

Charity Registration No. 1092910

Company Registration No. 04337821 (England and Wales)

NUMBER ONE COMMUNITY TRUST (TW) LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

NUMBER ONE COMMUNITY TRUST (TW) LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs M Redman Mr C Wilson Mr C Woodward Mr S Anderson Dr E French Mr C Hall Mrs M Taylor Mr KR Davies Dr PT Sanlon Ms J Jevsejenko	(Appointed 18 June 2018) (Appointed 1 February 2019) (Appointed 17 December 2018) (Appointed 22 July 2019)
Chair	Dr PT Sanlon	
Charity number	1092910	
Company number	04337821	
Principal address	1 Rowan Tree Road Tunbridge Wells Kent TN2 5PX	
Registered office	1 Rowan Tree Road Tunbridge Wells Kent TN2 5PX	
Independent examiner	Foot Davson Ltd Chartered Accountants 17 Church Road Tunbridge Wells Kent TN1 1LG	
Bankers	Unity Trust Bank plc Nine Bradley Place Birmingham B1 2HB	

NUMBER ONE COMMUNITY TRUST (TW) LTD

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NUMBER ONE COMMUNITY TRUST (TW) LTD

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 31 MARCH 2019

It has been my pleasure to join as trustee in late 2018 and to serve as Chair of trustees since Easter 2019. I must pay tribute to the diligent and careful work that was put into this charity by my predecessor, Harold Cleminson. I found his leadership of the team inspirational and realise that all the good things going on currently are very much the fruit of his leadership.

My role as Chair is to encourage and support our team to work together in delivering on the Objects of the Trust. In particular, I have to keep alert to the governance of the charity and its long-term viability. The Objects of NOCT are stated in our Articles of Association:

1. to promote the physical, mental and spiritual health and wellbeing of local residents;
2. to improve the social and economic wellbeing of local residents;
3. to support the advancement of education and training;
4. to assist those who are seeking employment; and
5. to encourage environmental improvements in the neighbourhood.

As I survey the work of the past year - the people and activities involved - it is clear to me that we are doing a good job of delivering on all these Objects.

The community events such as Fun Days, cake sales/coffee mornings, quizzes - these create a context for people to build relationships and to work together. I am most thankful to the efforts of the social committee and those volunteers they draw together for making those important events happen.

Much of the work of the trustees is often done in the background - spreadsheets, banking, reports and decisions about priorities. The reason they do this work is so that our partner organisations have really good facilities to deliver community facing projects. We do view you all as our partners in this work, and so I know the trustees would want me to thank you for the efforts you put into this community. We admire and value your community spirit and what you bring to this area. That includes all the partner organisations from nursery school to boxing club, dementia care to library services - and everything in between. On behalf of all the trustees - thank you - and please let us know what we do to help your work develop.

I have already paid tribute to Harold who stepped down as chairman at Easter 2019. As usual there has been movement of trustees joining and standing down from serving on the board. I am very thankful to all who have served. They would not want me to name them all individually, but I must say a special thanks to those who have served for a season and stepped back to do other things. These include Ann Fitzpatrick, who did a wonderful job looking after our finances and played valued role and is missed. We have on the other hand been joined by new trustees during the year - it has been a delight to have the team benefit from Keith Davies who is a most capable Company Secretary, and also Lauren Wortho who has greatly improved our HR procedures although very recently she has been forced to give notice due to new personal commitments. Each trustee has different roles on the team, and I am thankful to Stuart Anderson who has done a terrific job overseeing the café. His wisdom across a wider range of issues is a great help to me. Without naming all the trustees - I do want to state publicly my thanks to each one for their diligence and hard work. Thank you.

We have a number of staff in NOCT - I am most thankful to them for the way they not only work hard but help keep the centre feeling friendly and welcoming. None of their work or that of the partner organisations would be possible without Melissa's diligent and talented leadership in the office. We are very lucky to have her - thank you Melissa for your work, enthusiasm and the sense of good humour you bring to the effort.

One of the first things we did when I joined the Trust and subsequently appointed as Chair, was to review and improve Safeguarding. It is vital that people feel and are safe in our community. The majority of our trustees are now DBS Checked, and we are moving on to provide DBS checks and training for the remainder and for all staff. After that we will need to begin exploring safeguarding provisions for volunteers. Doing this is part of our charitable responsibility - we need to do it not just because it is our responsibility as a charity, but also because it is right we make efforts to do all we can to look after all people in our community.

NUMBER ONE COMMUNITY TRUST (TW) LTD

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 31 MARCH 2019

Our work here does depend on not just people - but also buildings. To that end I am impressed at a number of recent efforts to improve our facilities, much of this ongoing. The hall now has a first-rate sound system and we have secured a grant from central government to redevelop the much used playground. We are also in the process of seeking to improve the pre-school facilities. A big thank you to the diligent good natured practical work done by Bob to our buildings. It is always a pleasure to see him fixing a door or tidying up some paintwork!

As a final note I think it worth reflecting on more recent events that have taken place since the end of this reporting period – i.e. since 1 April 2019, when I took over as Chair.

One of our new partners this year has been Charlton Athletic Community Trust, who have partnered with us to run a football club for young people. Thank you to Eileen for playing a key role in that. Lisa Jevsejenko joined as a trustee and is now leading our financial work. Stuart Anderson has broadened his responsibilities to act as Deputy Chair and also oversaw the wonderful new wall murals - which the pre-school children helped finish off wonderfully. With the help of some volunteers I decorated one of the hall rooms. We are in the process of installing CCTV cameras for security.

Last month the council released a draft development plan, which suggested they would be open to a redevelopment of the land on which we own the Number One properties. That draft plan is merely aspirational, but it is important the trustees do all they can to ensure our charity can continue to operate in an effective way. To that end we have submitted representations responding to the plan - these were drafted with the assistance of Susanna Sanlon, who is a planner at Evolution Planning. I and other trustees have discussed the ideas with the main local developer interested in improving the estate, and with Greg Clark MP. All the trustees are clear that our duty is to ensure that our assets are maintained with all their current freedoms of use, and that any potential future changes would not disrupt that and would only improve that.



.....
Dr PT Sanlon

Chairman

Dated: 28.11.19

NUMBER ONE COMMUNITY TRUST (TW) LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2019

The trustees present their report and financial statements for the year ended 31 March 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust'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)

Objectives and activities

In short, these remain the same as when the Number One Community Trust (TW) Ltd was founded in 2001, i.e.:

- To improve the physical, mental and spiritual health of local residents
- To improve the social and economic wellbeing of local residents
- To support the advancement of education and training
- To assist those who are seeking employment
- To encourage environmental improvements in the neighborhood

We aim to achieve these objectives by:

- Involving the whole community in the planning, delivery and participation in our activities
- Providing high quality services and activities within the Number One Community Centre
- Delivering outreach work within the community
- Recruiting, retaining and supporting staff and volunteers to provide services and activities
- Developing partnerships with statutory and non-statutory organisations that share our ambitions
- Providing facilities for religious observance for Christians and those of other faiths
- Supporting the continued provision of Library services within the Centre
- Managing the resources at our disposal efficiently and effectively.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

Achievements and performance

The Trust continues to provide services to the people of Showfields and Ramslye, working in collaboration with our various stakeholders who share our ambition to support, include and empower local people. We are grateful to Tunbridge Wells Borough Council, Kent County Council and Town and Country Housing (Group Foundation), for their continuing support for our work. We wish to thank all those in the community and our members for making a valuable contribution to our activities and to our regular income along with other generous donors.

NUMBER ONE COMMUNITY TRUST (TW) LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

The various facilities at our disposal – Showfields hall, café, offices and library continue to offer flexible spaces for activities involving all sectors of the community including the following:

- The Young at Heart group for senior citizens
- Health and exercise programmes in the Hall including the Parkinsons Group, Wealden Tai Chi class and Boxing Club
- Boy Scouts (Beavers)
- YMCA 'after school group forever' for ages 8-12
- TW Youth for Christ (activities ended Sept 2018 due to funding difficulties)
- The Little Learning Tree pre-school
- Mothers and toddlers' groups
- YMCA Girls Group
- Dance classes
- Mentoring for those seeking work
- Youth theatre
- A programme of special events organised by the residents' Social Committee including Easter and Summer Fun Days, Christmas Pantomime and Quiz nights and fund-raising events in aid of MacMillan Cancer Support

More recently, the Trust introduced Football coaching in the summer delivered by Charlton Athletic Community Trust and with funding support from Tunbridge Wells Round Table. Some activities proved more popular than others – for example, the football coaching was better attended than the youth theatre sessions and we are seeking to continue this programme, subject to identifying further funding support.

A focus of the year was to improve our procedures and facilities, and to raise these to a more professional standard. The flooring in the kitchen was replaced and additional acoustic panels were fitted in the Hall and the roof repaired (a Tunbridge Wells Borough Council responsibility). CCTV was installed and a Children's Garden was established outside the pre-school with financial support from Tesco Groundwork.

In the café, stricter cost control was implemented, and new healthier menus trialled. Additionally, the Trust joined the FareShare Kent food distribution scheme, saving money on food purchases and with our site used as the district distribution hub. Staffing of the café was strengthened through recruitment and usage increased by about 75% (April 2018 to March 2019, versus the same period for the previous year). A Food Standards Agency inspection of the Café awarded 4 stars.

The recruitment of a new Trustee to lead on Human Resources (HR) helped us to standardise our procedures. A Staff Handbook was produced for the first time, bringing together in one place all HR related policies. A Data Protection and Safeguarding Policy was introduced, and relevant staff and volunteers trained; DBS checks were introduced for all Trustees and staff and this will be extended to volunteers.

Similarly, a Trustee with legal and property experience has led a review of all leases and legal contracts with several improvements introduced.

Accounting procedures were reviewed and regularised earlier in the year and a Risk Assessment procedure was drafted and implemented for all major events.

NUMBER ONE COMMUNITY TRUST (TW) LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Financial review

a. Going concern

As monitored on a monthly basis, and as reported last year, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policy Reserves policy.

b. Reserves Policy

At 31 March 2019, our unrestricted reserves stood at £98,950 (2018: £103,315) which provides cover for approximately six months of normal expenditure. Our restricted reserves stood at £290,475 (2018: £295,539). The trustees are actively seeking additional sources of income through grants and other means to ensure our reserves cover up to six months normal expenditure and have been successful in diversifying the sources of sponsorship funding during the year.

c. Deficit

The financial result for the year 2018/19 was an overall deficit of £9,429 (2017/18: surplus of £1,936), including a net decrease in restricted funds of £5,064 (2017/18: net decrease of £15,427), and a net decrease in unrestricted funds of £4,365 (2017/18: net increase of £17,363).

d. Principal funding

(i) Voluntary income: Tunbridge Wells Borough Council continued their invaluable financial assistance with additional sums, mainly related to specific projects and purposes from the National Lottery, Charities Aid Foundation, Sps Foundation, Henry Smith Foundation, Groundwork Tesco, St Augustine's Church and Kent Community Foundation. We continue to receive funds from our regular supporters in the current year and from fund-raising events organised by the Social Committee.

(ii) As in previous years, Pre school: income from Little Learning Tree derived in part from a grant of £6,000 from Town and Country Housing Group (T&CHG) to offset discounted rent and facilities costs provided by the Trust.

(iii) Subscriptions, sales & hiring fees: The main source of income under this heading is the charge made to KCC Libraries for the provision of the library premises. Income from Café and Hall services increased substantially during the year but continue to fluctuate. The focus in the next operating year is to continue to improve the Café service whilst controlling costs and to continue to increase utilisation of the Hall, Café and library spaces.

(iv) Resources used in charitable activities: The three main activities have been segregated in terms of their costs in a similar manner to last year. Support costs have been allocated to the café. The balance of these costs is taken in "Other activities for the community". All direct costs have been attributed to the appropriate activity.

Structure, governance and management

The Number One Community Trust (TW) Ltd is a charitable company limited by guarantee established under a Memorandum of Association and governed by its Articles of Association.

The Trustees of the charity consist of at least three and not more than 20 individuals, the majority of whom must also be members. The Trustees are each appointed for a three-year term, which can be extended. The Trustees must hold at least six meetings a year, in practice, ten or eleven Board meetings and several sub-group meetings are held.

Directors appointed in the reporting year were Ms Melanie Taylor, Ms Lauren Wortho, Rev Peter Sanlon, Mr Keith Davies and more recently, Ms Jelizaveta Jevsejenko in June 2019. Two Trustees/Directors resigned, Mr Harold Cleminson (Chair) and Ms Anne Fitzpatrick, (treasurer). The Rev Peter Sanlon was confirmed as the new Chair and Ms Jevsejenko subsequently recruited as a new Treasurer, with mentoring support from Chris Woodward and book-keeping support from Centre Manager Melissa James. The current Trustees are shown on the Reference and Administrative Details page at the front of this financial statement.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr H Cleminson	(Resigned 15 April 2019)
Ms A Fitzpatrick	(Resigned 15 April 2019)
Mrs M Redman	
Mr C Wilson	
Mr C Woodward	
Mr S Anderson	
Dr E French	
Mr C Hall	
Mrs M Taylor	(Appointed 18 June 2018)
Mr KR Davies	(Appointed 1 February 2019)
Dr PT Sanlon	(Appointed 17 December 2018)
Miss L Wartho	(Appointed 17 December 2018 and resigned 16 September 2019)
Ms J Jevsejenko	(Appointed 22 July 2019)

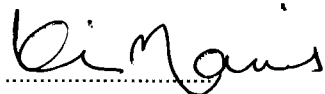
During the year, the Trustees continued to assess the Trust's risk profile at trustee meetings and at the strategy meeting described below.

The Trustees met eleven times in the year to 31 March 2019 at regular monthly Board Meetings and, in September 2018, at a specially convened strategy awayday. This identified the main risks facing the Trust in the medium to long term as:

- the need for more committed trustees and volunteers;
- the need for more cost sharing and funding collaborative partnerships and secure sources of funding;
- the possible re-development of the site by Tunbridge Wells Borough Council and Town & Country Housing Group. This final risk became more apparent later in the year when reduced hours of operation for the library were introduced and the doctors' surgery announced plans to close. The Trust has supported the public debate around these decisions and the mitigating actions that could be taken.

A Management Committee involving staff and volunteers was trialled, but it is fair to say that it has not been an unqualified success. However, the recently appointed Centre Administrator has delivered some excellent results and the incumbent was upgraded to a new position of Centre Manager.

The trustees' report was approved by the Board of Trustees.



Mr KR Davies

Trustee

Dated: 27/11/2019

NUMBER ONE COMMUNITY TRUST (TW) LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2019

The trustees, who are also the directors of Number One Community Trust (TW) Ltd for the purpose of company law, are responsible for preparing the Trustees' Report 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 trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

NUMBER ONE COMMUNITY TRUST (TW) LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF NUMBER ONE COMMUNITY TRUST (TW) LTD

I report to the trustees on my examination of the financial statements of Number One Community Trust (TW) Ltd (the trust) for the year ended 31 March 2019.

Responsibilities and basis of report

As the trustees of the trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the trust's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no 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 trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.



Tina Clay BA FCA

For and on behalf of
Foot Davson Ltd
Chartered Accountants

17 Church Road
Tunbridge Wells
Kent
TN11 1LG

Dated: 21/12/2019

NUMBER ONE COMMUNITY TRUST (TW) LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<u>Income and endowments from:</u>					
Donations and grants	2	44,216	-	44,216	42,555
Charitable activities	3	63,564	9,950	73,514	62,234
Other trading activities	4	-	-	-	11,038
Other income	5	426	-	426	698
Total income		108,206	9,950	118,156	116,525
<u>Expenditure on:</u>					
<u>Charitable activities</u>					
Provision of community cafe	6	51,754	220	51,974	38,665
Pre-school nursery	6	329	6,000	6,329	6,531
Other activities for the community	6	18,864	8,278	27,142	36,092
Showfields Hall	6	36,150	5,990	42,140	33,301
Total charitable expenditure		107,097	20,488	127,585	114,589
Net incoming/(outgoing) resources before transfers		1,109	(10,538)	(9,429)	1,936
Gross transfers between funds		(5,474)	5,474	-	-
Net (expenditure)/income for the year/ Net movement in funds		(4,365)	(5,064)	(9,429)	1,936
Fund balances at 1 April 2018		103,315	295,539	398,854	396,918
Fund balances at 31 March 2019		98,950	290,475	389,425	398,854

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.

NUMBER ONE COMMUNITY TRUST (TW) LTD

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	9	286,524		295,539	
Investments	10	1		1	
		<u>286,525</u>		<u>295,540</u>	
Current assets					
Debtors	11	29,737		22,415	
Cash at bank and in hand		97,023		85,355	
		<u>126,760</u>		<u>107,770</u>	
Creditors: amounts falling due within one year	12	(23,860)		(4,456)	
Net current assets			102,900		103,314
Total assets less current liabilities			<u>389,425</u>		<u>398,854</u>
Income funds					
Restricted funds	15	290,475		291,817	
Unrestricted funds		98,950		107,037	
		<u>389,425</u>		<u>398,854</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 March 2019.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements 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 financial statements, 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 Trustees on 28 Nov 2019

Mr C Woodward
Trustee

Dr PT Sanlon
Trustee

Company Registration No. 04337821

NUMBER ONE COMMUNITY TRUST (TW) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Charity information

Number One Community Trust (TW) Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is 1 Rowan Tree Road, Tunbridge Wells, Kent, TN2 5PX.

The members of the company are the Trustees named in the Legal and Administrative Information. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust'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 trust is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees 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.

1.4 Incoming resources

Income is recognised when the trust 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 trust 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.

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

NUMBER ONE COMMUNITY TRUST (TW) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount anticipated to be paid to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent and depreciation charges allocated on the portion of the asset's use.

All expenditure is inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

The Trust has elected not to capitalise any fixed assets with a cost of less than £500, but instead to recognise these in expenditure for the year.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% per annum on cost
Kitchen equipment	20% per annum on cost
Showfields Hall improvements	33% per annum on cost
Showfields Hall equipment	20% per annum on cost
Office equipment	25% per annum on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities, incorporating the income and expenditure account.

1.7 Fixed asset investments

A subsidiary is an entity controlled by the trust. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

NUMBER ONE COMMUNITY TRUST (TW) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

1.8 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.

1.9 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 trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

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

2 Donations and grants

	2019	2018
	£	£
Donations and gifts	32,841	25,430
Grants	11,375	17,125
	<u>44,216</u>	<u>42,555</u>
Grants receivable for core activities		
Town and Country Housing Group	-	5,000
Tunbridge Wells Borough Council	11,375	12,125
	<u>11,375</u>	<u>17,125</u>

NUMBER ONE COMMUNITY TRUST (TW) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

3 Charitable activities

	Provision of community café	Pre-school nursery	Other activities for the community	Showfields Hall	Total 2019	Total 2018
	£	£	£	£	£	£
Income from charitable activities	25,334	9,950	12,043	26,187	73,514	62,234
Analysis by fund						
Unrestricted funds	25,334	-	12,043	26,187	63,564	
Restricted funds	-	9,950	-	-	9,950	
	25,334	9,950	12,043	26,187	73,514	
For the year ended 31 March 2018						
Unrestricted funds	15,925	-	11,361	19,948		47,234
Restricted funds	-	5,000	10,000	-		15,000
	15,925	5,000	21,361	19,948		62,234

4 Other trading activities

	2019	2018
	£	£
Trading activity income: Subsidiary	-	11,038

5 Other income

	2019	2018
	£	£
Net gain on disposal of tangible fixed assets	23	-
Social committee income	351	646
Peppercorn rent charged to subsidiary	52	52
	426	698

NUMBER ONE COMMUNITY TRUST (TW) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

6 Charitable activities

	Provision of community cafe	Pre-school nursery	Other activities for the community	Showfields Hall	Total 2019	Total 2018
	2019 £	2019 £	2019 £	2019 £	£	£
Staff costs	28,744	-	6,773	14,316	49,833	33,384
Depreciation and impairment	220	-	8,278	5,990	14,488	17,288
Stock purchases	11,359	-	-	-	11,359	8,882
Equipment and direct expenses	1,822	-	-	-	1,822	2,114
Rent	-	6,000	-	656	6,656	8,180
Rates and water	782	782	1,173	1,459	4,196	3,204
Cleaning	-	-	-	-	-	146
Gas and electricity	1,245	(1,132)	1,283	8,352	9,748	7,302
Repairs and renewals	5,154	679	3,670	7,363	16,866	7,543
Insurance	680	-	1,361	1,361	3,402	3,182
Telephone and internet	-	-	426	-	426	744
Stationery, post and computer costs	735	-	1,715	180	2,630	2,133
Sundry expenses	380	-	758	758	1,896	5,307
Independent examiner's fees	600	-	1,200	1,200	3,000	3,637
Legal and professional fees	253	-	505	505	1,263	1,543
TW YFC costs	-	-	-	-	-	10,000
	<u>51,974</u>	<u>6,329</u>	<u>27,142</u>	<u>42,140</u>	<u>127,585</u>	<u>114,589</u>
	<u>51,974</u>	<u>6,329</u>	<u>27,142</u>	<u>42,140</u>	<u>127,585</u>	<u>114,589</u>
Analysis by fund						
Unrestricted funds	51,754	329	18,864	36,150	107,097	82,301
Restricted funds	220	6,000	8,278	5,990	20,488	32,288
	<u>51,974</u>	<u>6,329</u>	<u>27,142</u>	<u>42,140</u>	<u>127,585</u>	<u>114,589</u>
For the year ended 31 March 2018						
Unrestricted funds	37,277	1,531	18,002	25,491		82,301
Restricted funds	1,388	5,000	18,090	7,810		32,288
	<u>38,665</u>	<u>6,531</u>	<u>36,092</u>	<u>33,301</u>		<u>114,589</u>

NUMBER ONE COMMUNITY TRUST (TW) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
	6	6
	<u>6</u>	<u>6</u>

Employment costs

	2019 £	2018 £
Wages and salaries	49,360	33,241
Other pension costs	473	143
	<u>49,833</u>	<u>33,384</u>

NUMBER ONE COMMUNITY TRUST (TW) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

9 Tangible fixed assets

	Freehold property	Kitchen equipment	Showfields Hall/Hall improvements	Showfields equipment	Office equipment	Total
Cost	£	£	£	£	£	£
At 1 April 2018	395,034	33,620	18,137	3,079	759	450,629
Additions	-	-	-	4,828	942	5,770
Disposals	-	(1,988)	-	-	-	(1,988)
At 31 March 2019	395,034	31,632	18,137	7,907	1,701	454,411
Depreciation and impairment						
At 1 April 2018	109,538	32,441	10,716	2,205	190	155,090
Depreciation charged in the year	7,900	220	4,719	1,271	378	14,488
Eliminated in respect of disposals	-	(1,691)	-	-	-	(1,691)
At 31 March 2019	117,438	30,970	15,435	3,476	568	167,887
Carrying amount						
At 31 March 2019	277,596	662	2,702	4,431	1,133	286,524
At 31 March 2018	285,496	1,179	7,421	874	569	295,539

The Trust's freehold properties comprise the Community Centre and Library, which were transferred to the Trust by Tunbridge Wells Borough Council and Kent County Council respectively, on 30 September 2003 for a consideration of £1. The cost of additions to freehold property at that time included legal and professional fees relating to the transfer of the property.

The terms of the transfers require the properties to revert to the Councils if the Trust is dissolved.

There is a legal charge over the freehold property in favour of the Community Fund in respect of their grant.

NUMBER ONE COMMUNITY TRUST (TW) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2018 & 31 March 2019	1
Carrying amount	
At 31 March 2019	1
At 31 March 2018	1

	2019 £	2018 £
Other investments comprise:		
Investments in subsidiaries	1	1

The subsidiary company is Number One Residential Limited and is 100% owned by the Trust. The subsidiary made a profit for the year to 31 March 2019 of £20,672 (2018: £11,038). The subsidiary gifts all its profits to Number One Community Trust (TW) Ltd and subsequently the aggregate share capital and reserves of the subsidiary at the 31 March 2019 were £1 (2018: £1).

11 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	1,768	8,964
Amounts owed by subsidiary undertakings	20,724	11,190
Other debtors	4,106	20
Prepayments and accrued income	3,139	2,241
	29,737	22,415

12 Creditors: amounts falling due within one year

	2019 £	2018 £
Other taxation and social security	188	125
Deferred income	20,672	-
Other creditors	-	731
Accruals	3,000	3,600
	23,860	4,456

NUMBER ONE COMMUNITY TRUST (TW) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

13 Deferred income

	2019 £	2018 £
Arising from gifted profit from subsidiary	20,672	-

See Related party transactions, disclosure Note 17, for further detail.

14 Retirement benefit schemes

Defined contribution schemes

The trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the trust in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £473 (2018 - £143).

15 Restricted funds

	Balance at 1 April 2018 £	Movement in funds			Balance at 31 March 2019 £
		Incoming resources £	Resources expended £	Transfers £	
Capital funds: Extension and refurbishment fund	295,539	-	(14,488)	5,474	286,525
TCHG Pre-school rent fund	-	6,000	(6,000)	-	-
TCHG Pre-school mentoring fund	-	2,000	-	-	2,000
TCHG Pre-school training fund	-	1,950	-	-	1,950
	295,539	9,950	(20,488)	5,474	290,475

All of the capital restricted funds have been expended on the construction, fitting out and furnishing of the enlarged and refurbished premises.

The Town and Country Housing Group Pre-school rent fund is restricted and covers the rental costs of the pre-school.

The Town and Country Housing Group Pre-school mentoring and training funds are restricted and relate to specific projects, yet to be undertaken.

NUMBER ONE COMMUNITY TRUST (TW) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

16 Analysis of net assets between funds

	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £	Total 2018 £
Fund balances at 31 March 2019 are represented by:				
Tangible assets	-	286,524	286,524	295,539
Investments	1	-	1	1
Current assets/(liabilities)	98,950	3,950	102,900	103,314
	<u>98,951</u>	<u>290,474</u>	<u>389,425</u>	<u>398,854</u>

17 Related party transactions

Number One Residential Limited is a wholly owned subsidiary of the Trust. The subsidiary gifted its profit for the year ended 31 March 2019, of £20,672 (2018: £11,038), to the Trust. This gift was not made by the subsidiary to the charity until after the year end and there was no legal obligation for it to do so. It has therefore been recognised as deferred income in these financial statements, in accordance with the clarified gifting rules of Update Bulletin 2.

At the balance sheet date £20,724 (2018: £11,190) was due to the Trust from the subsidiary company and this amount is included in debtors.