CHARITY REGISTRATION NUMBER: 700295

The Blackhall Community Association

Unaudited Financial Statements

31 December 2017

DRAFT ACCOUNTS

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

The Blackhall Community Association

Financial Statements

Year ended 31 December 2017

The Blackhall Community Association

Trustees' Annual Report

Year ended 31 December 2017

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2017.

Reference and administrative details

Registered charity name	The Blackhall Community Association
Charity registration number	700295
Principal office	Blackhall Community Centre Hesleden Road Blackhall TS27 4LG

The trustees

Cllr R Crute
Cllr L Pounder
C L Scott
R Waite
K Johnson
J Appleby
G Duddin

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

Structure, governance and management

The organisation is an unincorporated charity with a governing constitution adopted on 19 November 1987 (as amended 9 December 2006). The constitution sets out the aims and objectives of the charity. The Trustee Board is responsible for the overall management and operation of the Association.

Trustees are elected at the Annual General Meeting, and can be seconded to the board at anytime throughout the year at an Ordinary Management Meeting.

The Centre Manager and other trustee members take responsibility for the induction of new Trustee Board Members and this induction process can include provision of written background information, meetings with other staff members, one to one meetings and the provision of regular reports on the work of the organisation.

Objectives and activities

The Charity's overall objective is to promote the benefit of the inhabitants of the area of benefit without distinction of by associating the local authorities, voluntary organisations and the 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 the conditions of life for the said inhabitants.

In planning our activities for the year we kept in mind the Charity Commission's guidance on public benefit at our trustee meetings. Due to our enhanced facilities we were better able to serve the local community. Recreation and leisure time facilities have been enhanced with the introduction of gym facilities and increased room capacity catered for local interest groups.

Achievements and performance

Austerity measures continue to have a major effect on the centre and the community in general. We have and continued to weather the storm but the last financial year proved tougher than the previous year. However, we are still here and credit to all staff and volunteers for their unwavering support and commitment. Without them the picture would be very different.!

As a counter to the above issues many members of the team have been upskilled to help deliver benefits, debt and energy advice, widening our appeal to the community.

As funding streams continue to dry up the fundraising gets harder and harder we are creating opportunites to cater for the pocket of the public in our never ending struggle to become self sustainable. Our accounts this year reflect the community backing as the funding and grants dry up.

We continue to work with partners such as the NHS, Primary Care Trust, County Durham and Darlington Foundation Trust, East Durham Trust and work closely with Area Action Partnership and Parish Councils, ensuring our name is mentioned and noted in many circles.

Austerity and cuts are still very current on the government agenda. We now have staff qualified in Welfare Rights, Debt First Aid along side Mental Health training. Working together with DCC local welfare rights officers we have been able to instigate many interventions in the last 12 months giving some relief to community members.

The diary continues to fillup with functions most weekends meaning the centre is open 7 days a week and always something goining on.

We have established ourselves within the private and public sector and our centre manager is flying the flag for the voluntary/ community sector by implementing her networking skills across the board . The years of networking and meetings seem to be paying off and it seems BCA is becoming a venue/organisation that the public, private and voluntary organisations want to work with. Our most notable success story is working with the BBC to act as a base camp for them as they filmed and produced a a children's TV production.

This year has seen us employ an apprentice, this has given us a fresh new look and a willing pair of young hands to support our reception. Reception has had a staffing reshuffle with back office staff now on hand to help the centre manager with the development work of the centre as a whole.

Achievements and performance *(continued)*

Our commercial kitchen and catering facility along with our home delivery service, together with our 5 Star rating from environmental health has gone from strength to strength. Catering in house has been a learning curve but we are now attracting new people and have more of a package deal to offer.

The centre hosts and supports as a home many groups that may well not survive without it eg Blackhall Youth Band, Blackhall Drama Group, numerous exercise classes, craft class like Crafty Girls and the toddler group known as Funky Feet.

With current agendas around Children Centres reducing services we are also working with heads of department to avail ourselves and support the community services that they very much still need to deliver, again working for our community and serving a need.

When we tracked our business we outlined three areas of growth:

2015 vs 2016

- Membership continues to grow
- Bar takings dropped in last financial year despite our busy diary, testament that people don't have money to spend.
- Room hire increased massively as a result of our new venue hire deal.

Financial review

The association has a reserve policy which is kept under review and which currently seeks to maintain a minimum level of reserves of approximately 3 months running costs. The Trustee Board recommends that the policy on reserves be reviewed annually in order to take into account the forward operating costs of the organisation.

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems are in place to mitigate our exposure to the major risks. Trustees are actively seeking new sources of funding to continue future activities.

The association received funding from a number of organisations during 2017, details of the individual funders can be found in note 4 to the accounts.

The Statement of Financial Activities for the year is set out on page 6 of the financial statements.

The unrestricted reserves of the charity at 31 December 2017 amounted to a £6,068 (2016 - £2,223) of which free reserves (that is those not tied up in fixed assets) amount to a deficit of £14,979 (2016 - a deficit of £19,344).

Plans for future periods

- As always we would like to refurbish the bar to bring it right up to date.

- The hall floor is suffering as a result of the increase in footfall and so we aim to resurface the floor.

- The expansion of our Social media arm has to be a priority to keep us current and modern.

- Despite the "cutting" climate we live and work in our centre manager continues to be proactive in seeking funding for salaries and new initiatives as well as flying the flag for BCA.

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

Cllr R Crute
Trustee

Independent Examiner's Report to the Trustees of The Blackhall Community Association

Year ended 31 December 2017

I report to the trustees on my examination of the financial statements of The Blackhall Community Association ('the charity') for the year ended 31 December 2017.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

CENSIS
Chartered accountant

Exchange Building
66 Church Street
Hartlepool
TS24 7DN

The Blackhall Community Association

Statement of Financial Activities

31 December 2017

	Note	2017 Unrestricted funds £	2017 Restricted funds £	2017 **Total funds** £	2016 Total funds £
Income and endowments					
Donations and legacies	**4**	40,047	8,806	48,853	56,770
Charitable activities	**5**	54,824	–	54,824	49,516
Other trading activities	**6**	31,838	–	31,838	31,686
Investment income	**7**	–	–	–	208
Total income		126,709	8,806	135,515	138,180
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	**8**	29,559	–	29,559	32,883
Expenditure on charitable activities	**9**	94,403	15,511	109,914	116,391
Total expenditure		123,962	15,511	139,473	149,274
Net expenditure		2,747	(6,705)	(3,958)	(11,094)
Transfers between funds		1,098	(1,098)	–	–
Net movement in funds		3,845	(7,803)	(3,958)	(11,094)
Reconciliation of funds					
Total funds brought forward		2,223	208,964	211,187	222,281
Total funds carried forward		6,068	201,161	207,229	211,187

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.

	Note	2017 £	2016 £
Fixed assets			
Tangible fixed assets	14	213,626	219,066
Current assets			
Debtors	15	2,132	1,476
Cash at bank and in hand		11,468	2,633
		13,600	4,109
Creditors: amounts falling due within one year	16	19,997	11,988
Net current liabilities		6,397	7,879
Total assets less current liabilities		207,229	211,187
Net assets		207,229	211,187
Funds of the charity			
Restricted funds		201,161	208,964
Unrestricted funds		6,068	2,223
Total charity funds	17	207,229	211,187

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

Cllr R Crute
Trustee

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

The Blackhall Community Association

Statement of Cash Flows

Year ended 31 December 2017

	2017 £	2016 £
Cash flows from operating activities		
Net expenditure	(3,958)	(11,094)
Adjustments for:		
Depreciation of tangible fixed assets	6,538	5,503
Other interest receivable and similar income	–	(208)
Accrued expenses/(income)	480	(1,392)
Changes in:		
Trade and other debtors	(656)	474
Trade and other creditors	7,529	7,067
Cash generated from operations	9,933	350
Interest received	–	208
Net cash from operating activities	9,933	558
Cash flows from investing activities		
Purchase of tangible assets	(1,098)	(3,564)
Net cash used in investing activities	(1,098)	(3,564)
Net increase/(decrease) in cash and cash equivalents	8,835	(3,006)
Cash and cash equivalents at beginning of year	2,633	5,639
Cash and cash equivalents at end of year	11,468	2,633

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

1. General information

The charity is registered charity in England and Wales and is unincorporated. The address of the principal office is Blackhall Community Centre, Hesleden Road, Blackhall, TS27 4LG.

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

At the year end the charity unrestricted reserves were in deficit, the trustees are of the opinion that given the support of creditors and funding bodies the charity will continue to operate. A substantive review of the charity's finance have been undertaken and the trustees have made the painful decision to make some staff redundant and more reliance will be placed on volunteers.

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.

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.

3. Accounting policies *(continued)*

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	-	2% straight line
Equipment	-	Fixtures, fittings & equipment

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2017 £**
Donations			
Donations	3,013	–	3,013
Bar Donation	12,134	–	12,134
East Durham Partnership	–	1,200	1,200
CoOp Dividend	969	–	969
Grants			
Coal Industry Social Welfare Organisation	17,250	–	17,250
Sir James Knott Trust	5,000	–	5,000
County Durham Community Foundation	–	2,015	2,015
Barclays Plc	1,000	–	1,000
Public Health	–	5,591	5,591
Subscriptions			
Subscriptions fees	681	–	681
	40,047	8,806	48,853

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Donations			
Donations	33	–	33
Bar Donation	9,567	–	9,567
Drama Group	5,375	–	5,375
Flower & Veg Show	–	1,388	1,388
Country & Western	1,478	–	1,478
EDH	–	250	250
East Durham Partnership	210	–	210

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Grants			
Greggs Foundation	–	1,573	1,573
Durham County Council	11,765	9,729	21,494
County Durham Community Foundation	–	3,606	3,606
Barclays Plc	–	–	–
CAF - Barclay match funding	1,775	–	1,775
Public Health	–	5,000	5,000
Santander	4,493	–	4,493
Subscriptions			
Subscriptions fees	528	–	528
	35,224	21,546	56,770

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2017 £**	Unrestricted Funds £	Total Funds 2016 £
Events	3,067	3,067	7,140	7,140
Fitness Suite	6,857	6,857	7,120	7,120
Room hire	39,511	39,511	32,294	32,294
Management fees	1,661	1,661	–	–
Other	3,728	3,728	2,962	2,962
	54,824	54,824	49,516	49,516

6. Other trading activities

	Unrestricted Funds £	**Total Funds 2017 £**	Unrestricted Funds £	Total Funds 2016 £
Fundraising events	5,625	5,625	2,236	2,236
Commercial Kitchen	25,824	25,824	29,277	29,277
Vending machine	–	–	62	62
Admin services	389	389	111	111
	31,838	31,838	31,686	31,686

7. Investment income

	Unrestricted Funds £	**Total Funds 2017 £**	Unrestricted Funds £	Total Funds 2016 £
Bank interest received	–	–	208	208

8. Costs of other trading activities

	Unrestricted Funds £	**Total Funds 2017 £**	Unrestricted Funds £	Total Funds 2016 £
Catering	11,440	11,440	14,859	14,859
Wages & salaries	17,662	17,662	17,910	17,910
Events & activities	–	–	64	64
Vending machine	–	–	50	50
Fitness suite expenses	128	128	–	–
Wages	329	329	–	–
	29,559	29,559	32,883	32,883

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2017 £**
General fund	94,403	–	94,403
Flower & Veg show	–	1,818	1,818
EDH - Composter	–	250	250
Cree Project	–	6,403	6,403
Peoples Health Lottery	–	2,120	2,120
Building Refurbishment	–	4,920	4,920
	94,403	15,511	109,914

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
General fund	94,731	–	94,731
DCC - Capital Small Grant	–	16,740	16,740
Building Refurbishment	–	4,920	4,920
	94,731	21,660	116,391

10. Net expenditure

Net expenditure is stated after charging/(crediting):

	2017 £	2016 £
Depreciation of tangible fixed assets	6,538	5,503

11. Independent examination fees

	2017	2016
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	480	600

12. Staff costs

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

	2017	2016
	£	£
Wages and salaries	74,276	72,936
Social security costs	3,188	3,058
	77,464	75,994

The average head count of employees during the year was Nil (2016: 8). The average number of full-time equivalent employees during the year is analysed as follows:

	2017	2016
	No.	No.
Management & administration	–	1
Charitable activities	–	7
	–	8

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; or

14. Tangible fixed assets

	Freehold property	Equipment	**Total**
	£	£	**£**
Cost			
At 1 January 2017	272,695	52,966	325,661
Additions	–	1,098	1,098
At 31 December 2017	272,695	54,064	326,759
Depreciation			
At 1 January 2017	57,145	49,450	106,595
Charge for the year	5,454	1,084	6,538
At 31 December 2017	62,599	50,534	113,133
Carrying amount			
At 31 December 2017	210,096	3,530	213,626
At 31 December 2016	215,550	3,516	219,066

15. Debtors

	2017	2016
	£	£
Trade debtors	1,952	540
Prepayments and accrued income	180	936
	2,132	1,476

16. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	8,165	10,669
Accruals and deferred income	480	–
Social security and other taxes	2,875	1,282
Other creditors	8,477	37
	19,997	11,988

17. Analysis of charitable funds

Unrestricted funds

	At 1 January 2017	Income	Expenditure	Transfers	**At 31 December 2017**
	£	£	£	£	£
General fund	961	126,709	(123,962)	1,098	4,806
Country & Western	1,262	–	–	–	1,262
	2,223	126,709	(123,962)	1,098	6,068

Restricted funds

	At 1 January 2017	Income	Expenditure	Transfers	**At 31 December 2017**
	£	£	£	£	£
Building Refurbishment	197,499	–	(4,920)	–	192,579
Flower & Veg Show	1,818	–	(1,818)	–	–
Cree Project	6,397	–	(6,403)	–	(6)
EDH - Composter	250	–	(250)	–	–
DCC - Capital Small Grant	3,000	–	–	(1,098)	1,902
People Health Lottery	–	5,591	(2,120)	–	3,471
CDCF - Volunteer Training	–	2,015	–	–	2,015
EDC/EDT Cultural Hubs	–	1,200	–	–	1,200
	208,964	8,806	(15,511)	(1,098)	201,161

18. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	**Total Funds 2017**	Total Funds 2016
	£	£	**£**	£
Tangible fixed assets	21,047	192,579	213,626	219,066
Current assets	5,018	8,582	13,600	4,109
Creditors less than 1 year	(19,997)	–	(19,997)	(11,988)
Net assets	6,068	201,161	207,229	211,187