

The Blackhall Community Association
Unaudited Financial Statements
31 December 2018

CENSIS

Chartered accountant
Exchange Building
66 Church Street
Hartlepool
TS24 7DN

The Blackhall Community Association

Financial Statements

Year ended 31 December 2018

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The Blackhall Community Association

Trustees' Annual Report

Year ended 31 December 2018

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2018.

Reference and administrative details

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

The trustees

K Johnson
C L Scott
R Waite
J Appleby
G Duddin
M Kelly

Accountants	Censis Chartered accountant Exchange Building 66 Church Street Hartlepool TS24 7DN
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Structure, governance and management

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

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

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

The Blackhall Community Association

Trustees' Annual Report *(continued)*

Year ended 31 December 2018

Objectives and activities

The Charity's overall objective is to promote the benefit of the inhabitants of the area of benefit without distinction of by associating the local authorities, voluntary organisations and the inhabitants in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure-time occupation with the object of improving the conditions of life for the said inhabitants.

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

The Blackhall Community Association

Trustees' Annual Report *(continued)*

Year ended 31 December 2018

Achievements and performance

Following some tough decisions at the end of 2017 and subsequent redundancies we have a very forward thinking team to start 2018 - We will now build on our "Every contact counts" motto and move onwards and upwards. Despite being 2 members of staff down the "remainers" seem to be busier than ever all stepping up and up skilling to give a much more holistic approach.

As funding streams continue to dry up the fundraising gets harder and harder we are creating opportunities to cater for the pocket of the public in our never ending struggle to become self sustainable. In a bid to develop this we have diversified and developed new relationships with new partners that we can tap into more obscure funding streams.

Our work with partners continues with people such as the NHS, County Durham and Darlington Foundation Trust, East Durham Trust and work closely with Area Action Partnership and Parish Councils, Durham Community Action, East Durham Creates, but we have developed further partners like British cyxcling and Cycle UK as well as local dance schools. Following a mail shot campaign we have 9 different dance schools hiring the facility on weekends and its quite competitive. We also have a new tenant from the dance fraternity

We have secured a huge audience with social media like Facebook and Twitter ensuring we are future proofed.

Austerity and cuts are still very current on the government agenda. We now have staff qualified in Welfare Rights, Debt First Aid along side Mental Health training.. Working together with DCC local welfare rights officers we have been able to instigate many interventions in the last 12 months and we are working with strategic partners with in Public Health, Adult services and NHS - with an aim to be a lead for the CREE Movement and progressing the mental health strategy the government are working on.

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

With our links with the cycling world we are also having input into the Strategic Cycling and Walking Delivery Plan in County Durham - this project opens the door to other opportunities

Our Drama group has best ever attendance this year with the Annual Panto and we have engaged with over 2000 people every month with various events , functions and courses.

We have had some major building work to deal with in 2018 not least of which was £30k for a new roof - Thanks to CISWO and fundraising efforts for that.

A huge boost was gained as we secured a 3 year deal for revenue funding to the sum of £93,000 - that will go towards Centre manager salary.

The Blackhall Community Association

Trustees' Annual Report *(continued)*

Year ended 31 December 2018

Financial review

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

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

The association received funding from a number of organisations during 2018, details of the individual funders can be found in note 4 to the accounts.

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

The unrestricted reserves of the charity at 31 December 2018 amounted to a £3,096 (2017 - £6,068) of which free reserves (that is those not tied up in fixed assets) amount to a deficit of £25,562 (2017 - a deficit of £14,979).

Plans for future periods

We are looking to convert the "dead space" in the main hall in a sports central and attract new business and we are speaking with SPORT England and their community Asset team to try and make this a reality.

We need some extra storage and containers to cope with demand

In an ideal world we would to be able to rent out another room and find a new tenant - talks in process with the cake lady and a training organisation

The trustees' annual report was approved on 7 October 2019 and signed on behalf of the board of trustees by:

K Johnson
Trustee

The Blackhall Community Association

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

Year ended 31 December 2018

I report to the trustees on my examination of the financial statements of The Blackhall Community Association ('the charity') for the year ended 31 December 2018.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



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The Blackhall Community Association

Statement of Financial Activities

31 December 2018

		Unrestricted funds £	2018 Restricted funds £	Total funds £	2017 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	23,878	32,286	56,164	48,853
Charitable activities	5	42,841	–	42,841	54,824
Other trading activities	6	25,302	–	25,302	31,838
Total income		<u>92,021</u>	<u>32,286</u>	<u>124,307</u>	<u>135,515</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	7	8,882	–	8,882	29,559
Expenditure on charitable activities	8	88,013	26,696	114,709	109,914
Total expenditure		<u>96,895</u>	<u>26,696</u>	<u>123,591</u>	<u>139,473</u>
Net income/(expenditure)		<u>(4,874)</u>	<u>5,590</u>	<u>716</u>	<u>(3,958)</u>
Transfers between funds		1,902	(1,902)	–	–
Net movement in funds		<u>(2,972)</u>	<u>3,688</u>	<u>716</u>	<u>(3,958)</u>
Reconciliation of funds					
Total funds brought forward		6,068	201,161	207,229	211,187
Total funds carried forward		<u>3,096</u>	<u>204,849</u>	<u>207,945</u>	<u>207,229</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

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

The Blackhall Community Association

Statement of Financial Position

31 December 2018

		2018 £	2017 £
Fixed assets			
Tangible fixed assets	13	216,316	213,626
Current assets			
Debtors	14	2,614	2,132
Cash at bank and in hand		4,074	11,468
		<u>6,688</u>	<u>13,600</u>
Creditors: amounts falling due within one year	15	<u>15,059</u>	<u>19,997</u>
Net current liabilities		<u>8,371</u>	<u>6,397</u>
Total assets less current liabilities		<u>207,945</u>	<u>207,229</u>
Net assets		<u>207,945</u>	<u>207,229</u>
Funds of the charity			
Restricted funds		204,849	201,161
Unrestricted funds		<u>3,096</u>	<u>6,068</u>
Total charity funds	16	<u>207,945</u>	<u>207,229</u>

These financial statements were approved by the board of trustees and authorised for issue on 7 October 2019, and are signed on behalf of the board by:

K Johnson
Trustee

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

The Blackhall Community Association

Statement of Cash Flows

Year ended 31 December 2018

	2018 £	2017 £
Cash flows from operating activities		
Net income/(expenditure)	716	(3,958)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	6,810	6,538
Accrued expenses	—	480
<i>Changes in:</i>		
Trade and other debtors	(482)	(656)
Trade and other creditors	(4,938)	7,529
Cash generated from operations	<u>2,106</u>	<u>9,933</u>
Net cash from operating activities	<u>2,106</u>	<u>9,933</u>
Cash flows from investing activities		
Purchase of tangible assets	(9,500)	(1,098)
Net cash used in investing activities	<u>(9,500)</u>	<u>(1,098)</u>
Net (decrease)/increase in cash and cash equivalents	(7,394)	8,835
Cash and cash equivalents at beginning of year	<u>11,468</u>	<u>2,633</u>
Cash and cash equivalents at end of year	<u>4,074</u>	<u>11,468</u>

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

The Blackhall Community Association

Notes to the Financial Statements

Year ended 31 December 2018

1. General information

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

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

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

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Blackhall Community Association

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The Blackhall Community Association

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

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

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Donations			
Donations	9,620	—	9,620
Bar Donation	5,963	—	5,963
Country & Western	1,386	—	1,386
East Durham Creates	—	1,900	1,900
Grants			
Coal Industry Social Welfare Organisation	—	9,000	9,000
Barclays Bank Plc	1,000	—	1,000
Durham County Council	4,652	—	4,652
County Durham Community Foundation	750	—	750
East Durham Trust	—	2,752	2,752
Public Health	—	294	294
Henry Smith Foundation	—	15,350	15,350
CDHG	—	2,490	2,490
Marks & Spencer Community Fund	—	500	500
Subscriptions			
Subscriptions fees	507	—	507
	<u>23,878</u>	<u>32,286</u>	<u>56,164</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Donations			
Donations	3,013	—	3,013
Bar Donation	12,134	—	12,134
East Durham Creates	—	1,200	1,200
CoOp Dividend	969	—	969

The Blackhall Community Association

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Grants			
Coal Industry Social Welfare Organisation	17,250	—	17,250
Sir James Knott Trust	5,000	—	5,000
County Durham Community Foundation	—	2,015	2,015
Barclays Plc	1,000	—	1,000
Public Health	—	5,591	5,591
Subscriptions			
Subscriptions fees	681	—	681
	<u>40,047</u>	<u>8,806</u>	<u>48,853</u>

5. Charitable activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Events	2,244	2,244	3,067	3,067
Fitness Suite	5,095	5,095	6,857	6,857
Room hire	32,233	32,233	39,511	39,511
Management fees	3,269	3,269	1,661	1,661
Other	—	—	3,728	3,728
	<u>42,841</u>	<u>42,841</u>	<u>54,824</u>	<u>54,824</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Subscriptions	3,512	3,512	—	—
Fundraising events	2,561	2,561	5,625	5,625
Commercial Kitchen	14,499	14,499	25,824	25,824
Admin services	4,730	4,730	389	389
	<u>25,302</u>	<u>25,302</u>	<u>31,838</u>	<u>31,838</u>

The Blackhall Community Association

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

7. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Catering	5,958	5,958	11,440	11,440
Wages & salaries	2,458	2,458	17,662	17,662
Employers NIC	53	53	—	—
Fitness suite expenses	300	300	128	128
Wages	113	113	329	329
	<u>8,882</u>	<u>8,882</u>	<u>29,559</u>	<u>29,559</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
General fund	88,013	—	88,013
Cree Project	—	5,043	5,043
Peoples Health Lottery	—	3,765	3,765
Building Refurbishment	—	4,920	4,920
Christmas Trees	—	200	200
Let's Create - We'll Meet Again	—	1,886	1,886
Run East Durham	—	752	752
Marks & Spencer Community Fund	—	500	500
Volunteer Training	—	2,015	2,015
Cultural Hubs	—	2,650	2,650
Henry Smith Foundation	—	4,945	4,945
Walk East Durham	—	20	20
	<u>88,013</u>	<u>26,696</u>	<u>114,709</u>

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

The Blackhall Community Association

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

9. Net income/(expenditure)

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

	2018	2017
	£	£
Depreciation of tangible fixed assets	<u>6,810</u>	<u>6,538</u>

10. Independent examination fees

	2018	2017
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>480</u>	<u>480</u>

11. Staff costs

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

	2018	2017
	£	£
Wages and salaries	57,120	74,276
Social security costs	<u>2,837</u>	<u>3,188</u>
	<u>59,957</u>	<u>77,464</u>

The average head count of employees during the year was 6 (2017: 7). The average number of full-time equivalent employees during the year is analysed as follows:

	2018	2017
	No.	No.
Management & administration	1	1
Charitable activities	<u>5</u>	<u>6</u>
	<u>6</u>	<u>7</u>

No employee received employee benefits of more than £60,000 during the year (2017: Nil).

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees; or

The Blackhall Community Association

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

13. Tangible fixed assets

	Freehold property £	Equipment £	Total £
Cost			
At 1 January 2018	272,695	54,064	326,759
Additions	9,500	—	9,500
At 31 December 2018	<u>282,195</u>	<u>54,064</u>	<u>336,259</u>
Depreciation			
At 1 January 2018	62,599	50,534	113,133
Charge for the year	5,644	1,166	6,810
At 31 December 2018	<u>68,243</u>	<u>51,700</u>	<u>119,943</u>
Carrying amount			
At 31 December 2018	<u>213,952</u>	<u>2,364</u>	<u>216,316</u>
At 31 December 2017	<u>210,096</u>	<u>3,530</u>	<u>213,626</u>

14. Debtors

	2018 £	2017 £
Trade debtors	1,638	1,952
Prepayments and accrued income	976	180
	<u>2,614</u>	<u>2,132</u>

15. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	8,524	8,165
Accruals and deferred income	480	480
Social security and other taxes	2,380	2,875
Other creditors	3,675	8,477
	<u>15,059</u>	<u>19,997</u>

16. Analysis of charitable funds

Unrestricted funds

	At 1 January 20 18 £	Income £	Expenditure £	Transfers £	At 31 December 2018 £
General fund	4,806	90,635	(96,895)	1,902	448
Country & Western	1,262	1,386	—	—	2,648
	<u>6,068</u>	<u>92,021</u>	<u>(96,895)</u>	<u>1,902</u>	<u>3,096</u>

The Blackhall Community Association

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

16. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 20 18	Income	Expenditure	Transfers	At 31 December 2018
	£	£	£	£	£
Building Refurbishment	192,579	—	(4,920)	—	187,659
Cree Project	(6)	9,000	(5,043)	—	3,951
Capital Small Grant	1,902	—	—	(1,902)	—
People Health Lottery	3,471	294	(3,765)	—	—
Volunteer Training	2,015	—	(2,015)	—	—
EDC/EDT Cultural Hubs	1,200	1,900	(2,650)	—	450
Henry Smith Foundation	—	15,350	(4,945)	—	10,405
Christmas Trees	—	—	(200)	—	(200)
Let's Create - We'll Meet Again	—	2,000	(1,886)	—	114
Run East Durham	—	752	(752)	—	—
Healthy Communities	—	2,490	—	—	2,490
Marks & Spencer Community Fund	—	500	(500)	—	—
Walk East Durham	—	—	(20)	—	(20)
	<u>201,161</u>	<u>32,286</u>	<u>(26,696)</u>	<u>(1,902)</u>	<u>204,849</u>

17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Tangible fixed assets	28,658	187,659	216,317	213,626
Current assets	(10,503)	17,190	6,687	13,600
Creditors less than 1 year	(15,059)	—	(15,059)	(19,997)
Net assets	<u>3,096</u>	<u>204,849</u>	<u>207,945</u>	<u>207,229</u>