

REGISTERED COMPANY NUMBER: 04275541 (England and Wales)
REGISTERED CHARITY NUMBER: 519835

Report of the Trustees and
Audited Financial Statements for the Year Ended 31 August 2018
for
Alt Valley Community Trust Limited

Andrew D. Kilshaw
Chartered Accountant and
Registered Auditor
99 Stanley Road
Bootle
Merseyside
L20 7DA

Alt Valley Community Trust Limited

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for the Year Ended 31 August 2018

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Report of the Trustees
for the Year Ended 31 August 2018

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2018. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Alt Valley Community Trust ('AVCT') is a Social Business based in The North East of Liverpool. It serves several electoral wards experiencing significant social and economic challenges (as identified by the 'indices of Multiple Deprivation'). It was founded as an Educational charity in 1988 but has since developed into a multi-faceted anchor organisation contributing to Individual Well-Being and sustainable Communities.

Vision

Sustainable communities where everybody achieves their full potential and leads happy, healthy and fulfilled lives.

Mission

We bring about positive change in Alt Valley and the wider community by developing innovative partnerships to maximise opportunities in community engagement, education and training, sport and wellbeing, and business and enterprise.

The charity's core objectives are

- 1) To contribute to the creation of sustainable communities.
- 2) To provide education and leisure training facilities to enable people to acquire and develop vocational skills.
- 3) To train and educate people through their leisure time activities so their health and wellbeing and conditions of life may be improved.

The policies adopted in furtherance of these objectives were reviewed and revised at the AGM in January 2018.

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

The charity's objectives are promoted through 4 key operational areas namely;

- Business and Employment
- Community Development
- Education and Training
- Sports and Wellbeing

OBJECTIVES AND ACTIVITIES

Public benefit

AVCT was established to provide a range of services to address disadvantage in the Alt Valley and surrounding neighbourhoods of Liverpool. Our activities are intended to improve access to education and training, support for people entering employment and to provide community facilities and well-being activities, all of which build a sustainable community.

AVCT has grown to be one of the biggest social enterprise, community organisations in Liverpool, offering a unique range of services and facilities. AVCT has contracts with Liverpool City Council for the delivery of education and sports activities, the ESFA for the delivery of vocational training and has taken over the management of some City Council community assets to keep them open and to maintain local services for local people. Not only has local provision been retained, the footfall and the community use has increased.

AVCT is increasingly being called on to provide additional support to local community organisations to keep them going. This includes providing advice, staff expertise and affordable office and meeting space. The range of services, resources, partners and experience has made AVCT an invaluable resource for the north east of the city. The Trust's key role as the main 'Anchor' organisation for the Alt Valley communities now extends to the North East wards of Yew Tree and Knotty Ash as well as Croxteth, Norris Green, Clubmoor and Fazakerley.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Staff and Management .

Governance. The Board's AGM (6.1.18) ensured that all Trustees were fully aware of their role and responsibilities as a full day of Professional Development was arranged. Content included completion of a competency framework, ratified the role of a trustee document, all policies revised and internal financial controls for charities completed.

The executive group has been consolidated with the addition of a Business Development Manager. Two consultants assist senior staff and Board members in developing plans for the future. The Executive Director along with the Assistant Chief Executive retain an overview of all Trust activities including finance. Cognisance has been paid to succession management and relevant processes duly instigated.

Business and Employment sector

A dedicated team manages this complex yet successful ERDF project (Enterprise Hub). The Business Start Ups have been expanded and incorporate the whole of the Liverpool City Region (Liverpool, Sefton, Halton, Knowsley, St Helens and Wirral) Contract ends November 2018 so similar Business support contracts to be sought.

Community Development sector

Over the last 5 years the Resilient Communities contract has funded our Community Champions who form the bedrock for engagement activities. Following a rigorous impact assessment exercise the Trust was successful in the next round of Big Lottery funding which has extended this essential work.

The Community Engagement Public Forums managed by the Community Champions now cover the Croxteth, Dovecot, Knotty Ash and Norris Green Communities.

AVCT's 3 Libraries and Creative sector continue to develop activities which enhance lifestyles and empower individuals. Funding for creative projects has proved to be difficult to secure,

Our Community newspaper (Alt Valley Voice) has made a valuable contribution to an improved profile for the North of Liverpool.

A staff re-structure created Community Development and Estates Managers with responsibility for the 3 Community hubs in Croxteth, Dovecot and Ellergreen.

Communiversity - Maintained as the Trust's headquarters but overheads an issue and heating system requires significant overhaul.

Dovecot Mac - First phase of building renovation completed (funded by Power to Change) and the facility has been well received by the local community.

Ellergreen - In a relatively short space of time this has evolved into a vibrant resource with a broad range of community based activities.

Education and Training sector

A much improved position with a new Education Manager securing continuous improvement in all aspects of provision such as contract compliance, Quality assurance and Learner outcomes. Staff re structure following performance management exercise and improved provision ensued. Wide range of contracts now well established and managed such as Apprenticeships, AEB, Adult Learning, Traineeships and Include Merseyside. External verification of the Education sector's performance continues to rate provision as good. The Education sector still experiences significant financial challenges as a result of a changing, national FE landscape hence the need to ensure that monthly Education Board meetings convene to challenge and support the sector. Priority is to seek a more robust Management Information System to track learner progress and minimum standards criteria.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

BIM4 Education

This CITB contract ended in March 2018. The Trust was a key partner in this initiative which coordinated CPD for staff and student engagement activities were developed and delivered in order to improve the perception of working in the Construction Industry by promoting STEM based learning. Morgan Sindall sponsored our learners to follow the Design, Engineer, Construct curriculum.

Sports and Well-Being sector

This sector is in an extremely competitive market and the Sports Manager has astutely instigated new strategic responses. Key focus upon the effective use of social media to encourage 'more people, more active, more often'. Footfall has increased across all 3 centres (Croxteth, Dovecot and Walton) but mortgage/loans add pressure to budgets. Walton Sports Centre roof incurred unexpected financial outlay. The Trust now manages the Walton Adventure playground and has successful partnerships with a range of local schools. The vision is still firmly rooted in meeting the needs of local communities with wider health, social prescribing and wellbeing the priority.

Study Visits

The Trust has welcomed several study visits and contributed towards research processes with various organisations such as;

27.9.17 Presentation 'Expanding the impact of Social Investment' by Chair of Board at the Inside Government Conference (Manchester)

21.11.17 Publication of report on Community Accountability in Community Businesses. AVCT involved in a full year of research with Power to Change organisation.

29.11.17 Power to Change study visit to AVCT.

10.5.18 School of Social Entrepreneurs study visit

18.7.18 Scottish Minister Study visit seeking examples of Community led change

FINANCIAL REVIEW

Financial position

During the year under review, the organisation received total income of £2,524,436. Expenditure on charitable activities came to £2,159,762 resulting in net incoming resources for the year of £364,674. Total fund balances at 31st August 2018 equalled £3,199,141 of which £1,944,266 were restricted funds, £488,000 were designated funds and £766,875 were unrestricted funds. At 31st August 2018, there net current liabilities of £217,861.

The Trust continues to operate extremely tight financial margins. All financial years are equally challenging as public funding continues to be put under increasing pressure, however, AVCT's mix of business income, public contracts and grant support for projects, continues to provide the resources to support the organisation's development. The key challenge is managing cash flow in the event that grant claims are delayed and the Trust has financial management procedures in place to manage this situation.

Reserves policy

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. The Trustees regularly review the finances and budget forecasts in the context of the of an ever changing environment and monitor the Trust's working capital requirements.

In line with Charity Commission guidance, the Trustees believe a good reserves policy helps the organisation to be prepared to deal with unforeseen emergencies or other unexpected needs for funds, such as an unexpected large repair bill. There could also be a need to fund short-term deficits in a cash budget whereby money needs to be spent before a funding grant is received.

The Trustees, in line with Charity Commission guidance have therefore established a reserves policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the Charity should be approximately equal to three months of expenditure at current levels. The Trustees are actively planning to build towards the stated level of reserves.

FUTURE PLANS

Impact Assessment

The Trust recognises the pressing need to capture evidence to demonstrate the impact that our work has upon local communities. The Executive team has plans in place to formalise these processes with particular attention paid to Case Studies, Social Prescribing, Reaching Communities initiatives and Theories of Change.

Partnerships

The Trust continues to develop its work in the wider community, building on its partnerships with Neighbourhood Services Company and Liverpool City Council. Several organisations have approached us seeking mutual support in developing improved community outcomes. Discussions taking place to develop partnerships with Vauxhall Neighbourhood Council and Cobalt Social Housing association.

Our work and responsibilities as a Community Anchor organisation will continue to be the main driver influencing our future strategies for community sustainability and wellbeing.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

As set out in the Articles of Association there will be a minimum of four trustees and no more than seventeen. When considering the appointment of trustees the Board has regard to the requirement of any specialist skills needed. For example Mrs. L Baugh is an experienced Early Years Practitioner with a Safeguarding Specialism and she joined the board to assist in this regard in the delivery of the education and training programmes for the charity.

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.

Organisational structure

The board of trustees which can have up to 17 members administers the charity. The board normally meets quarterly and there are link directors who liaise with the Education and Training, Community Development, Sport and Well Being and Business and Employment Managers.

A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. In order to facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the trustees in operational matters including finance, employment and programme delivery.

Induction and training of new trustees

New trustees undergo an induction process to ensure they are aware of their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association as well as the recent financial performance of the charity. Trustees will meet key employees, other trustees and are encouraged to undertake appropriate external training to help facilitate the undertaking of their role.

The Chair of the Board is completing a skills audit to ensure that bespoke support and training is provided to all trustees and that a range of governance competencies are in place.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04275541 (England and Wales)

Registered Charity number

519835

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office

Communiversity
Altcross House
Altcross Road
Liverpool
Merseyside
L11 0BS

Trustees

Mrs L A Baugh - appointed 29.11.17
Mr G Brennan
Mr J Donnelly
Mrs C Edwards
Mr A Jennings
Mrs L M Lacey
Ms A M Mason
Dr B McDonough
Mr A L Rimmer

Company Secretary

Ms S A Sweeney

Auditors

Andrew D. Kilshaw
Chartered Accountant and
Registered Auditor
99 Stanley Road
Bootle
Merseyside
L20 7DA

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Alt Valley Community Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Alt Valley Community Trust Limited

Report of the Trustees
for the Year Ended 31 August 2018

AUDITORS

The auditors, Andrew D. Kilshaw, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 11 October 2019 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'A. M. Mason'. The signature is written in a cursive style with a horizontal line through the middle of the letters.

Ms A M Mason - Trustee

Opinion

We have audited the financial statements of Alt Valley Community Trust Limited (the 'charitable company') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (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 August 2018 and of its incoming resources and application of resources, including its income and expenditure, 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 charitable company'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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; 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 charitable company for the purposes 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.

Report of the Independent Auditors to the Trustees of
Alt Valley Community Trust Limited

Responsibilities of trustees

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew D. Kilshaw

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Chartered Accountant and

Registered Auditor

99 Stanley Road

Bootle

Merseyside

L20 7DA

11 October 2019

Alt Valley Community Trust Limited

Statement of Financial Activities
for the Year Ended 31 August 2018

	Notes	Unrestricted fund £	Designated funds £	Restricted funds £	31.8.18 Total funds £	31.8.17 Total funds £
INCOME AND ENDOWMENTS FROM						
Charitable activities	3					
Sports and wellbeing		437,443	-	410,285	847,728	455,849
Education		474,113	-	121,752	595,865	394,919
Community engagement		347,897	-	726,736	1,074,633	863,671
Investment income	2	-	-	-	-	1
Other income		6,210	-	-	6,210	8,509
Total		1,265,663	-	1,258,773	2,524,436	1,722,949
EXPENDITURE ON						
Charitable activities	4					
Sports and wellbeing		436,864	1,389	28,079	466,332	459,260
Education		473,403	1,506	139,282	614,191	604,691
Community engagement		347,399	1,105	730,735	1,079,239	587,397
Total		1,257,666	4,000	898,096	2,159,762	1,651,348
NET INCOME/(EXPENDITURE)		7,997	(4,000)	360,677	364,674	71,601
RECONCILIATION OF FUNDS						
Total funds brought forward		758,878	492,000	1,583,589	2,834,467	2,762,866
TOTAL FUNDS CARRIED FORWARD		766,875	488,000	1,944,266	3,199,141	2,834,467

The notes form part of these financial statements

Alt Valley Community Trust Limited

Balance Sheet

At 31 August 2018

	Notes	Unrestricted fund £	Designated funds £	Restricted funds £	31.8.18 Total funds £	31.8.17 Total funds £
FIXED ASSETS						
Tangible assets	9	1,536,665	488,000	1,918,358	3,943,023	3,621,656
Social investments	10	82,000	-	-	82,000	82,000
		<u>1,618,665</u>	<u>488,000</u>	<u>1,918,358</u>	<u>4,025,023</u>	<u>3,703,656</u>
CURRENT ASSETS						
Debtors	11	113,652	-	-	113,652	109,603
Prepayments and accrued income		19,285	-	-	19,285	41,234
Cash at bank and in hand		10,613	-	25,908	36,521	15,721
		<u>143,550</u>	<u>-</u>	<u>25,908</u>	<u>169,458</u>	<u>166,558</u>
CREDITORS						
Amounts falling due within one year	12	(387,319)	-	-	(387,319)	(303,111)
		<u>(387,319)</u>	<u>-</u>	<u>-</u>	<u>(387,319)</u>	<u>(303,111)</u>
NET CURRENT ASSETS/(LIABILITIES)						
		<u>(243,769)</u>	<u>-</u>	<u>25,908</u>	<u>(217,861)</u>	<u>(136,553)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		1,374,896	488,000	1,944,266	3,807,162	3,567,103
CREDITORS						
Amounts falling due after more than one year	13	(608,021)	-	-	(608,021)	(732,636)
		<u>(608,021)</u>	<u>-</u>	<u>-</u>	<u>(608,021)</u>	<u>(732,636)</u>
NET ASSETS						
		<u>766,875</u>	<u>488,000</u>	<u>1,944,266</u>	<u>3,199,141</u>	<u>2,834,467</u>
FUNDS						
Unrestricted funds	15				1,254,875	1,250,878
Restricted funds					1,944,266	1,583,589
TOTAL FUNDS						
					<u>3,199,141</u>	<u>2,834,467</u>

The notes form part of these financial statements

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2018.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 11 October 2019 and were signed on its behalf by:



Ms A M Mason -Trustee

Alt Valley Community Trust Limited

Cash Flow Statement

for the Year Ended 31 August 2018

	Notes	31.8.18 £	31.8.17 £
Cash flows from operating activities:			
Cash generated from operations	1	451,738	233,786
Interest paid		(45,561)	(50,703)
Net cash provided by (used in) operating activities		<u>406,177</u>	<u>183,083</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(385,377)	(206,787)
Interest received		-	1
Net cash provided by (used in) investing activities		<u>(385,377)</u>	<u>(206,786)</u>
Cash flows from financing activities:			
Loan repayments in year		-	(76,107)
Net cash provided by (used in) financing activities		<u>-</u>	<u>(76,107)</u>
Change in cash and cash equivalents in the reporting period		<u>20,800</u>	<u>(99,810)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>15,721</u>	<u>115,531</u>
Cash and cash equivalents at the end of the reporting period		<u><u>36,521</u></u>	<u><u>15,721</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 August 2018

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.8.18	31.8.17
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	364,674	71,601
Adjustments for:		
Depreciation charges	64,010	88,233
Interest received	-	(1)
Interest paid	45,561	50,703
Decrease/(increase) in debtors	17,900	(41,653)
(Decrease)/increase in creditors	(40,407)	64,903
Net cash provided by (used in) operating activities	451,738	233,786

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 1% on cost
Long leasehold	- Straight line over the term of the lease
Improvements to property	- 1% on cost
Plant and machinery	- Straight line over 4 years
Fixtures and fittings	- Straight line over 4 years
Motor vehicles	- Straight line over 4 years
Computer equipment	- Straight line over 3 years

Under FRS 102 section 35.10(c) transitional provisions, the Trustees have elected to use the fair value of certain freehold properties as a 'deemed cost'. The valuation was undertaken by Mason Owen Chartered Surveyors. The buildings will be subject to annual depreciation and no further revaluations will be necessary.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

2. INVESTMENT INCOME

	31.8.18	31.8.17
	£	£
Deposit account interest	-	1

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.8.18	31.8.17
		£	£
Grants	Sports and wellbeing	410,285	-
Sports Centre income	Sports and wellbeing	437,443	448,084
Wellbeing income	Sports and wellbeing	-	7,765
Training income	Education	474,113	238,495
Grants	Education	121,752	156,424
Library management	Community engagement	165,030	165,000
Room hire	Community engagement	30,969	47,197
Room rental	Community engagement	151,898	116,850
Grants	Community engagement	726,736	534,624
		<u>2,518,226</u>	<u>1,714,439</u>

Grants received, included in the above, are as follows:

	31.8.18	31.8.17
	£	£
ESF	17,718	30,054
Erasmus	14,865	-
Liverpool City Council	619,221	105,044
Big Lottery Fund	481,733	282,573
The Santander Foundation	-	5,000
Cobalt Housing	6,344	3,326
Sefton Council for Voluntary Service	17,804	26,364
Eleanor Rathbone Charitable Trust	1,600	2,000
Liverpool Community College	55,031	202,567
The Workers' Educational Association	-	12,000
Postcode Local Trust	-	18,620
Other	26,850	3,500
Awards For All	9,761	-
Grantscape Walton	7,846	-
	<u>1,258,773</u>	<u>691,048</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 5)	Totals
	£	£	£
Sports and wellbeing	272,338	193,994	466,332
Education	416,888	197,303	614,191
Community engagement	944,875	134,364	1,079,239
	<u>1,634,101</u>	<u>525,661</u>	<u>2,159,762</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

5. SUPPORT COSTS

	General	Finance	Governance costs	Totals
	£	£	£	£
Sports and wellbeing	173,256	16,143	4,595	193,994
Education	174,828	17,495	4,980	197,303
Community engagement	117,871	12,838	3,655	134,364
	<u>465,955</u>	<u>46,476</u>	<u>13,230</u>	<u>525,661</u>

Support costs, included in the above, are as follows:

				31.8.18	31.8.17
	Sports and wellbeing	Education	Community engagement	Total activities	Total activities
	£	£	£	£	£
Premises costs	93,847	101,713	74,636	270,196	224,177
Repairs and renewals	7,333	7,897	5,795	21,025	36,472
Travel expenses	1,286	1,393	1,472	4,151	5,502
Postage and stationery	2,985	3,236	2,374	8,595	9,502
Sundries	664	721	529	1,914	1,089
Legal and professional fees	33,366	36,162	26,536	96,064	83,067
Depreciation of tangible fixed assets	33,775	23,706	6,529	64,010	88,233
Bank charges	318	344	253	915	1,030
Interest payable and similar charges	15,825	17,151	12,585	45,561	50,703
Auditors' remuneration	4,595	4,980	3,655	13,230	8,400
	<u>193,994</u>	<u>197,303</u>	<u>134,364</u>	<u>525,661</u>	<u>508,175</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.8.18	31.8.17
	£	£
Auditors' remuneration	13,230	8,400
Depreciation - owned assets	<u>64,010</u>	<u>88,233</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2018 nor for the year ended 31 August 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2018 nor for the year ended 31 August 2017.

8. STAFF COSTS

	31.8.18	31.8.17
	£	£
Wages and salaries	923,285	960,508
Social security costs	64,516	70,915
Other pension costs	5,112	4,284
	<hr/>	<hr/>
	992,913	1,035,707
	<hr/>	<hr/>

The average monthly number of employees during the year was as follows:

	31.8.18	31.8.17
Teaching staff and trainees	10	10
Caretaker / cleaners	5	5
Office and management	15	15
Sports Centre staff	15	16
Holistic therapists	1	1
Library staff	6	6
	<hr/>	<hr/>
	52	53
	<hr/>	<hr/>

No employees received emoluments in excess of £60,000.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

9. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Improvements to property £	Plant and machinery £
COST				
At 1 September 2017	1,954,145	500,000	1,366,805	64,912
Additions	-	-	384,377	1,000
At 31 August 2018	1,954,145	500,000	1,751,182	65,912
DEPRECIATION				
At 1 September 2017	131,431	8,000	66,404	64,011
Charge for year	33,656	4,000	21,494	700
At 31 August 2018	165,087	12,000	87,898	64,711
NET BOOK VALUE				
At 31 August 2018	1,789,058	488,000	1,663,284	1,201
At 31 August 2017	1,822,714	492,000	1,300,401	901
	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 September 2017	522,375	12,054	102,700	4,522,991
Additions	-	-	-	385,377
At 31 August 2018	522,375	12,054	102,700	4,908,368
DEPRECIATION				
At 1 September 2017	520,588	12,054	98,847	901,335
Charge for year	1,659	-	2,501	64,010
At 31 August 2018	522,247	12,054	101,348	965,345
NET BOOK VALUE				
At 31 August 2018	128	-	1,352	3,943,023
At 31 August 2017	1,787	-	3,853	3,621,656

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

10. SOCIAL INVESTMENTS

	Programme related investments Equity £	Totals £
MARKET VALUE		
At 1 September 2017 and 31 August 2018	82,000	82,000
NET BOOK VALUE		
At 31 August 2018	82,000	82,000
At 31 August 2017	82,000	82,000

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.18 £	31.8.17 £
Trade debtors	113,652	109,603

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.18 £	31.8.17 £
Other loans (see note 14)	106,086	81,959
Trade creditors	103,305	140,053
Social security and other taxes	20,129	18,790
Other creditors	110,002	10,353
Accruals and deferred income	47,797	51,956
	387,319	303,111

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.18 £	31.8.17 £
Other loans (see note 14)	608,021	732,636

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

14. LOANS

An analysis of the maturity of loans is given below:

	31.8.18 £	31.8.17 £
Amounts falling due within one year on demand:		
Other loans	<u>106,086</u>	<u>81,959</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>99,578</u>	<u>81,959</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>287,784</u>	<u>188,420</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	<u>220,659</u>	<u>462,257</u>

£700,000 from Futurebuilders England Limited, repayable by instalments over 20 years, commencing April 2007 with an interest rate of 6%. This loan is secured by way of a legal charge on the property at St Swithin's Church, Gillmoss Lane, Liverpool.

£375,000 from Futurebuilders England Limited, repayable by instalments over 10 years, commencing August 2013 with an interest rate of 6%. This loan is secured by way of a second legal charge over the Communiversity property, Alt Valley, Liverpool.

£176,000 from The Adventure Capital Fund, repayable by instalments over 10 years, commencing December 2009 with an interest rate of 6%. This loan is secured by way of a legal charge on the Sports Centre.

15. MOVEMENT IN FUNDS

	At 1.9.17 £	Net movement in funds £	At 31.8.18 £
Unrestricted funds			
General fund	758,878	7,997	766,875
Dovecot MAC	<u>492,000</u>	<u>(4,000)</u>	<u>488,000</u>
	1,250,878	3,997	1,254,875
Restricted funds			
ERDF	787,698	(17,530)	770,168
SEIF Sports	520,301	(21,494)	498,807
Awards for All 15-16	2,942	(1,999)	943
Sports England - Dovecot MAC	35,522	(362)	35,160
Big Lottery - Dovecot MAC	235,126	404,062	639,188
Eleanor Rathbone Charitable Trust	<u>2,000</u>	<u>(2,000)</u>	<u>-</u>
	1,583,589	360,677	1,944,266
TOTAL FUNDS	<u>2,834,467</u>	<u>364,674</u>	<u>3,199,141</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

15. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,265,663	(1,257,666)	7,997
Dovecot MAC	-	(4,000)	(4,000)
	<hr/>	<hr/>	<hr/>
	1,265,663	(1,261,666)	3,997
Restricted funds			
Awards for All 15-16	9,761	(11,760)	(1,999)
Big Lottery - Dovecot MAC	410,285	(6,223)	404,062
Eleanor Rathbone Charitable Trust	1,600	(3,600)	(2,000)
Liverpool City Council	619,221	(619,221)	-
Cobalt Housing	6,344	(6,344)	-
Sefton Council for Voluntary Service	17,804	(17,804)	-
Liverpool Community College - Enterprise Hub	55,031	(55,031)	-
Big Lottery - Reaching Communities	71,448	(71,448)	-
Working Futures - NEET	17,718	(17,718)	-
Other Restricted Funds	26,850	(26,850)	-
Grantscape Walton	7,846	(7,846)	-
Erasmus	14,865	(14,865)	-
ERDF	-	(17,530)	(17,530)
SEIF Sports	-	(21,494)	(21,494)
Sports England - Dovecot MAC	-	(362)	(362)
	<hr/>	<hr/>	<hr/>
	1,258,773	(898,096)	360,677
TOTAL FUNDS	<hr/>	<hr/>	<hr/>
	2,524,436	(2,159,762)	364,674

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.16 £	Net movement in funds £	At 31.8.17 £
Unrestricted Funds			
General fund	508,009	250,869	758,878
Dovecot MAC	496,000	(4,000)	492,000
	<hr/> 1,004,009	<hr/> 246,869	<hr/> 1,250,878
Restricted Funds			
ERDF	805,228	(17,530)	787,698
Futurebuilders Sports	17,358	(17,358)	-
SEIF Sports	565,358	(45,057)	520,301
AMA CSP	29,687	(29,687)	-
Awards for All 15-16	2,111	831	2,942
Landaidd	71,888	(71,888)	-
Drama	(671)	671	-
Oral history	6,525	(6,525)	-
Power to Change	175,902	(175,902)	-
Sports England - Dovecot MAC	50,623	(15,101)	35,522
Big Lottery - Dovecot MAC	34,848	200,278	235,126
Eleanor Rathbone Charitable Trust	-	2,000	2,000
	<hr/> 1,758,857	<hr/> (175,268)	<hr/> 1,583,589
TOTAL FUNDS	<hr/> <hr/> 2,762,866	<hr/> <hr/> 71,601	<hr/> <hr/> 2,834,467

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,032,401	(781,532)	250,869
Dovecot MAC	-	(4,000)	(4,000)
	<hr/> 1,032,401	<hr/> (785,532)	<hr/> 246,869
Restricted funds			
ERDF	-	(17,530)	(17,530)
Awards for All 15-16	9,995	(9,164)	831
Landaidd	-	(71,888)	(71,888)
Drama	-	671	671
Oral history	-	(6,525)	(6,525)
Power to Change	-	(175,902)	(175,902)
Sports England - Dovecot MAC	-	(15,101)	(15,101)
Big Lottery - Dovecot MAC	202,657	(2,379)	200,278
Eleanor Rathbone Charitable Trust	2,000	-	2,000
Liverpool City Council	105,044	(105,044)	-
Discovery grant	5,000	(5,000)	-
Cobalt Housing	3,326	(3,326)	-
The Cass Foundation	1,500	(1,500)	-
Sefton Council for Voluntary Service	26,364	(26,364)	-
Liverpool Community College - Enterprise Hub	202,567	(202,567)	-
Big Lottery - Reaching Communities	59,946	(59,946)	-
Big Lottery - Celebrate	9,975	(9,975)	-
Working Futures - NEET	30,054	(30,054)	-
The Workers' Educational Association	12,000	(12,000)	-
David Lewis - Young Achievers	1,500	(1,500)	-
Environmental Education at a Community Wetlands	18,620	(18,620)	-
Futurebuilders Sports	-	(17,358)	(17,358)
SEIF Sports	-	(45,057)	(45,057)
AMA CSP	-	(29,687)	(29,687)
	<hr/> 690,548	<hr/> (865,816)	<hr/> (175,268)
TOTAL FUNDS	<hr/> <hr/> 1,722,949	<hr/> <hr/> (1,651,348)	<hr/> <hr/> 71,601

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

15. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.16 £	Net movement in funds £	At 31.8.18 £
Unrestricted funds			
General fund	508,009	258,866	766,875
Dovecot MAC	496,000	(8,000)	488,000
Restricted funds			
ERDF	805,228	(35,060)	770,168
Futurebuilders Sports	17,358	(17,358)	-
SEIF Sports	565,358	(66,551)	498,807
AMA CSP	29,687	(29,687)	-
Awards for All 15-16	2,111	(1,168)	943
Landaidd	71,888	(71,888)	-
Drama	(671)	671	-
Oral history	6,525	(6,525)	-
Power to Change	175,902	(175,902)	-
Sports England - Dovecot MAC	50,623	(15,463)	35,160
Big Lottery - Dovecot MAC	34,848	604,340	639,188
	<hr/>	<hr/>	<hr/>
	1,758,857	185,409	1,944,266
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u><u>2,762,866</u></u>	<u><u>436,275</u></u>	<u><u>3,199,141</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018**15. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,298,064	(2,039,198)	258,866
Dovecot MAC	-	(8,000)	(8,000)
	<hr/>	<hr/>	<hr/>
	2,298,064	(2,047,198)	250,866
Restricted funds			
Awards for All 15-16	19,756	(20,924)	(1,168)
Big Lottery - Dovecot MAC	612,942	(8,602)	604,340
Eleanor Rathbone Charitable Trust	3,600	(3,600)	-
Liverpool City Council	724,265	(724,265)	-
Discovery grant	5,000	(5,000)	-
Cobalt Housing	9,670	(9,670)	-
The Cass Foundation	1,500	(1,500)	-
Sefton Council for Voluntary Service	44,168	(44,168)	-
Liverpool Community College - Enterprise Hub	257,598	(257,598)	-
Big Lottery - Reaching Communities	131,394	(131,394)	-
Big Lottery - Celebrate	9,975	(9,975)	-
Working Futures - NEET	47,772	(47,772)	-
The Workers' Educational Association	12,000	(12,000)	-
David Lewis - Young Achievers	1,500	(1,500)	-
Environmental Education at a Community Wetlands	18,620	(18,620)	-
Other Restricted Funds	26,850	(26,850)	-
Grantscape Walton	7,846	(7,846)	-
Erasmus	14,865	(14,865)	-
ERDF	-	(35,060)	(35,060)
Futurebuilders Sports	-	(17,358)	(17,358)
SEIF Sports	-	(66,551)	(66,551)
AMA CSP	-	(29,687)	(29,687)
Landaidd	-	(71,888)	(71,888)
Drama	-	671	671
Oral history	-	(6,525)	(6,525)
Power to Change	-	(175,902)	(175,902)
Sports England - Dovecot MAC	-	(15,463)	(15,463)
	<hr/>	<hr/>	<hr/>
	1,949,321	(1,763,912)	185,409
TOTAL FUNDS	<hr/>	<hr/>	<hr/>
	4,247,385	(3,811,110)	436,275

16. RELATED PARTY DISCLOSURES

During the year, the charity entered into transactions, on an arms length basis, with The Neighbourhood Services Company Limited, a related party by virtue of there being common directors.

At 31st August 2018, the charity owed The Neighbourhood Services Company Limited the sum of £105,241 by way of Other Creditors.

Alt Valley Community Trust Limited

Detailed Statement of Financial Activities
for the Year Ended 31 August 2018

	31.8.18 £	31.8.17 £
INCOME AND ENDOWMENTS		
Investment income		
Deposit account interest	-	1
Charitable activities		
Training income	474,113	238,495
Library management	165,030	165,000
Room hire	30,969	47,197
Room rental	151,898	116,850
Grants	1,258,773	691,048
Sports Centre income	437,443	448,084
Wellbeing income	-	7,765
	<hr/> 2,518,226	<hr/> 1,714,439
Other income		
Other income	6,210	8,509
	<hr/> 2,524,436	<hr/> 1,722,949
EXPENDITURE		
Charitable activities		
Wages	923,285	960,508
Social security	64,516	70,915
Pensions	5,112	4,284
Cost of running projects	641,188	107,466
	<hr/> 1,634,101	<hr/> 1,143,173
Support costs		
General		
Premises costs	270,196	224,177
Repairs and renewals	21,025	36,472
Travel expenses	4,151	5,502
Postage and stationery	8,595	9,502
Sundries	1,914	1,089
Legal and professional fees	96,064	83,067
Freehold property	19,541	19,542
Long leasehold	4,000	4,000
Improvements to property	35,609	31,742
Plant and machinery	700	450
Fixtures and fittings	1,659	25,954
Computer equipment	2,501	6,545
	<hr/> 465,955	<hr/> 448,042
Finance		
Bank charges	915	1,030
Loan interest	45,561	50,703
	<hr/> 46,476	<hr/> 51,733

This page does not form part of the statutory financial statements

Alt Valley Community Trust Limited

Detailed Statement of Financial Activities
for the Year Ended 31 August 2018

	31.8.18	31.8.17
	£	£
Governance costs		
Auditors' remuneration	13,230	8,400
Total resources expended	2,159,762	1,651,348
Net income	364,674	71,601