

Derbyshire Hill Community Association (The)

Charity number 1000351

A Company limited by guarantee number 1853915

Annual Report and Financial Statements for the year ended 31 March 2019

The logo for Greater Merseyside Community Accountancy Service (gmcas) features the lowercase letters 'gmcas' in a white, sans-serif font, centered within a solid black rectangular background.

Greater Merseyside Community
Accountancy Service

Derbyshire Hill Community Association (The)

Annual Report and Financial Statements for the year ended 31 March 2019

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Prepared by the Greater Merseyside Community Accountancy Service

Derbyshire Hill Community Association (The)

Trustees' report continued

Achievements and Performance:

The 2018/19 year has been one of many changes for the community association.

The main source of grant funding for community training and education has come from PH Holt and John Moores University. This funding enabled 23 learners to complete the Community Skills Programme. This programme has been carried out solely by Mandy as Roy Williams, Genesis Training, has moved away from the centre to a town centre location.

The Prince's Trust from both Knowsley and St Helens have carried out placements at the centre, with young people learning and developing new skills whilst carrying out tasks at the centre, one of which was the improvement of internal decoration of the entrance area and stairway.

Additional groups have begun to hire rooms in the centre increasing the range of activities available within the centre. New groups include dancing, football skills, gardening and crafts. The Community Centre is dependent on community use and room hire to maintain our running costs so I would like to thank all our users for the ongoing support and usage, you are at the heart of everything we strive to achieve.

This year the centre has had a number of major changes in volunteer personnel, some which have had adverse consequences. However, the centre now has a small but focussed volunteer team in place and will go from strength to strength in supporting this community.

Finally, thank you to the volunteers who both organise the various activities that the Centre provides and who provide its much needed maintenance, we could not do anything without you.

The future for the association is one that will encounter change but is focussed on the needs of the community and how it can provide support and development to the residents of the local area.

Public Benefit:

In identifying and reviewing these priorities, aims and objectives, plus the supporting actions and activities for the year, we have been fully mindful of the guidance contained in the Charity Commission's general guidance on public benefit. We have aimed to ensure that all these planned actions and activities, agreed or noted by the Trustees/Directors at our regular Committee Meetings, are for public benefit.

Derbyshire Hill Community Association (The)

Trustees' report continued

Investment Policy

The trust deed authorises Trustees to make and hold investments using the general funds of the charitable company. Surplus funds not required for immediate use are invested at the highest rate available. The charitable company regularly compares the interest rate given with that available in the open market.

Risk Review

The Trustees will produce a formal, documented risk assessment. This identifies and assesses risks, the impact on the organisation, and includes strategies to minimise, transfer or manage the risk. This risk assessment forms part of the development strategy of the charitable company and complements other formal risk assessments.

Prudent financial management will continue to be exercised by the board. Risk assessments are varied out on an annual basis for each project to identify deficits and to enable the board to decide which deficits, if any, will be supported and where additional funds must be sought.

Reserves Policy

Each year the board of trustees recognises the need to identify those funds that are available to the charitable company, to be expended at the trustees discretion in the furtherance of the objects as set out in the constitution. It recognises that account must be taken of outstanding liabilities and monies that have been designated, both for future projects, and to continue specific projects should funding not be available.

Based on a realistic assessment of our reserve needs the board has agreed that the level of unrestricted reserves for the year-ended 31st March 2019 should be approximately £11,500 equivalent to 12 months running costs.

This amount has been calculated as an average of the following:-

Three months unrestricted direct charitable expenditure

Liabilities that would arise from lease commitments together with staff redundancies should the charity cease to operate.

Derbyshire Hill Community Association (The)

Financial Review

The surplus of the charity for the year amounted to £8,212 (£2,208 2018)

Risk Management

The trustees are currently reviewing the major strategic, business and operational risks that the charity faces on a regular basis and acknowledge that the key risks relate to reduction in room hire and any major building issues.

Statement of Directors' responsibilities

Company law requires the directors to prepare financial accounts for each 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 charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and 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.

- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business;

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

Approved by the Board on 20th August 2019 and signed on behalf of the directors by:

Patricia Mathie

Patricia Mathie
Director / Trustee

Reference and Administrative Details
Derbyshire Hill Community Association (The)
Charity number 1000351
A Company limited by guarantee number 1853915

The trustees, who are the directors of the company for the purposes of company law, are pleased to present their report and financial statements together with the independent examiner's report for the year ended 31 March 2019.

Name	Position	Dates
Andrew Bowden	Chairman	appointed 13 May 2019
Deborah Gavin		appointed 13 May 2019
Pam Woodward		appointed 13 May 2019
Bisi Osundeko		appointed 13 May 2019
Catherine Brooks		appointed 26th November 2018
Cllr Keith Roberts		Till 25 November 2018
Cllr Terry Shields	Treasurer	Till 25 November 2018
Peter Graham Clark		Removed 25 November 2018
Rose Topping		Till 28 November 2018
Patricia Mathie		
Robert Mathie		
Jean Birmingham		Till 25 November 2018
Jason Langton	Treasurer	appointed 26/11/18 removed 1 May 19
Francis Armstrong		appointed 26/11/18 resigned 14 June 19
Joseph Lee		appointed 22 Jan 19 removed 7 May 19
Roy Williams		appointed 6 August 2018 resigned 13 May 2019

Method of appointment

Trustees are elected by the members at the AGM

Registered address

Derbyshire Hill Road
St Helens
Merseyside
WA9 2LU

Bankers

Barclays Bank plc
19 Church Street
St Helens
WA10 1BG

Governing document

The charity is constituted as a registered charity and also a company limited by guarantee and is governed by its Memorandum and Articles of Association

Objects of the organisation

The principal activities of the charitable company are to promote the benefit of the inhabitants of Derbyshire Hill and the neighbourhood, by associating voluntary bodies, the Local Authorities 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 of the said inhabitants.

Reference and Administrative Details

Derbyshire Hill Community Association (The)

Charity number 1000351

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Further objectives are also to secure the establishment of a community centre and to maintain and manage that centre with other bodies in furtherance of the main objectives of the charitable company.

Accountant

on behalf of:

Greater Merseyside Community Accountancy Service

Beacon Building

College Street

St Helens

WA10 1TF

Independent Examiner's report to the trustees of Derbyshire Hill Community Association (The)

I report on the accounts of the charity for the year ended 31 March 2019 set out on pages 9 to 17

Respective responsibilities of the Trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- ☐ examine the accounts under section 145 of the 2011 Act;
- ☐ to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- ☐ state whether particular matters have come to my attention.

Basis of Independent examiner's statement

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

Independent examiner's statement - matters of concern identified

I have completed my examination. I have identified matters of concern that give me reasonable cause to believe that:

- ☐ accounting records were not kept in accordance with section 386 of the Companies Act 2006; and
- ☐ the accounts do not accord with the accounting records and do not comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

The trustees have failed to implement internal financial controls for the charity during the year.

The majority of of the expenditure was made via bank transfer during the year. There is no segregation of duties for payments made via electronic banking and no written policy on the authorisation of expenditure is in place.

The accounts provided show deposits of £3,035 received in the year, however no records have been kept to match those receipts with outstanding debtors. No sales ledger has been kept during the year.

There were no records of volunteer expenses and no policy is in place for the claiming or reimbursement of such expenses. This has led to £1,063 paid to 2 volunteer treasurers without the prior knowledge of the other serving trustees.

During the year 3 receipts were received from DWP UC. These payments were received on behalf of a local homeless person with those payments being passed on directly to the serving treasurer. There is no evidence provided that the homeless person received those payments. The charity does not hold the authority to make such applications on behalf of third parties.

Failure to implement the organisations procurement policy resulted in the charity paying more than budgeted for a new CCTV system which did not received full approval from the trustee board.

Independent Examiner's report to the trustees of Derbyshire Hill Community Association (The)

I understand that the trustees recognise that there has been a major lapse in the charities internal policies and financial controls and are now working towards putting in place the proper controls by adopting the Charity Commission's guidance.

Jane Williams

Jane Williams
MAAT
Greater Merseyside Community Accountancy Service
Beacon Building
College Street
St Helens
WA10 1TF

20th August 2019

Derbyshire Hill Community Association (The)
Statement of Financial Activities
(Including Income & Expenditure Account)
for the year ended 31 March 2019

	Notes	2019 Unrestricted funds £	2019 Restricted funds £	2019 Total funds £	2018 Total funds £
Income from:					
Income from donations	(4)	-	-	-	-
Income from charitable activities	(5)	3,900	29,319	33,219	44,424
Other incoming resources	(6)	11,673	-	11,673	13,938
Bank interest		23	-	23	8
Total incoming resources		15,596	29,319	44,915	58,370
Resources expended					
Charitable activities	(7)	18,269	18,433	36,702	56,162
Net incoming / (outgoing) resources		(2,674)	10,886	8,212	2,208
Transfers between funds		20	(20)	-	-
Net movement in funds		(2,654)	10,866	8,212	2,208
Reconciliation of funds					
Total funds as at 1 April 2018		18,322	(3,322)	15,000	12,792
Total funds as at 31 March 2019	(7a)	15,668	7,544	23,212	15,000

The above statement includes all gains and losses recognised during the year.
All activities are regarded as continuing.
Comparative figures for the previous year by fund type are shown in Note 12.
The Notes on pages 12 to 17 form an integral part of these accounts.

Derbyshire Hill Community Association (The)

Charity number 1000351

A Company limited by guarantee number 1853915

Balance sheet

as at 31 March 2019

	2019 Unrestricted £	2019 Restricted £	2019 Total £	2018 Total £
Current Assets				
Debtors and prepayments	(6) -	-	-	849
Cash at bank and in hand	(7) 15,668	7,544	23,212	15,000
Total current assets	<u>15,668</u>	<u>7,544</u>	<u>23,212</u>	<u>15,849</u>
Current liabilities:				
amounts falling due within one year				
Creditors (due within one year)	(8) -	-	-	849
Total current liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>849</u>
Net Assets	<u>15,668</u>	<u>7,544</u>	<u>23,212</u>	<u>15,000</u>
Funds of the charity				
Restricted Funds	-	7,544	7,544	(3,322)
Unrestricted funds	15,668	-	15,668	18,322
Total Funds	<u>15,668</u>	<u>7,544</u>	<u>23,212</u>	<u>15,000</u>

The trustees (who are also the directors of the company for the purposes of company law) confirm that for the year ended 31 March 2019

- the company was entitled to exemption from audit under section 477 of the Companies Act 2006, and
- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act

the trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The notes on pages 12 to 17 form an integral part of these accounts.

These accounts, which have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies, were approved by the trustees on 20th August 2019 and signed on their behalf by:

Robert Mathie

Robert Mathie
Director / Trustee

Derbyshire Hill Community Association (The)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2019

		2019	2018
		Total	Total
		£	£
Cash flows from operating activities:			
Net income/(expenditure) per SOFA		8,212	2,208
Investment income		(23)	(8)
(Increase)/decrease in debtors	(9)	-	-
Increase/(decrease) in creditors	(11)	-	(100)
		<u>8,189</u>	<u>2,100</u>
Cash flows from investing activities			
Investment income		<u>23</u>	<u>8</u>
Net increase/(decrease) in cash:		8,212	2,108
Total cash as at 01 April 2018		<u>15,000</u>	<u>12,892</u>
Total cash as at 31 March 2019		<u>23,212</u>	<u>15,000</u>

The notes on pages 12 to 17 form an integral part of these accounts.

Derbyshire Hill Community Association (The)

Notes to the accounts

for the year ended 31 March 2019

1 Basis of preparation

These accounts (financial statements) have been prepared under the historical cost convention,

- 1.1 with items recognised at cost or transaction value, unless otherwise stated in the relevant note(s), in accordance with:
 - (a) The Charities Act 2011
 - (b) The Companies Act 2006
 - (c) The Financial Reporting Standard applicable in the UK and the Republic of Ireland: FRS 102
 - (d) Accounting & Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102) (effective January 2015)
- 1.2 The charity meets the definition of a public benefit entity as defined by FRS 102
- 1.3 The trustees consider that there are not material uncertainties about the charity's ability to continue as a going concern.

2 Accounting Policies

2.1 Fund accounting

- (a) Unrestricted funds are those that can be expended at the discretion of the trustees in the furtherance of the objects of the charity.
- (b) Restricted funds are those that may only be used for specific purposes. Restrictions arise when specified by the donor, or when funds are raised for specific purposes.
- (c) The purposes of the funds are shown in Note 7a.

2.2 Income

- (a) Income is recognised and included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the income; receipt is probable; and the monetary value can be measured with sufficient reliability.
- (b) Where income has related expenditure (e.g. projects), the income and related expenditure are reported gross in the SoFA.
- (c) Bank interest is recognised when credited to the account.
- (d) Gift Aid, where appropriate, is recognised in the same accounting period as the donation to which it relates.
- (e) Income, which is subject to conditions that the charity has yet to fulfil, or which is specifically for use in a future accounting period, is treated as deferred income.

2.3 Expenditure and liabilities

- (a) Expenditure is recognised on the accruals basis.
- (b) The charity is not registered for VAT, thus all costs are shown inclusive of VAT charged.
- (c) Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.
- (d) Governance costs include the costs of preparation and examination of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Derbyshire Hill Community Association (The)

Notes to the accounts

for the year ended 31 March 2019

2.4 Tangible Fixed Assets

(a) Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £1,000. They are valued at cost or, if gifted, at their value on receipt.

Rates of depreciation

Building Improvements: 20% straight line basis to nil

Fixtures and fittings: 15% straight line basis to nil

Equipment: 20% straight line basis to nil

2.5 Debtors

(a) Debtors are recognised at the settlement amount due.

(b) Prepayments are valued at the amount prepaid.

2.6 Cash

(a) Cash comprises bank deposits repayable on demand and any short-term highly liquid investments with a maturity date of three months or less from the date of acquisition or opening of the deposit or similar account.

2.7 Creditors

(a) Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount, usually the invoice amount.

(b) Accrued charges are normally valued at their settlement amount.

2.8 Taxation

The charity is not liable to income tax or capital gains tax on its charitable activities.

3 Transactions with trustees and related parties

During the year two trustees received expenses £1,063 (2018: 1 £1,100).

Owing to the nature of the charity's activities and the composition of the board of trustees (being drawn from local statutory and voluntary organisation), it is inevitable that transactions will take place with organisations in which a trustee may have an interest. All transactions in which a trustee may have an interest are conducted at arm's length and in accordance with the charity's financial regulations and expenditure procedures. No transactions were identified which should be disclosed under FRS 102.

Derbyshire Hill Community Association (The)
Notes to the accounts
for the year ended 31 March 2019

4 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Donations	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

5 Income from charitable activities

	2019 Unrestricted funds £	2019 Restricted funds £	2019 Total funds £	2018 Total funds £
Coalfields Regeneration Trust	-	-	-	9,975
Awards for All	-	6,200	6,200	10,000
St Helens MBC: Ways to Work	-	3,351	3,351	15,287
LCVS CiF Grant	-	2,996	2,996	-
John Moores Foundation	-	6,000	6,000	-
PH Holt	-	9,200	9,200	-
Magic Little Grant	500	-	500	-
TORUS	1,400	-	1,400	-
Tesco Bags of help	-	-	-	2,000
Skelton Bounty	-	-	-	2,000
CoOp	-	-	-	3,162
DWP UC	-	1,572	1,572	-
Ravensdale Trust	2,000	-	2,000	2,000
	<u>3,900</u>	<u>29,319</u>	<u>33,219</u>	<u>44,424</u>

6 Other Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Room hire charges	10,470	-	10,470	12,812
Other Income	640	-	640	-
Fundraising	563	-	563	1,126
	<u>11,673</u>	<u>-</u>	<u>11,673</u>	<u>13,938</u>

Derbyshire Hill Community Association (The)
Notes to the accounts
for the year ended 31 March 2019

7 Expenditure of charitable activities

	2019 Unrestricted funds	2019 Restricted funds	2019 Total funds	2018 Total funds
	£	£	£	£
<u>Direct Costs</u>				
Equipment Repairs & Maintenance	1,076	500	1,576	1,841
Phone, postage & stationery	210	-	210	1,038
Premises Costs	6,902	-	6,902	6,791
Security	2,696	1,000	3,696	-
Insurance	153	-	153	642
Repairs & Renewals	1,518	-	1,518	4,399
Projects	2,000	-	2,000	21,254
Salaries	1,319	15,229	16,548	18,609
Payroll costs	450	-	450	-
Training	119	147	266	-
Volunteers	1,063	-	1,063	1,100
PR & Marketing	250	-	250	-
Sundries	393	-	393	-
DWP UC	-	1,557	1,557	-
Governance Costs	(8) 122	-	122	488
Total resources expended	18,269	18,433	36,702	56,162

Derbyshire Hill Community Association (The)
Notes to the accounts
for the year ended 31 March 2019

7a Movements in funds

	As at 01/04/2018	Incoming Resources	Outgoing Resources	Transfers	As at 31/03/2019
	£	£	£	£	£
Unrestricted funds					
General funds	18,322	15,596	18,269	20	15,668
Restricted funds					
John Moores Foundation	-	6,000	6,000	-	-
PH Holt	-	9,200	9,200	-	-
LCVS CiF Grant	-	2,996	-	-	2,996
Awards for All	-	6,200	1,647	-	4,553
DWP UC	-	1,572	1,577	-	(5)
St Helens MBC Ways to Work	(3,322)	3,351	29	-	-
	<u>(3,322)</u>	<u>29,319</u>	<u>18,453</u>	<u>-</u>	<u>7,544</u>
Total funds	15,000	44,915	36,723	20	23,212

Purpose of restricted funds

John Moores Foundation provided funding for our Tutor/Advisor

PH Holt Foundation provided funding towards our community skills programme

LCVS provided funding towards project activities.

Awards for All provided funding for security and centre refurbishment

8 Governance Costs

	2019	2018
	£	£
Independent Examiners' fee	100	100
Annual Return Fee	-	13
Fees	22	375
	<u>122</u>	<u>488</u>

9 Debtors and prepayments

	£	£
Debtors	-	849
Prepayments	-	-
	<u>-</u>	<u>849</u>

10 Cash at bank and in hand

	£	£
Current account	11,712	3,500
Business Reserve account	11,500	11,500
	<u>23,212</u>	<u>15,000</u>

11 Creditors and accruals

	£	£
Creditors	-	849
Accruals	-	-
	<u>-</u>	<u>849</u>

Derbyshire Hill Community Association (The)
Notes to the accounts
for the year ended 31 March 2019

12 Comparative income and expenditure by fund type

	Unrestricted Funds		Restricted Funds	
	2019	2018	2019	2018
	£	£	£	£
Income from:				
Income from donations	-	-	-	-
Income from charitable activities	3,900	9,162	29,319	35,262
Other incoming resources	11,673	13,938	-	-
Bank interest	23	8	-	-
Total incoming resources	15,596	23,108	29,319	35,262
Expenditure on:				
Charitable activities	18,269	17,578	18,433	38,584
Net incoming / (outgoing) resources	(2,674)	5,530	10,886	(3,322)
Transfers between funds	20	-	(20)	-
Net movement in funds	(2,654)	5,530	10,866	(3,322)
Reconciliation of funds				
Total funds as at 1 April 2018	18,322	12,792	(3,322)	-
Total funds as at 31 March 2019	(7a) 15,668	18,322	7,544	(3,322)