

# **FRINTON-ON-SEA COMMUNITY ASSOCIATION**

Registered Charity - Registration Number: - 274134

## **TRUSTEES' REPORT AND ACCOUNTS**

### **FOR THE YEAR ENDED 31st DECEMBER 2018**

#### **CONTENTS**

	Page
Annual Report	2 - 7
Statement of Financial Activities	8
Statement of Cash Flow	9
Balance Sheet	10
Notes to the Accounts	11 - 15
Independent Examiners' Report	16 - 17

## **FRINTON-ON-SEA COMMUNITY ASSOCIATION**

### **Report of the Management Committee for the year to 31 December 2018**

The Management Committee present their Report and Financial Statements for the year ended 31<sup>st</sup> December 2018.

#### **Reference and Administrative information**

Charity name; Frinton-on-Sea Community Association  
Charity registration number 274134  
Principal address Soken House, The Triangle Shopping Centre, Rochford Way,  
Frinton-on-Sea, Essex, CO13 0AU

#### **Management Committee**

The following were members of the Management Committee during all or part of the year:

Jeffrey Hoare	Elected 24 <sup>th</sup> March 2018	
Peter Jackson	Elected 24 <sup>th</sup> March 2018	
Eric Mills	Elected 24 <sup>th</sup> March 2018	
Lesley Phipps	Elected 24 <sup>th</sup> March 2018	
Robert Beattie	Elected 24 <sup>th</sup> March 2018	
Mary Clarke	Elected 24 <sup>th</sup> March 2018	
Susan Small	Elected 24 <sup>th</sup> March 2018	Acting Hon. Secretary - 16 <sup>th</sup> January 2019
Susan Chase	Elected 24 <sup>th</sup> March 2018	
Diane McCann	Elected 24 <sup>th</sup> March 2018	Resigned 11 <sup>th</sup> April 2018
Thomas Peacock	Co-opted 16 <sup>th</sup> April 2018	

#### **Senior Management Team**

Gill Nash	President	Elected 24 <sup>th</sup> March 2018
Susan Treglohan	Hon. Treasurer	Elected 24 <sup>th</sup> March 2018
Joyce Fisher	Hon. Secretary	Elected 24 <sup>th</sup> March 2018, Resigned 10 <sup>th</sup> January 2019

#### **Independent Examiner for the year**

Granite Morgan Smith, 122 Feering Hill, Feering, Colchester, Essex, CO5 9PY.

#### **Bankers**

The main bankers to the Association are The Cooperative Bank, Colchester branch

#### **Structure, Governance and Management**

##### Governing document

The Association was constituted at a public meeting held on the 21<sup>st</sup> April 1977 and is registered with the Charity Commission, No. 274134

##### Recruitment and appointment of the Management Committee

The Officers of the Association and the other Full Members of the Management Committee are elected annually at the Annual General Meeting which is held at Soken House on a convenient Saturday in March/April each year.

The members of the Management Committee are charity trustees for the purposes of charity law.

## **FRINTON-ON-SEA COMMUNITY ASSOCIATION**

### **Report of the Management Committee for the year to 31 December 2018 (continued)**

#### **Structure, Governance and Management (continued)**

##### Trustee's induction and training.

The first meeting of the newly elected Management Committee each year is treated as a training period, when their responsibilities as Charity Trustees are thoroughly explained.

##### Organisational structure

The operation of the Association and of the Community Centre is carried out largely by the Management Committee, assisted by some 40 unpaid volunteers. Administration is in the hands of 1 paid Office Manager and 1 paid Office Assistant.

##### Related parties

The Charity owns all of the issued share capital of a trading company incorporated in the UK. (Frinton Community Services Limited – Registration number 2551086). This company provides refreshment facilities at the Centre, paying over its surplus profits to the Association as a donation. The details of the transactions between the Association and the trading company are more fully described in the notes to the Financial Statements that accompany this report.

#### **Objectives and activities for the public and community benefit**

The charity is established to benefit the residents of Frinton-on-Sea and its neighbourhood, currently interpreted as the area covered by the postcode areas of CO13, CO14 and CO15.

The charity is organised as an independent unincorporated association of local residents with an elected managing committee. The main activities of the charity are:

- (a) Providing and managing a Community Centre based in the Association's freehold premises known as Soken House.
- (b) Making grants to worthy causes within the area of benefit

The charity makes available meeting rooms in Soken House to individuals and organisations in Frinton-on-Sea and its neighbourhood. Additionally it provides refreshment facilities for individuals and organisations using Soken House. The charity has over 1,000 individual local members and was used by many local organisations on a regular basis throughout the year. The Management Committee consists of individuals living locally who thus are well placed to identify initiatives to meet the needs of the local community.

#### **Achievements and performance**

##### Facilities available

Five rooms are available at the Centre for hire by any individual or organisation in accordance with the standard hiring agreement and scale of charges adopted for the year.

## **FRINTON-ON-SEA COMMUNITY ASSOCIATION**

### **Report of the Management Committee for the year to 31 December 2018 (continued)**

#### **Achievements and performance (continued)**

##### **Review of the year**

Activities organised at or through the Centre by Association members during the year included:

Art Workshops (3)	
Ballroom & Sequence Dancing	
Bingo (2)	
Bridge	Poetry Reading
Carpet Bowls	Recorded Music
Darts	Scrabble
Folk Dancing	Community Singers
Apex Club (Holidays & Outings)	Table Tennis
Matinee Club (Holidays & Outings)	Whist
Learn to Play Bridge	Chess
Needlecraft	Cribbage
Quilting	

The following organisations use the Centre regularly for their meetings:

Carers First	
Essex Aikido Club	Slimming World
Frinton Residents' Association	Specsavers
Frinton Art Society	Tai Chi
Frinton Philatelic Society	Walton Flower Club
Hartbeeps Baby & Toddler Classes	Weightwatchers
Holy Trinity Church	Workers' Education Association, Frinton
Keep Fit Classes	West Water Country Music Club
N E Essex Adult Community Learning	Yoga
Pilates	

Full Membership of the Association has remained roughly the same throughout the year ending at 1162. Activity Clubs have remained steady at 23. Constituent groups affiliated to the Association – 6.

Use of the Tea Bar has increased slightly during the year. Wedding receptions and birthday celebrations have, again, greatly increased. Currently the Centre is not open on Sunday evenings.

#### **Financial review**

As last year, this report and accompanying financial statements have been prepared in accordance with the recently introduced 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).

## **FRINTON-ON-SEA COMMUNITY ASSOCIATION**

### **Report of the Management Committee for the year to 31 December 2018 (continued))**

#### **Overview of the year**

The attached financial statements show the Association's current financial situation. The expenditure on maintenance, refurbishment, hygiene etc. have totalled £15,222 an increase of the figure for last year that totalled £6,959. This increase is mainly due to the purchase of the new roof. The major items of expenditure under consideration at the present time are the replacement of the flooring on the first floor and stairs and to replace our lift which is now very old and parts are difficult to obtain. Income from private lettings has again risen greatly this year and we continue to receive rental income from EE for the mast on our roof. Income from FCA activities has remained roughly the same. All items of expenditure were approved by the management committee and where appropriate two or more estimates obtained. The rest of the expenditure was well spread.

The licensed bar and the tea bar are operated by Frinton Community Services Ltd, a wholly owned trading company. Profits not needed to be retained in the company are paid over at the year-end to the Association as a donation. The donation made to the Association by FCS this year amounts to £14,821 (2017-£7,359).

The volunteer tea ladies have done another excellent job in the last 12 months generating gross income of £21,887 (£21,748 in 2017).

The net effect of all factors is that the Association's total income for 2018 shows a profit of £5,945 (2017 – profit £7,856).

The Association held fund raising events during the year. A jumble sale was held and raised £90 for the Air Ambulance and a coffee morning for MacMillan raised £483. A further £345 was donated to the Air Ambulance having been raised through a bottle on the bar.

With regret it has come to light there was a theft of licenced bar takings over the Christmas period of 2018. The amount stolen was £1,502.59 and has been reported to the police. An insurance claim has been submitted with the excess being £250. This profit and loss charge can be found in the accounts of Frinton Community Services Ltd.

It was brought to the attention of the Committee that there are two FCA activity groups operating outside the association's control. Both these organisations have independent organisers and their own bank accounts. At the 31<sup>st</sup> December 2018 the Tendring Apex Club reported a bank balance of £9,242.67 with a cumulative excess profit of £4,554.75. At the 31<sup>st</sup> July 2018 the Matinee Club reported a bank balance of £9,607.56 with a cumulative excess profit of £6,856.23. Communication between the F.C.A and these groups is ongoing.

#### **Principal funding sources**

The principal funding resources of the Association are from the hire of rooms to local organisations. It is intended that these hire charges be sufficient to cover all expenditure incurred in providing the Centre. The improvement of facilities is funded from subscriptions, donations, grants and fundraising. A full programme of fundraising activities is planned. As all running costs of the centre continue to rise and we have some large expenditure items needed, we will be reviewing the activity group attendance fee and the membership subscription fee.

#### **Investment policy**

Aside from retaining a prudent amount in reserves each year most of the charity's funds are to be spent in the short term and so there are few funds for long term investment. Any surplus funds are placed on deposit so that they are readily available to meet any funding requirements that may arise.

## **FRINTON-ON-SEA COMMUNITY ASSOCIATION**

### **Report of the Management Committee for the year to 31 December 2018 (continued)**

#### **Reserves policy**

The Management Committee has examined the charity's requirements for reserves in light of the main risks to the Association. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be between three and six months of the expenditure. Budgeted expenditure for 2019 is £100,000 (2018 - £100,000) and therefore the target for the reserves is £50,000 (2018 – £50,000) in general funds. The reserves are needed to meet the working capital requirements of the charity and the Management Committee are confident that at this level they would be able to continue the current activities of the charity if a significant drop in funding occurred until alternative sources of funding were obtained. At December 31<sup>st</sup> 2018 the total available liquid reserves in unrestricted funds amount to £97,023 (2017 - £90,713).

#### **Plans for future periods**

The major items to be dealt with currently are the flooring on the first floor and stairs and to look at the possibility of a new replacement lift in the future.

#### **Risk management**

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiary FCS Ltd face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimize or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the charity and its subsidiary. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the Association and its subsidiary company.

Attention has also been focused on non-financial risks arising from fire, health and safety matters and food hygiene. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff and volunteers working in these areas.

Insurance cover has been put in place where appropriate to cover the risks faced by the Association. The F.C.A has served the Community for 40 years and fulfils the demands required. There is no reason not to continue the facilities provided.

#### **Responsibilities of the Trustees**

The charity trustees are responsible for preparing a trustee's annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each 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 for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and estimates that are reasonable and prudent;

## **FRINTON-ON-SEA COMMUNITY ASSOCIATION**

### **Report of the Management Committee for the year to 31 December 2018 (continued)**

#### **Responsibilities of the Trustees (continued)**

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

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 proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

#### **Statement as to disclosure to our Independent Examiner**

In so far as the trustees are aware at the time of approving our trustees' annual report:

- There is no relevant information, being information needed by the examiner in connection with preparing their report, of which the group's examiner is unaware, and
- The trustees, having made enquiries of fellow trustees and the organisation's examiner that they ought to have individually taken, have each taken all steps they he/she is obliged to take as a trustee in order to make themselves aware of any relevant information and to establish that the examiner is aware of that information.

#### **Independent Examiner**

Granite Morgan Smith was appointed as the Association's Independent Examiner for the year.

This report has been prepared in accordance with the 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) (effective 1 January 2015)

Approved by the Management Committee on \_\_\_\_\_ 2019 and signed on its behalf by

\_\_\_\_\_  
Treasurer

SUSAN TREGLOHAN

**FRINTON ON SEA COMMUNITY ASSOCIATION**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR TO 31 DECEMBER 2018**

	Notes	2018 £	2017 £
<b>INCOMING RESOURCES</b>			
<b>Charitable activities</b>			
Charges for room hire		48,078	45,237
<b>Other activities to generate funds</b>			
Members subs and donations		19,615	18,815
Fundraising		7,746	7,175
Gift Aid from FCS Limited	4	14,821	7,359
Admin charge to FCS Ltd		12,240	12,240
Investment income		250	128
Other income resources		6,458	6,992
<b>TOTAL INCOME RESOURCES</b>		<b>109,208</b>	<b>97,946</b>
<b>RESOURCES EXPANDED</b>			
<b>Costs of generating funds</b>			
Fundraising and publicity		3,086	2,662
Printing, stationery and postage		1,226	1,210
<b>Total non-charitable expenditure</b>		<b>4,312</b>	<b>3,872</b>
<b>Provision of Community Centre</b>			
Admin staff wages		24,522	22,741
Admin pension costs		265	143
Contract cleaning and caretaking		29,691	29,583
Room hire, rates and water		4,425	3,463
Heating and lighting		9,390	9,275
Building service charge		5,740	4,937
Insurance		3,936	4,091
Maintenance including hygiene		15,222	6,959
Sundries		4,796	4,021
Depreciation		364	405
<b>Total charitable expenditure</b>		<b>98,351</b>	<b>85,618</b>
<b>Governance costs</b>			
Independent examiner's fees		600	600
Legal and professional fees		0	0
Reimbursed out of pocket expenses			
		<b>600</b>	<b>600</b>
<b>TOTAL RESOURCES EXPENDED</b>		<b>103,263</b>	<b>90,090</b>
<b>NET INCOMING/(OUTGOING)</b>			
<b>RESOURCES &amp; MOVEMENT IN FUNDS</b>		<b>5,945</b>	<b>7,856</b>
<b>Fund balances at 1 January 2018</b>		<b>245,204</b>	<b>237,348</b>
<b>Fund Balances at 31 December 2018</b>		<b>251,149</b>	<b>245,204</b>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derived from continuing activities.

The notes on pages 11 to 15 form part of these accounts



**FRINTON ON SEA COMMUNITY ASSOCIATION**  
**STATEMENT OF CASH FLOW FOR THE YEAR TO 31 DECEMBER 2018**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Cash used in operating activities (Note 6)</b>	1,438	10,504
<b>Cash flows from investing activities</b>		
Interest income	250	128
<b>Increase/(decrease) in cash and cash equivalents in the year</b>	<u>1,688</u>	<u>10,632</u>
<b>Cash and cash equivalents at the start of the year</b>	89,766	79,134
<b>Total cash and cash equivalents at the end of the year</b>	<u>£91,454</u>	<u>£89,766</u>
<b>Represented by:-</b>		
Deposit account	55,375	55,125
Current account	34,436	33,751
Cash in hand	1,643	890
	<u>£91,454</u>	<u>£89,766</u>

The notes on pages 11 to 15 form part of these accounts

**FRINTON ON SEA COMMUNITY ASSOCIATION**  
**STATEMENT OF BALANCE SHEET FOR THE YEAR TO 31 DECEMBER 2018**

	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Tangible assets	5	154,124	154,489
Investments	4	2	2
		<u>154,126</u>	<u>154,491</u>
<b>CURRENT ASSETS</b>			
Debtors and prepayments		1,862	2,538
Due from Frinton Community Services Ltd		14,821	7,359
Deposit account		55,375	55,125
Current account		34,436	33,751
Cash in hand		<u>1,644</u>	<u>890</u>
		108,138	99,663
<b>CREDITORS due within one year</b>		11,115	8,950
<b>NET CURRENT ASSETS</b>		<u>97,023</u>	<u>90,713</u>
<b>TOTAL NET ASSETS</b>		<u>251,149</u>	<u>245,204</u>
Represented by:-			
<b>FUNDS AVAILABLE</b>		251,149	245,204
<b>TOTAL FUNDS</b>		<u>251,149</u>	<u>245,204</u>

For and on behalf of the Management Committee

..... Susan Treglohan

..... 2019

The notes on pages 11 to 15 form part of these accounts

**FRINTON ON SEA COMMUNITY ASSOCIATION**  
**NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2018**

**1 GENERAL INFORMATION**

Frinton on Sea Community Association is a charity and is registered with the Charity Commission, No. 274134.

**2 RESPONSIBILITIES**

The Managing Committee are required to prepare an annual financial statement. The Managing Committee are also responsible for keeping proper books of account with respect to the affairs of the Association

**3 ACCOUNTING POLICIES**

**a) Basis of preparation**

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Frinton on Sea Community Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**b) Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. The trustees have determined that no such restatement is required.

**c) Preparation of the accounts on a going concern basis**

The Association reported a cash inflow of £1,688 for the year. The trustees are of the view that the available cash and cash equivalents available at the year-end combined with measures planned to be taken mean that the Association has the funds available for at least the next 12 to 18 months and that on this basis the Association is a going concern.

**d) Income**

Income is recognised when the Association has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Association has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance it is deferred until the criteria for income recognition are met.

**e) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Association; this is normally upon notification of the interest paid or payable by the Bank.

**f) Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms on which the funds were made available to the Association.

**FRINTON ON SEA COMMUNITY ASSOCIATION**  
**NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2018 (continued)**

**g) Expenditure and irrecoverable VAT**

Expenditure is recognized on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Cost of generating funds comprise the costs associated with attracting voluntary income and publicizing the activities of the Association

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the fees of the Independent Examiner.

**h) Fixed assets**

The freehold premises are not depreciated as the cost of improvements to the premises is written off. The cost of equipment is depreciated on the basis of 10% on written down value.

The tables and chairs and other similar moveable equipment owned by the Association is not capitalized and is written off to revenue as and when it is necessary to replace them.

**i) Debtors and prepayments**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**j) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**k) Creditors and provisions**

Creditors and provisions are recognised where the Association has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**l) Financial instruments**

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**m) Pensions**

The Association now operates a workplace pension scheme.

**FRINTON ON SEA COMMUNITY ASSOCIATION**  
**NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2018 (continued)**

**4 INVESTMENTS AND INCOME EARNED FROM OTHER ACTIVITIES**

The Association owns two £1 Ordinary shares in Frinton Community Services Limited (Registration number 2551086) which represents all of the issued share capital of that company. This company provides refreshment facilities at the Centre, paying over its surplus profits to the Association as Gift Aid. The Gift Aid payable in respect of the year to 31<sup>st</sup> December 2018 amounted to £14,821 (2017 - £7,359) and has been recorded in the accounts of the Association for the current year.

A summary of its trading results is shown below. Accounts will soon be filed with the Registrar of Companies.

**FRINTON COMMUNITY SERVICE LIMITED**

**Summarised Profit and Loss Account for the year to 31 December 2018**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Turnover	133,956	119,345
Cost of sales	56,229	50,616
Other direct expenses	47,604	47,492
Gross Profit	30,123	21,237
Operating costs	15,302	13,878
Net profit before taxation	14,821	7,359
Gift Aid to the Association	14,821	7,359
Profit after taxation	£0	£0

**Summarised Balance Sheet at 31 December 2018**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Fixed assets</b>	1,464	1,951
Current assets	36,001	27,361
Current liabilities	24,006	15,853
<b>Net current assets</b>	11,995	11,508
<b>Total assets</b>	<b>£13,459</b>	<b>£13,459</b>
<b>Represented by:-</b>		
Called up share capital	2	2
Profit and Loss Account	13,457	13,457
	<b>£13,459</b>	<b>£13,459</b>

The trading company paid the Community Association £5,400 (2017 - £5,400) for the use of premises during the year and £4,800 (2017 - £4,800) as an administration charge.

The Gift Aid payment due in respect of 2018 of £14,821 (2017 - £7,359) forms part of the trading company's Current Liabilities and will be paid to the Association prior to 1<sup>st</sup> October 2019.

**FRINTON ON SEA COMMUNITY ASSOCIATION**  
**NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2018 (continued)**

**4 INVESTMENTS (continued)**

The accounts of the trading company have not been consolidated with those of the Association as the Management Committee considers that the expense of so doing would not be justifiable.

**5 TANGIBLE FIXED ASSETS USED BY THE ASSOCIATION**

	<b>Freehold Premises £</b>	<b>Equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2018	150,848	22,518	173,366
Additions	0	0	0
<b>At 31 December 2018</b>	<u>150,848</u>	<u>22,518</u>	<u>173,366</u>
<b>Depreciation</b>			
At 1 January 2018	0	18,878	18,878
Charge for the year	0	364	364
<b>At 31 December 2018</b>	<u>0</u>	<u>19,242</u>	<u>19,242</u>
<b>Net book value</b>			
At 1 January 2018	<u>£150,848</u>	<u>£3,641</u>	<u>£154,489</u>
At 31 December 2018	<u>£150,848</u>	<u>£3,276</u>	<u>£154,124</u>

Frinton and Walton Town Council are the Custodian Trustees of the Association's Freehold Property (Soken House) on behalf of the Association.

**6 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2018 £</b>	<b>2017 £</b>
Net movement in funds	5,945	7,856
Add back depreciation charge	364	405
Deduct investment income	-250	-128
Decrease/(increase) in amount due from Frinton Community Service Ltd	-7,462	1,273
Decrease/(increase) in debtors	676	379
Increase/(decrease) in creditors	2,165	719
<b>Net cash used in operating activities</b>	<u><b>£1,438</b></u>	<u><b>£10,504</b></u>

**FRINTON ON SEA COMMUNITY ASSOCIATION**  
**NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2018 (continued)**

**7 CORPORATION TAX**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**8 EMPLOYEES**

The average number of employees during the year was 2 (2017 – 1).

## **INDEPENDENT EXAMINER'S UNQUALIFIED REPORT TO THE TRUSTEES OF THE FRINTON ON SEA COMMUNITY ASSOCIATION**

I report on the accounts of the Association for the year to 31 December 2018, which are set out on pages 8 to 17.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

### **Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors of the Association for the purposes of company law) are responsible for the preparation of financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and although an independent examination is not needed (as gross income is less than £250,000) the trustees consider one necessary as control of the Association is not known.

Accordingly it is my responsibility to:  
examine the accounts under Section 145 of the Act;  
follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and  
to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

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

### **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
- to keep accounting records in accordance with section 386 of the Companies Act 2006, and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 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 accounts to be reached.

\_\_\_\_\_  
C J Smith FCA  
Independent Examiner  
Granite Morgan Smith Ltd  
122 Feering Hill  
Feering  
Colchester  
Essex CO5 9PY

\_\_\_\_\_  
2019