JR. It is a public benefit entity.

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.

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

Going concern

Attention is drawn to the statements in the Trustees' report regarding ongoing reviews of operations and negotiations over leases, services and insurance. Increased funding commitments have been obtained from Alvechurch Parish Council and Worcestershire County Council. The trustees have considered the position of the charity over the coming twelve months and consider there will be sufficient funds available to enable the charity to continue as a going concern. Accordingly the accounts are drawn up on that basis.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 August 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 23.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102 by reason of being small. As such, advantage has been taken of the following disclosure exemptions available under the Charities SORP (FRS 102):

- No cash flow statement has been presented for the company.
- Disclosures in respect of financial instruments have not been presented.

Alvechurch Communities Together Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

3. Accounting policies *(continued)*

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.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Sufficient resources will continue to be found to fund the operation of both café and youth work, and
- There will continue to be a need for the services offered by the charity.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The trustees however do not believe there are any key assumptions or other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fund accounting

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Incoming resources

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Income from charitable trading activity is accounted for when earned.
- Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Alvechurch Communities Together Ltd

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Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

3. Accounting policies *(continued)*

Resources expended

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT as this cannot be recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- 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 between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as estimated by the directors.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

4. Limited by guarantee

The charitable company is limited by guarantee and consequently has no share capital. In the event of the charity being wound up the liability of each member or a member who ceased within one year of the winding up is limited to £1.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Donations			
Personal and corporate donations	4,246	–	4,246
Grants			
Grants	7,500	13,750	21,250
	<u>11,746</u>	<u>13,750</u>	<u>25,496</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Donations			
Personal and corporate donations	1,775	–	1,775

Alvechurch Communities Together Ltd

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Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Grants			
Grants	14,700	—	14,700
	<u>16,475</u>	<u>—</u>	<u>16,475</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Cafe income	54,865	54,865	41,997	41,997
Room hire	—	—	848	848
	<u>54,865</u>	<u>54,865</u>	<u>42,845</u>	<u>42,845</u>

7. Other trading activities

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Fundraising events	—	—	1,054	1,054
Social lotteries	1,775	1,775	45	45
	<u>1,775</u>	<u>1,775</u>	<u>1,099</u>	<u>1,099</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Bank interest receivable	54	54	60	60

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Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Purchases	16,016	16,016	15,069	15,069
Wages and salaries	28,625	28,625	32,836	32,836
Operating leases	—	—	50	50
Rent	4,261	4,261	—	—
Water	262	262	2,042	2,042
Light and heat	1,703	1,703	1,478	1,478
Repairs & maintenance	203	203	4,183	4,183
Insurance	263	263	573	573
Other property costs	1,101	1,101	707	707
Telephone	1,050	1,050	—	—
Other general costs	31	31	327	327
PRS licence	157	157	—	—
Training	—	—	74	74
Sundry expenses	18	18	—	—
Legal and professional fees	—	—	60	60
Prize money	190	190	—	—
	<u>53,880</u>	<u>53,880</u>	<u>57,399</u>	<u>57,399</u>

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Youth Work	7,439	13,007	20,446
Support costs-governance	900	—	900
	<u>8,339</u>	<u>13,007</u>	<u>21,346</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Youth Work	15,278	1,145	16,423
Support costs-governance	780	—	780
	<u>16,058</u>	<u>1,145</u>	<u>17,203</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2017 £	Total fund 2016 £
Youth Work	20,446	—	20,446	16,423
Governance costs-(finance costs)	—	900	900	780
	<u>20,446</u>	<u>900</u>	<u>21,346</u>	<u>17,203</u>

Alvechurch Communities Together Ltd

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Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

12. Net income/(expenditure)

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

	2017	2016
	£	£
Operating lease rentals	<u>5,800</u>	<u>7,008</u>

13. Independent examination fees

	2017	2016
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	200	200
Other financial services	<u>400</u>	<u>580</u>
	<u>600</u>	<u>780</u>

14. Staff costs

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

	2017	2016
	£	£
Wages and salaries	<u>39,328</u>	<u>36,601</u>

The average head count of employees during the year was 9 (2016: 3). The average number of employees during the year is analysed as follows:

	2017	2016
	No.	No.
Management	1	1
Youth work	1	—
Cafe staff	<u>7</u>	<u>2</u>
	<u>9</u>	<u>3</u>

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

Key Management Personnel

The key management personnel, other than the trustees, are the café manager and youth worker. Their combined remuneration in the year was £14,906.

15. Trustee remuneration and expenses

- no remuneration or other benefits from employment with the charity or a related entity were received by the trustees
- remuneration paid to close family members of trustees is disclosed in the related parties transactions note.

Alvechurch Communities Together Ltd

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Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

16. Debtors

	2017	2016
	£	£
Trade debtors	<u>1,250</u>	<u>—</u>

17. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	407	407
Social security and other taxes	38	276
Other creditors	<u>2,180</u>	<u>600</u>
	<u>2,625</u>	<u>1,283</u>

18. Analysis of charitable funds

Unrestricted funds

	At 1 August 2016	Income £	Expenditure £	At 31 July 2017
General Funds	<u>£ 4,983</u>	<u>68,440</u>	<u>(62,219)</u>	<u>£ 11,204</u>

Restricted funds

	At 1 August 2016	Income £	Expenditure £	At 31 July 2017
Total restricted funds	<u>£ 7,654</u>	<u>13,750</u>	<u>(13,007)</u>	<u>£ 8,397</u>

19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Current assets	<u>11,204</u>	<u>8,397</u>	<u>19,601</u>	<u>12,637</u>

Alvechurch Communities Together Ltd

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Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

20. Restricted funds

The analysis of restricted funds is shown in the table below

	Balance b/fwd	Income £	Expenditure £	Balance c/fwd
National Lottery-ASDAN	7,654	–	(2,606)	5,048
Bromsgrove DC				
Gardening Club	–	4,000	(950)	3,050
Media Training	–	4,500	(4,500)	–
Holiday Activities	–	2,500	(2,500)	–
Extended Hours	–	1,500	(1,500)	–
Money Management	–	1,250	(951)	299
Total	<u>7,654</u>	<u>13,750</u>	<u>(13,007)</u>	<u>8,397</u>

21. Related parties

During the year relatives of one trustee, W Ulyett, was paid a salary for working in the café. A Ulyett received £305.

22. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 August 2015.

No transitional adjustments were required in the retained funds or income or expenditure for the year.