

Charity Registration No. 1122878

Company Registration No. 06269709 (England and Wales)

**CROYDON COMMITMENT LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

# **CROYDON COMMITMENT LIMITED**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Directors</b>	Ms J Dakin Mrs K Glass Mr S Dorman Mrs R F Farrar Miss J Payne Ms K C Chillman	(Appointed 12 June 2018) (Appointed 17 October 2018)
<b>Charity number</b>	1122878	
<b>Company number</b>	06269709	
<b>Principal address</b>	c/o Croydon Commitment Mott Macdonald House 8-10 Sydenham Road Croydon Surrey CR0 2EE	
<b>Registered office</b>	Kings Parade Lower Coombe Street Croydon Surrey CR0 1AA	
<b>Independent examiner</b>	DSK LLP, Chartered Accountants 306 High Street Croydon Surrey CR0 1NG	

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# CROYDON COMMITMENT LIMITED

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## **CROYDON COMMITMENT LIMITED**

### **DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT)**

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

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The Directors present their report on the affairs of the charitable company together with the accounts for the above year.

The following report is prepared in accordance with the small company regime (Section 419(2) of the Companies Act 2006).

#### **Objectives and activities**

The objects of the charity are to promote the voluntary sector for the benefit of the public in Croydon and the surrounding area. The voluntary sector refers to charities and voluntary organisations and does not refer to local government or other statutory authorities.

The main activities undertaken in relation to those objectives are fundraising activities staged for the benefit of other charities including charity balls, comedy benefits, competitions etc and local community involvement projects with staff from local companies in Croydon and local charities.

The charity was supported in this endeavour by its subsidiary undertaking Croydon Commitment Events Limited, which organises fundraising events. This company ceased trade on 31 December 2017.

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

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## **CROYDON COMMITMENT LIMITED**

### **DIRECTORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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#### **Achievements and performance**

The Directors feel that the overall standing of the charity has reflected the economic pressures that have continued to impact on our broader operational environment. Performance was in line with expectations with predicted reductions in certain revenue streams resulting in the year end position. As we move into 2019 continued careful monitoring and management of the financial resources available will ensure that the Charity continues to operate within the acceptable parameters. We feel that the report and accounts are a true reflection of the charity's receipts for the financial year and the income generated has met with our previous cautious financial forecasts.

Following a review in 2017, the Directors and CEO worked together with local stakeholders to create a new three-year Strategic Business Plan 2018-20 for the organisation. Croydon's Commitment thematic programme addresses five key thematic areas: Education, Employment, Environment, Health and Wellbeing and Social Inclusion and offers a range of practical ways businesses can work together to address the issues of deprivation and inequality in Croydon.

In 2018, our business partners gave 3,203 hours of employee volunteering hours, with 1,253 volunteers engaged in our programme across our five pillars, working with over 100 organisations from charities to businesses. Working collaboratively with our business partners, our programme continues to transform Croydon, helping local residents - especially the most vulnerable in our community. For example, under our Education pillar, we delivered 54 Lunchtime Literacy sessions, providing 1-to-1 reading support to struggling primary school children, as well as running Mock Interview Days and Confidence and Employability workshops at underprivileged secondary schools to prepare students for the working world.

In 2018 we implemented a brand refresh, including launching a new website which details all upcoming Corporate Social Responsibility opportunities, both from Croydon Commitment and other organisations. The refreshed communications have enabled the charity to more effectively advertise its work and to attract new members.

To mark our 15th anniversary in 2019, Croydon Commitment plan to expand the Grassroots Awards programme, awarding funding to up to 15 small charities. The charity will continue to work alongside local stakeholders to meet its charitable objectives and realise its vision of establishing Croydon as a centre of excellence in sustainable development.

#### **Financial review**

Croydon Commitment has a policy regarding the level of reserves held at any one time in the bank, and this is that the amount of money held on reserve is a minimum of six month's of the charity's running costs. This in real terms currently amounts to £17,000 being held in the bank account and guarantees that the charity may still operate for at least that period if financial difficulties ensue. This requirement was satisfied as at the 31 December 2018. We feel this is a responsible action on our part and is in accordance with guidelines laid down by the charities commission.

The Directors have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

## **CROYDON COMMITMENT LIMITED**

### **DIRECTORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

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

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#### **Structure, governance and management**

The charitable company is a company limited by guarantee.

The governing document is the memorandum and articles of association.

The methods adopted for the recruitment and appointment of new directors is by invitation only in full agreement of the board.

The Directors who served during the year and up to the date of signature of the financial statements were:

Ms J Dakin

Mrs K Glass

Mr S Dorman

Mrs R F Farrar

Miss J Payne

(Appointed 12 June 2018)

Ms K C Chillman

(Appointed 17 October 2018)

None of the Directors has any beneficial interest in the company. All of the Directors are members of the company and guarantee to contribute £1 in the event of a winding up.

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

#### **Mrs K Glass**

Director

Dated: 23 September 2019

# **CROYDON COMMITMENT LIMITED**

## **INDEPENDENT EXAMINER'S REPORT**

### **TO THE DIRECTORS OF CROYDON COMMITMENT LIMITED**

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I report on the financial statements of the charitable company for the year ended 31 December 2018, which are set out on pages 5 to 13.

#### **Respective responsibilities of Directors and examiner**

The directors, who also act as trustees for the charitable activities of Croydon Commitment Limited, are responsible for the preparation of the accounts. The Directors consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

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

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

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

#### **Independent examiner's statement**

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

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

Dhirajlal Shah  
DSK LLP, Chartered Accountants  
Chartered Accountants  
306 High Street  
Croydon  
Surrey  
CR0 1NG

Dated: 24 September 2019

# CROYDON COMMITMENT LIMITED

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

	Notes	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
<b><u>Income and endowments from:</u></b>					
Voluntary income	3	31,168	9,380	40,548	43,645
Investments	4	10	-	10	1
Other income	5	3,117	-	3,117	-
<b>Total income</b>		<u>34,295</u>	<u>9,380</u>	<u>43,675</u>	<u>43,646</u>
<b><u>Expenditure on:</u></b>					
Raising funds		<u>5,693</u>	<u>-</u>	<u>5,693</u>	<u>11,879</u>
Charitable activities	6	<u>45,313</u>	<u>4,504</u>	<u>49,817</u>	<u>34,331</u>
<b>Total resources expended</b>		<u>51,006</u>	<u>4,504</u>	<u>55,510</u>	<u>46,210</u>
<b>Net (outgoing)/incoming resources before transfers</b>		(16,711)	4,876	(11,835)	(2,564)
Gross transfers between funds		<u>4,876</u>	<u>(4,876)</u>	<u>-</u>	<u>-</u>
<b>Net expenditure for the year/ Net movement in funds</b>		(11,835)	-	(11,835)	(2,564)
Fund balances at 1 January 2018		<u>27,623</u>	<u>-</u>	<u>27,623</u>	<u>30,187</u>
<b>Fund balances at 31 December 2018</b>		<u><u>15,788</u></u>	<u><u>-</u></u>	<u><u>15,788</u></u>	<u><u>27,623</u></u>

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

All income and expenditure derive from continuing activities.

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



# CROYDON COMMITMENT LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Investments	9		100		100
<b>Current assets</b>					
Debtors	11	3,876		16,500	
Cash at bank and in hand		14,884		13,696	
		<u>18,760</u>		<u>30,196</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(3,072)</u>		<u>(2,673)</u>	
Net current assets			15,688		27,523
<b>Total assets less current liabilities</b>			<u>15,788</u>		<u>27,623</u>
<b>Income funds</b>					
Unrestricted funds			15,788		27,623
			<u>15,788</u>		<u>27,623</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2018.

The Directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts 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 accounts, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 Directors on 24 September 2019

Mrs K Glass  
Trustee

Company Registration No. 06269709

# **CROYDON COMMITMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **1 Accounting policies**

#### **Charity Information**

Croydon Commitment Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Kings Parade, Lower Coombe Street, Croydon, Surrey, CR0 1AA.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charitable company's [governing document], 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 charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company 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 charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Charitable funds**

Unrestricted funds are available for use at the discretion of the Directors 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 charitable company.

#### **1.3 Incoming resources**

Income is recognised when the charitable company 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 charitable company 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 charitable company 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.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts and other sales related taxes.

# CROYDON COMMITMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### 1.4 Resources expended

Expenditure is recognised on an accruals basis.

The cost of generating funds is fundraising expenditure incurred by the charity in respect of voluntary income and income from fundraising activities. The expenditure includes direct staff costs and support costs.

Charitable activities expenditure includes activities identifiable as wholly or mainly in support of the objectives of the Charity. Grants are recognised as committed.

Governance costs are those costs relating to compliance with constitutional and statutory requirements and the structure and governance review.

#### 1.5 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.6 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.

#### 1.7 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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.

##### **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.

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.

# **CROYDON COMMITMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **1 Accounting policies**

**(Continued)**

#### **1.8 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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.9 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.10 Status**

Croydon Commitment Limited is a registered charity, No. 1122878, and is exempt from income and capital gains tax under the provisions of Section 505 of the Income and Corporation Taxes Act 1988 and Section 145(1) of the Capital Gains Tax Act 1979.

#### **1.11 Fund accounting**

Restricted funds comprise unexpended balances of donations and grants held on trust to be applied for specific purposes.

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes.

General funds comprise the accumulated net movement in funds on income and expenditure. They are available for use at the discretion of the directors in furtherance of the general objectives of the charity.

### **2 Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the Directors 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.

# CROYDON COMMITMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 3 Voluntary Income

	Unrestricted funds	Restricted funds	Total	Total
	2018	2018	2018	2017
	£	£	£	£
Donations and gifts	14,794	-	14,794	24,895
Veterans Lunch Grant	-	9,380	9,380	-
Membership fees	16,374	-	16,374	18,750
	<u>31,168</u>	<u>9,380</u>	<u>40,548</u>	<u>43,645</u>
For the year ended 31 December 2017	<u>43,645</u>	<u>-</u>		<u>43,645</u>

### 4 Investments

	Unrestricted funds	Total
	2018	2017
	£	£
Interest receivable	<u>10</u>	<u>1</u>

### 5 Other Income

	Unrestricted funds	Total
	2018	2017
	£	£
Other income	<u>3,117</u>	<u>-</u>

# CROYDON COMMITMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 6 Charitable activities

	Charitable Expenditure 2018 £	Charitable Expenditure 2017 £
Staff costs	45,313	34,331
De Vere Vetrans Lunch	4,504	-
	<u>49,817</u>	<u>34,331</u>
	<u>49,817</u>	<u>34,331</u>
<b>Analysis by fund</b>		
Unrestricted funds	45,313	34,331
Restricted funds	4,504	-
	<u>49,817</u>	<u>34,331</u>
<b>For the year ended 31 December 2017</b>		
Unrestricted funds	<u>34,331</u>	

### 7 Directors

None of the Directors (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

### 8 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2018 Number	2017 Number
	<u>2</u>	<u>2</u>
<b>Employment costs</b>		
	2018 £	2017 £
Wages and salaries	44,400	34,108
Social security costs	346	-
Other pension costs	567	223
	<u>45,313</u>	<u>34,331</u>

# CROYDON COMMITMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 9 Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 January 2018 & 31 December 2018	100
<b>Carrying amount</b>	
At 31 December 2018	100
At 31 December 2017	100

### 10 Financial instruments

	2018 £	2017 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	3,876	16,500
Equity instruments measured at cost less impairment	100	100
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	2,452	2,036

### 11 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	325	11,500
Other debtors	3,551	5,000
	3,876	16,500

### 12 Creditors: amounts falling due within one year

	2018 £	2017 £
Other taxation and social security	620	637
Trade creditors	-	50
Amounts due to group undertakings	100	100
Other creditors	119	49
Accruals and deferred income	2,233	1,837
	3,072	2,673

### 13 Related party transactions

## **CROYDON COMMITMENT LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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

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**13 Related party transactions**

**(Continued)**

Included in creditors is an amount of £100 (2017: £100) owed to Croydon Commitment Events Ltd.



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