

ST EDMUNDS COMMUNITY ASSOCIATION LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

ST EDMUNDS COMMUNITY ASSOCIATION LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Melvyn L Day Manji Solanki Susan J Carr David J Porter Ronald J Wright
Charity number	1118103
Company number	05864077
Registered office	St Edmunds Community Centre St Edmunds Close Southend-on-Sea Essex SS2 4AS
Independent examiner	Mr R Baines FCA Matrix House 12-16 Lionel Road Canvey Island Essex SS8 9DE
Bankers	Lloyds Bank PLC 77 High Street Southend on Sea Essex SS1 1HT

ST EDMUNDS COMMUNITY ASSOCIATION LTD

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ST EDMUNDS COMMUNITY ASSOCIATION LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees present their report and financial statements for the year ended 31 August 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

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

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

Achievements and performance

Financial review

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

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

Structure, governance and management

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

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Melvyn L Day

Manji Solanki

Susan J Carr

David J Porter

Ronald J Wright

ST EDMUNDS COMMUNITY ASSOCIATION LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2017

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

The Management Committee, consisting of both Trustees and volunteers, also meet on a regular basis and are responsible for the day to day running of the Hall including its security. Two volunteers live nearby and provide very useful surveillance of the Hall and car park.

The Treasurer is responsible for the day to day management of the finances and reports directly to the Chairman. St Edmunds Community Association are members of the Southend Association of Voluntary Services (SAVS). The Chairman was a Trustee of SAVS and served the maximum of 6 years of their Board.

This year we successfully recruited three new trustees. Unfortunately Ramesh Morzaria died suddenly and condolences were sent to his family.

Risk Management

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

Latest Developments

The company's website continues to work well and has become a very useful facility especially for those wishing to book. We are actively seeking to improve the booking system on the website and to include the availability of bookings. The installation of the safety hand rail at the rear of the building is now complete.

Statement of Trustees' Responsibilities

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

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

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

Auditor

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

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

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Melvyn L Day

Trustee

Dated:

ST EDMUNDS COMMUNITY ASSOCIATION LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ST EDMUNDS COMMUNITY ASSOCIATION LTD

I report on the financial statements of the charity for the year ended 31 August 2017, which are set out on pages 4 to 12.

Respective responsibilities of Trustees and examiner

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

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

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

Basis of independent examiner's report

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

Independent examiner's statement

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

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

Mr R Baines FCA

Matrix House
12-16 Lionel Road
Canvey Island
Essex
SS8 9DE

Dated:

ST EDMUNDS COMMUNITY ASSOCIATION LTD**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 AUGUST 2017**

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Income from:</u>					
Charitable activities	3	31,253	-	31,253	29,761
Investments	4	10	-	10	10
Total income		<u>31,263</u>	<u>-</u>	<u>31,263</u>	<u>29,771</u>
<u>Expenditure on:</u>					
Charitable activities	5	<u>14,016</u>	<u>-</u>	<u>14,016</u>	<u>16,710</u>
Net income for the year/ Net movement in funds		<u>17,247</u>	<u>-</u>	<u>17,247</u>	<u>13,061</u>
Fund balances at 1 September 2016		<u>56,985</u>	<u>1,319</u>	<u>58,304</u>	<u>45,243</u>
Fund balances at 31 August 2017		<u><u>74,232</u></u>	<u><u>1,319</u></u>	<u><u>75,551</u></u>	<u><u>58,304</u></u>

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

All income and expenditure derive from continuing activities.

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

ST EDMUNDS COMMUNITY ASSOCIATION LTD**BALANCE SHEET****AS AT 31 AUGUST 2017**

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	10		24,990		22,398
Current assets					
Debtors	12	326		-	
Cash at bank and in hand		50,475		36,416	
		<u>50,801</u>		<u>36,416</u>	
Creditors: amounts falling due within one year	13	(240)		(510)	
Net current assets			50,561		35,906
Total assets less current liabilities			<u>75,551</u>		<u>58,304</u>
Income funds					
Restricted funds			1,319		1,319
Unrestricted funds			74,232		56,985
			<u>75,551</u>		<u>58,304</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

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

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

The accounts were approved by the Trustees on

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Melvyn L Day
Trustee

Company Registration No. 05864077

ST EDMUNDS COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Charity information

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

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

1.4 Incoming resources

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

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

ST EDMUNDS COMMUNITY ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.5 Resources expended

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

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

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

1.6 Tangible fixed assets

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

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

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

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

1.7 Impairment of fixed assets

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

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

ST EDMUNDS COMMUNITY ASSOCIATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2017****1 Accounting policies****(Continued)*****Basic financial assets***

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

2 Critical accounting estimates and judgements

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

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

3 Charitable activities

	Activities for generating fundz	PCT Car Park £	Refunds £	Total 2017 £	Total 2016 £
Sales within charitable activities	22,764	9,450	(961)	31,253	29,761
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

ST EDMUNDS COMMUNITY ASSOCIATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2017****4 Investments**

	2017	2016
	£	£
Interest receivable	10	10

5 Charitable activities

	2017	2016
	£	£
Depreciation and impairment	691	223
Light and heat	1,862	2,265
Rates	435	248
Insurance	233	1,033
Telephone	872	843
Internet costs	569	569
Cleaning, hygiene and refuse collection	3,516	4,403
Repairs and maintenance	3,727	5,481
Sundry expenses	466	220
Gift vouchers	-	250
Travel expenses	180	-
	<u>12,551</u>	<u>15,535</u>

Share of support costs (see note 6)	457	419
Share of governance costs (see note 6)	1,008	756

	<u>14,016</u>	<u>16,710</u>
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Analysis by fund

Unrestricted funds	14,016
	<u>14,016</u>

For the year ended 31 August 2016

Unrestricted funds	16,710
	<u>16,710</u>

ST EDMUNDS COMMUNITY ASSOCIATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2017**6 Support costs**

	Support costs	Governance costs	2017	2016	Basis of allocation
	£	£	£	£	
Bank charges	201	-	201	285	
Printing, postage and stationery	256	-	256	134	
Accountancy	-	1,008	1,008	756	Governance
	<u>457</u>	<u>1,008</u>	<u>1,465</u>	<u>1,175</u>	
Analysed between					
Charitable activities	<u>457</u>	<u>1,008</u>	<u>1,465</u>	<u>1,175</u>	

Governance costs includes payments to the independent examiners of £756 (2016- £744) for an independent examination.

7 Trustees

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

8 Employees

There were no employees during the year.

9 Taxation

The charity is exempt from corporation tax.

ST EDMUNDS COMMUNITY ASSOCIATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2017****10 Tangible fixed assets**

	Leasehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 September 2016	21,609	660	544	22,813
Additions	-	3,283	-	3,283
At 31 August 2017	21,609	3,943	544	26,096
Depreciation and impairment				
At 1 September 2016	-	176	239	415
Depreciation charged in the year	-	615	76	691
At 31 August 2017	-	791	315	1,106
Carrying amount				
At 31 August 2017	21,609	3,152	229	24,990
At 31 August 2016	21,609	484	305	22,398

11 Financial instruments

	2017 £	2016 £
Carrying amount of financial liabilities		
Measured at amortised cost	240	510

12 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Prepayments and accrued income	326	-

13 Creditors: amounts falling due within one year

	2017 £	2016 £
Accruals and deferred income	240	510

ST EDMUNDS COMMUNITY ASSOCIATION LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2017**14 Analysis of net assets between funds**

	£	£	Total £
Fund balances at 31 August 2017 are represented by:			
Tangible assets	24,990	-	24,990
Current assets/(liabilities)	50,561	-	50,561
	<u>75,551</u>	<u>-</u>	<u>75,551</u>

15 Related party transactions

There were no disclosable related party transactions during the year (2016 - none).