

Charity Registration No. 290712

Company Registration No. 01859173 (England and Wales)

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Robert Aitken (Chair) Anita Broome John Carrier Stephen Hodge Oliver Lewis Reverend Andrew Meldrum Fran Nixon James Robin Barbara Smith
Secretary	Stephen Hodge
Charity number	290712
Company number	01859173
Registered office	25 Bertram Street London N19 5DQ
Auditor	Glazers 843 Finchley Road London NW11 8NA

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

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HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

The trustees present their report and financial statements for the year ended 31 March 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's 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 charity's object and principal activity continues to be to promote the benefit to the inhabitants of the area around 25 Bertram Street without distinction of sex, race, sexual orientation, disability, political affiliation, religious or other opinions, by associating the local authorities, voluntary organisations and inhabitants in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving conditions of life of the said inhabitants. Accordingly our primary purpose is to be a self sufficient community based organisation which provides welcoming, supportive enriching activities and services within the community with special emphasis on young and elderly users.

The strategies employed to achieve the charity's objectives are: to offer opportunities for a broad range of people to get involved in activities in order to explore and expand their own social, recreational, educational and vocational skills and abilities; and to provide facilities for local people of all ages and backgrounds to come together as a community which respects and values differences in age and culture and cares about the welfare of its component parts.

Redevelopment of 25 Bertram Street

Our activities in 2017/18 were profoundly affected by the proposed redevelopment of the premises we occupy by the London Borough of Camden ('LBC'). We were advised in 2017 that we would have to vacate our premises in early 2018, and as a result we have relocated many of our activities to a number of venues in the area around Bertram Street. These include Hargrave Hall in the Archway area, the Holly Lodge Community Centre, St Annes Church and the United Reformed Church in Highgate. In addition we had to ask several other organisations which had been hiring space from us in Bertram Street to find other accommodation, which most have done, but at a cost to our income streams. However since the start of the current financial year LBC have advised us that the redevelopment and consequent decant is postponed for at least a year and perhaps longer. The development proposals are under review, and we remain in intensive discussion with LBC in order to ensure that the final proposals constitute an acceptable basis for the Trustees to support the revised plans.

Achievements and Performance for Public Benefit

The trustees are satisfied with the performance of the charity this year. Despite the disruption caused by the decant we have succeeded in significantly expanding the services we offer to our community and this in a form which is not critically dependent on access to 25 Bertram Street. Significant achievements and developments through 2017/18 include:

Under 5s children services

Highgate Newtown Community believes children should have great services and free services that all can access and enjoy. Our principal offering is a daily drop-in session for under 5s. Before the decant we used our sports hall for this activity, but since the beginning of 2018 we have relocated it to the Hargrave Hall which is nearby in Archway. Over 1400 used our services this year. Early years matter and parents with new born babies also can feel isolated, but with our café and other free services a family support centre is created. Parents can also access our clothes bank and advice from our children service manager on a range of needs. Funding for this activity has been obtained from the Lyons Trust, QBE limited and Lady Gould's Charity.

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2018

Health and well-being over 75s and elderly

We have expanded the services we offer to older members of our community by appointing another full time co-ordinator for these activities, funded by City Bridge Trust and Ageing Better.

During the year activities included creative writing classes, massage, jewellery making, nails and hairdressing, quizzes and drama. In addition we are running a be-friending service for older people many of whom in our area are lonely and isolated.

Employment and young people

In our café and in conjunction with the Harington Scheme, we support young people and people with learning disabilities to acquire new skills and gain confidence. We also welcome young people who are not in work or training and those facing exclusion from mainstream education including some who are doing community payback and reparation. We have appointed a full time co-ordinator for this latter activity with funding obtained from Lloyds Trust.

Art Programmes

Our Artist in Residence is running Art programmes for all ages from 6 years to over 75, in the form of the young people's Art Club, Children drawing and painting club and classes and gallery visits for adults and over 75's sometimes on an intergenerational basis. The show of work from all of the programmes was put on in the Reception area on the day of the AGM. Our programme seeks to address any lack of confidence that people can do it and in the regular display of what our participants have done. We also seek to maximise access by keeping class fees to a minimum and offering places on the adult / open access programmes on the basis that those on benefits are able to attend for free or on a materials cost only basis.

Community events

We organise several community events and outings, including a day trip to Margate in July 2017, a Halloween celebration, and our annual free Christmas lunch. The afternoon included entertainment and saw just under 140 elderly and isolated people enjoy a three course meal in great company with music, a raffle and bingo all laid on.

Community Lunch Club

We know that many people in our area eat alone, may not eat properly or be able to afford healthy food and can therefore end up hungry, isolated and depressed. We have created a heavily subsidised lunch club which runs from Tuesday to Friday throughout the year. We provide a hot meal cooked on the premises and a pudding for just £2.50. Because of the demand we are providing this service in a variety of locations around the area, including the Holly Lodge Community Centre, St Annes Church and the United Reformed Church. Part of the funding for this activity has been obtained from the Lady Gould's Charity.

Food For Thought

Every week generous local residents bring in good quality groceries and other items which we then hand out to people in crisis or those needing extras. It is central to the scheme that we do not ask for vouchers or proof of entitlement. This is a self-supporting scheme especially welcomed by our local primary school and a nearby hostel for homeless people as well as many others in this neighbourhood which includes three large council estates.

Wood that works

We currently offer classes in wood work for children aged 7 to 14 at Bertram Street, which are very successful and popular. Because of the current arrangements are being made to move this activity to a nearby location if necessary.

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2018

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

Policies for 2018/19

Our priorities for 2017-2018 are unchanged from last year and reflect growing demand for our free services as many other services from local councils are cut. Many people on low incomes and living below the poverty line are facing isolation and social exclusion as they can no longer afford the fees for paid services.

1. Deliver high quality services that enable stability, security, improved well-being and the development of positive relationships.
2. Develop and deliver a range of free services which welcome all – our free 60 plus services run every morning, free services for youth excluded from other services, free use of hall space while we still have access to it to support local people starting up new groups.
3. Be the leading provider of emergency food parcel's, supporting people in hostel and temporary accommodation.
4. Raise funding to support existing activities, growth plans and increase reserves so as to ensure that the Centre is able to come through the transition to the new building with strong support from its clients, young and old.
5. Develop our people, systems and operations to ensure our core running costs for the charity are the lowest in the sector which means we have more funds to protect our front line essential services.

Fundraising

This year we had strong support from a number of local and national organisations (mentioned above) and also from local people giving to the charity. Our low running costs mean donated funds only go to support our front line services with no administration charge taken out.

The year ahead

In the coming year we will deliver more services to more people following our successful operating model of seeking grant funding for specific initiatives. We have not planned cuts to any of our services for 2017-18 which is due to prudent housing keeping of our running costs. In general apart from certain core programmes our philosophy is that if an activity can be funded by grants and meets our objectives we will do it, but will not continue if grant funding dries up. This entails a considerable effort in applying for grant funding, as each granting organisation has its own requirements and standards all of which we have to meet.

Financial review

The trustees have established a policy of holding enough reserves to enable the charity to function during any period of closure enforced by the proposed redevelopment without reduction of the charity's core services. This level of reserves has been maintained throughout the year.

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

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

Risk management

The trustees have examined 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 the necessary steps can be taken to lessen these risks.

Code of Conduct and Financial and Other Policies including Data Protection

During the year the Trustees reviewed the Charities Code of Conduct and financial and other policies to ensure that they are compliant with current legal requirements and best practice. The revised policies were adopted on 5th May 2017 and further revised on 7th June 2017 and 2nd March 2018.

Audit and Examination of Accounts

Up until our 2016/17 financial year the charity financial statements have been reviewed by an Independent Examiner but no audit has been performed. For the current year and in the future we have decided to appoint Glazers, Chartered Accountants as auditor whose report will be found on pages 6 to 7.

Structure, governance and management

The charity is a company limited by guarantee.

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

Robert Aitken (Chair)

Anita Broome

John Carrier

P French

(Resigned 12 October 2017)

Stephen Hodge

Oliver Lewis

Reverend Andrew Meldrum

Fran Nixon

James Robin

Barbara Smith

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.

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2018

Statement of trustees' responsibilities

The trustees, who are also the directors of Highgate Newtown Community Centre Limited for the purpose of company law, are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

Glazers were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

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

Robert Aitken (Chair)

Trustee

Dated: 20 July 2018

Stephen Hodge

Trustee

Dated: 20 July 2018

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

Opinion

We have audited the financial statements of Highgate Newtown Community Centre Limited (the 'charity') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet and the 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 March 2018 and of its incoming resources and application of resources, 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 Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 charity for the purpose 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 charity'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.

Auditor's 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 an auditor's report 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matter

The prior year comparative figures were not audited due to the charity having had an independent examination carried out.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Glazers
Chartered Accountants
Statutory Auditor

24 July 2018

843 Finchley Road
London
NW11 8NA

Glazers is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<u>Income from:</u>					
Grants, donations and legacies	3	131,930	55,265	187,195	133,038
Other trading activities	4	102,105	128	102,233	123,319
Investments	5	81	-	81	233
Total income		234,116	55,393	289,509	256,590
<u>Expenditure on:</u>					
Raising funds	6	16,674	1,687	18,361	17,277
Charitable activities	7	157,056	41,439	198,495	203,095
Total resources expended		173,730	43,126	216,856	220,372
Net income for the year/ Net movement in funds		60,386	12,267	72,653	36,218
Fund balances at 1 April 2017		142,778	-	142,778	106,560
Fund balances at 31 March 2018		203,164	12,267	215,431	142,778

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.

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	11		5,896		9,530
Current assets					
Debtors	13	36,565		6,670	
Cash at bank and in hand		217,099		141,015	
		253,664		147,685	
Creditors: amounts falling due within one year	14	(44,129)		(14,437)	
Net current assets			209,535		133,248
Total assets less current liabilities			215,431		142,778
Income funds					
Restricted funds	15	12,267		-	
Unrestricted funds		203,164		142,778	
		215,431		142,778	

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 March 2018, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

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 financial statements were approved by the Trustees on 20 July 2018

Robert Aitken (Chair)
Trustee

Stephen Hodge
Trustee

Company Registration No. 01859173

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

Highgate Newtown Community Centre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 25 Bertram Street, London, N19 5DQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Resources expended

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Direct charitable expenditure comprises expenses incurred directly in pursuance of the charity's principal activity.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category.

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 bases:

Leasehold improvements	25% on cost
Fixtures and fittings	25% on cost
Computers	25% on cost

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

1.7 Impairment of fixed assets

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

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

Basic financial assets

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

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Donations and gifts	13,880	840	14,720	11,065
General grants	118,050	54,425	172,475	121,973
	<u>131,930</u>	<u>55,265</u>	<u>187,195</u>	<u>133,038</u>
For the year ended 31 March 2017	<u>88,575</u>	<u>44,463</u>		<u>133,038</u>

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

4 Other trading activities

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Fundraising events	-	128	128	-
Cafe income	6,335	-	6,335	8,542
Letting and licensing arrangements	95,770	-	95,770	114,777
	<u>102,105</u>	<u>128</u>	<u>102,233</u>	<u>123,319</u>
Other trading activities	102,105	128	102,233	123,319
	<u>102,105</u>	<u>128</u>	<u>102,233</u>	<u>123,319</u>
For the year ended 31 March 2017	123,319	-		123,319
	<u>123,319</u>	<u>-</u>		<u>123,319</u>

5 Investments

	2018	2017
	£	£
Interest receivable	81	233
	<u>81</u>	<u>233</u>

6 Raising funds

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
<u>Fundraising and publicity</u>				
Advertising	6,384	1,687	8,071	7,487
Other fundraising costs	1,575	-	1,575	2,295
	<u>7,959</u>	<u>1,687</u>	<u>9,646</u>	<u>9,782</u>
Fundraising and publicity	7,959	1,687	9,646	9,782
	<u>7,959</u>	<u>1,687</u>	<u>9,646</u>	<u>9,782</u>
<u>Trading costs</u>				
Cafe expenditure	8,715	-	8,715	7,495
	<u>8,715</u>	<u>-</u>	<u>8,715</u>	<u>7,495</u>
	<u>16,674</u>	<u>1,687</u>	<u>18,361</u>	<u>17,277</u>
	<u>16,674</u>	<u>1,687</u>	<u>18,361</u>	<u>17,277</u>
For the year ended 31 March 2017				
Fundraising and publicity	9,782	-		9,782
Trading costs	7,495	-		7,495
	<u>17,277</u>	<u>-</u>		<u>17,277</u>
	<u>17,277</u>	<u>-</u>		<u>17,277</u>

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7 Charitable activities

	2018 £	2017 £
Staff costs	106,449	97,172
Depreciation and impairment	3,634	3,634
Rates and water	5,936	6,721
Insurance	3,510	3,580
Light and heat	10,988	14,072
Telephone	3,042	2,706
Printing, postage and stationery	234	329
Sundry expenses	3,818	2,007
Venue hire	2,070	75
Travel and subsistence	327	906
Repairs and maintenance	2,062	9,421
Equipment maintenance	3,041	2,721
Bookkeeping	9,311	10,920
Legal and professional fees	765	8,818
Tutors	16,646	35,871
Activities and event costs	23,002	-
Bank charges	60	25
	<u>194,895</u>	<u>198,978</u>
Share of governance costs (see note 8)	3,600	4,117
	<u>198,495</u>	<u>203,095</u>
Analysis by fund		
Unrestricted funds	157,056	
Restricted funds	41,439	
	<u>198,495</u>	
For the year ended 31 March 2017		
Unrestricted funds		158,632
Restricted funds		44,463
		<u>203,095</u>

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

8 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Audit fees	-	3,600	3,600	-	Governance
Independent examiners fee	-	-	-	2,100	Governance
Trustee expenses	-	-	-	2,017	Governance
	-	3,600	3,600	4,117	
Analysed between Charitable activities	-	3,600	3,600	4,117	

9 Trustees

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

10 Employees

Number of employees

The average monthly number employees during the year was:

	2018 Number	2017 Number
	3	2
Employment costs	2018 £	2017 £
Wages and salaries	97,322	88,788
Social security costs	4,838	3,603
Other pension costs	4,289	4,781
	106,449	97,172

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

11 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Computers	Total
	£	£	£	£
Cost				
At 1 April 2017	97,992	87,872	1,874	187,738
At 31 March 2018	97,992	87,872	1,874	187,738
Depreciation and impairment				
At 1 April 2017	97,992	78,959	1,257	178,208
Depreciation charged in the year	-	3,165	469	3,634
At 31 March 2018	97,992	82,124	1,726	181,842
Carrying amount				
At 31 March 2018	-	5,748	148	5,896
At 31 March 2017	-	8,913	617	9,530

12 Financial instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	35,100	4,098
Carrying amount of financial liabilities		
Measured at amortised cost	41,641	12,792

13 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	35,100	4,098
Prepayments and accrued income	1,465	2,572
	36,565	6,670

14 Creditors: amounts falling due within one year

	2018	2017
	£	£
Other taxation and social security	2,488	1,645
Trade creditors	6,511	4,494
Other creditors	53	53
Accruals and deferred income	35,077	8,245
	44,129	14,437

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2017	Movement in funds		Balance at 31 March 2018
	£	Incoming resources £	Resources expended £	£
Cafe	-	10,000	(10,000)	-
75+	-	15,053	(15,053)	-
Free 4 All	-	15,335	(15,335)	-
Youth	-	15,000	(2,733)	12,267

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:			
Tangible assets	5,896	-	5,896
Current assets/(liabilities)	197,268	12,267	209,535
	203,164	12,267	215,431

17 Related party transactions

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