

Charity registration number 1003108

Company registration number 02588109 (England and Wales)

STOCKFIELD COMMUNITY ASSOCIATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

STOCKFIELD COMMUNITY ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs A J Millward
Mr A W Baker
Ms V Dautovic
Mrs R L Fulwell
Mrs J Harris-Thomson
Mrs E A Leach
Mr M J Russell
Mr D G Stokes
Mrs P A Wagg

Charity number

1003108

Company number

02588109

Registered office

New Media House
Davidson Road
Lichfield
WS14 9DZ

Auditor

Haslehursts Limited
88 Hill Village Road
Sutton Coldfield
West Midlands
England
B75 5BE

STOCKFIELD COMMUNITY ASSOCIATION

CONTENTS

	Page
Trustees' report	1 - 4
Independent auditor's report	5 - 7
Statement of financial activities	8
Statement of financial position	9
Statement of cash flows	10
Notes to the financial statements	11 - 19

STOCKFIELD COMMUNITY ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

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 charity'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)" (effective 1 January 2019).

Objectives and activities

The company is limited by guarantee and is registered as a charity (Registered No 1003108).

The company's main aims and principal activities for the year under review was that of providing social housing for rent in the Stockfield area of Birmingham and pursuing the possible development of Community facilities.

The Charity has the following objectives:

- To promote the benefit of the inhabitants of the area of Stockfield and its neighbourhood in the City of Birmingham without distinction of sex, race or of political, religious or other opinions, by associating together representatives of the said inhabitants and various other persons in a common effort to provide facilities in the interest of social welfare for recreation and leisure-time occupation with the object of improving the conditions of life for the said inhabitants.
- To carry on for the benefit of the community in the City of Birmingham the business of providing social housing and any associated amenities for the persons in necessitous circumstances upon terms appropriate to their means.
- To promote any charitable purpose for the benefit of the inhabitants of the area of benefit and in particular the advancement of education and relief of poverty.

Strategies for achieving aims and objectives

- Keep under review Service Level Agreements with various providers.
- Maintain contacts with various service providers to ensure local government services are up to standard.
- Work with various organisations to bring about improvements to, or the establishment of, Community facilities.
- Continue to invite attendance at Board and other meetings key personnel from Birmingham City Council, Bromford Housing Group and others.
- Promote as widely as possible the work of the Association.

Public benefit

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

Achievements and performance

Significant activities and achievements against objectives

- Establishment of the first Community Association of its type in the UK.
- In partnership with Birmingham City Council, Bromford Housing and local residents bringing about the physical regeneration of the Stockfield Estate.
- Provision of 121 social houses for rent.
- Provision of the Stockfield Community Resource Centre.

The Association continued to provide well managed and maintained affordable Social Housing for rent. There have been no long term voids and 99% of all emergency repairs, 98% of urgent repairs and 93% of routine repairs were carried out within the response targets set.

STOCKFIELD COMMUNITY ASSOCIATION

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

FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

The charity's principal funding source was rent receivable, during the year the charity received rents of £622,789 (2022 - £597,051).

A summary of the Charity's finances is set out in the attached financial statements for the year ended 31 December 2023.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Plans for future periods

The trustees review the aims, objectives and activities each year. The review looks at the success of each key activity and the benefits they have brought to the groups of people of whom it was intended. The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing aims and objectives. The Association aims to:

- Continue to provide well managed and maintained affordable Social Housing for rent and to invest in additional dwellings when funding allows.
- Implement a central heating upgrade programme to improve efficiency and reduce running costs of heating tenant's homes.
- Continue to provide a targeted Money Advice Service for its tenants, in conjunction with its Managing Agent, aimed at reducing long term and new arrears and help individuals maximise their income potential.
- Work with Birmingham City Council, Bromford Housing Group, Laker Building Solutions and other providers to ensure the Stockfield Estate is well maintained.
- Develop and improve the Association's Web Site.
- Community Safety: to continue to build further good relations with the Police.
- Develop and improve relationships with Birmingham City Council to work together to improve local services for the benefit of local residents.
- To organise community events, including the Summer Fun Day, Gardening Competition, Christmas Cracker and a Christmas Event for over 55s. Work will continue to provide a programme of events to utilise grant funding achieved since 2019.
- Publish Stockfield newsletters quarterly to provide news and information communicating good news about the neighbourhood and encouraging resident participation.
- Continue to work with FITCAP and local schools to carry out valuable work with the young people of Stockfield, build links with the rest of the community and help raise the aspirations of the young people.
- Maintain and improve the involvement in local affairs of local residents and partner organisations serving Stockfield.
- Investigate strategies for the provision of community facilities for the benefit of Stockfield residents.
- Seek grant funding to enable innovative projects to be undertaken for the benefit of the community.

The Association wishes to thank all those individuals, Community Groups, local schools and Churches and Public and Private sector undertakings which have assisted the endeavours of the Charity during this and previous years.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated 19 February 1991 as amended by special resolutions dated 1 July 1994, 16 October 1998, 19 March 1999, 18 June 2001, 27 July 2001, 24 March 2006 and 26 April 2013. The company was established under a Memorandum and Articles of Association, which imposes restrictions on the scope of the Charity's operations. The activities of the Charity are limited to those related to the regeneration of its area of benefit and the promotion of the benefit of the inhabitants of its area of benefit. The Memorandum of Association provides that the Charity has the power to invest money not immediately required for the Charity's objects in such investments, securities or property as may be thought fit by the company. The company is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.00.

STOCKFIELD COMMUNITY ASSOCIATION

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

FOR THE YEAR ENDED 31 DECEMBER 2023

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:

Mrs A J Millward
Mr A W Baker
Ms V Dautovic
Mrs R L Fulwell
Mrs J Harris-Thomson
Mrs E A Leach
Mr M J Russell
Mr D G Stokes
Mrs P A Wagg

Recruitment and appointment of trustees

The Board of Directors of the Charity consists of 2 Directors nominated by Bromford Housing Group, 2 Independent Directors, 2 nominees of Birmingham City Council, and 6 locally elected resident Directors.

The Directors of the company are also charity Trustees for the purpose of charity law and under the company's Articles of Association the Local members of the Board are elected by ballot of the Residents of the benefit area to serve for a period of 3 years, after which they must be re-elected at the next election. Elections are normally held every three years. When vacancies arise for Local members, residents of the benefit area can be co-opted to the Board until the next election takes place. Nominated Directors are appointed and removed by the relevant organisations. The Board appoints the independent Directors by invitation.

Organisational structure

The Board of Trustees meet at least 10 times per annum. The general control and management of the administration of the Charity is undertaken by the Board of Trustees. The Board is significantly comprised of democratically elected /co-opted representatives of the local community, and are half of the Board members. Further Trustees are nominated by Birmingham City Council (2) Bromford Housing Group (2) and there are two independent Trustees. Within those twelve Trustees are the Chair and the Secretary.

The Charity received Housing Management Services from Bromford Housing Group and Repairs and Ground Maintenance Services from Citizen Housing Group Limited, pursuant to contractual arrangements. Laker Building Solutions were appointed to replace Citizen Housing Group with effect from 1 July 2023.

Leon Stephens of Brookes Stephens Chartered Accountants is the Independent Accountant to the Charity. Legal Services are provided by Anthony Collins Solicitors.

Induction and training of trustees

Trustees are given a full induction to the organisation by Anthony Collins Solicitors, other Directors and the company's advisers. They are made aware of the Mission and Vision Statements and the current Business Plan of the organisation and their expected role and responsibilities in relation to this and to the requirements of the Charity Commission. Local residents may attend Board Meetings on an observer basis prior to offering themselves for election.

Relationship with related parties

The Charity has a subsidiary company, Stockfield Community Association (Subsidiary) Limited which is a non-charitable company limited by guarantee not having a share capital, whose business is mainly to procure the building of houses which are sold by their developers for profit. To date the Subsidiary has restricted its activities to:

- Buying redevelopment land from Birmingham City Council;
- Allowing developers, under Development Agreements to build houses on land;
- Disposing of such houses to owner-occupiers.
- Collecting Ground Rents from under leasehold owner occupiers.

The Subsidiary is a wholly owned subsidiary of the Charity.

STOCKFIELD COMMUNITY ASSOCIATION

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

FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of Stockfield Community Association 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 charity 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Haslehursts Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

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



Mrs A J Millward

Trustee

Date: 25/10/2024

STOCKFIELD COMMUNITY ASSOCIATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF STOCKFIELD COMMUNITY ASSOCIATION

Opinion

We have audited the financial statements of Stockfield Community Association (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

STOCKFIELD COMMUNITY ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF STOCKFIELD COMMUNITY ASSOCIATION

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the company's legal and regulatory framework and the industry in which it operates. We considered the risk of acts by the company that might have contravened applicable laws and regulations, including fraud. Our audit procedures were designed to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by way of forgery, intentional representations or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and third party company representatives. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

STOCKFIELD COMMUNITY ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF STOCKFIELD COMMUNITY ASSOCIATION

S P Penfold

Stuart Penfold (Senior Statutory Auditor)
for and on behalf of Haslehursts Limited

28.10.2024

Chartered Accountants
Statutory Auditor

88 Hill Village Road
Sutton Coldfield
West Midlands
England
B75 5BE

STOCKFIELD COMMUNITY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:					
Donations and legacies	4	14,387	30,717	-	30,717
Charitable activities	5	692,659	655,832	-	655,832
Investments	6	138,201	112,587	-	112,587
Total income		<u>845,247</u>	<u>799,136</u>	<u>-</u>	<u>799,136</u>
Expenditure on:					
Charitable activities	7	<u>607,040</u>	<u>728,851</u>	<u>-</u>	<u>728,851</u>
Total expenditure		<u>607,040</u>	<u>728,851</u>	<u>-</u>	<u>728,851</u>
Net gains/(losses) on investments	12	<u>180,378</u>	<u>(533,395)</u>	<u>-</u>	<u>(533,395)</u>
Net income/(expenditure)		<u>418,585</u>	<u>(463,110)</u>	<u>-</u>	<u>(463,110)</u>
Transfers between funds		<u>-</u>	<u>13,039</u>	<u>(13,039)</u>	<u>-</u>
Net movement in funds	9	<u>418,585</u>	<u>(450,071)</u>	<u>(13,039)</u>	<u>(463,110)</u>
Reconciliation of funds:					
Fund balances at 1 January 2023		<u>4,698,574</u>	<u>5,148,645</u>	<u>13,039</u>	<u>5,161,684</u>
Fund balances at 31 December 2023		<u>5,117,159</u>	<u>4,698,574</u>	<u>-</u>	<u>4,698,574</u>

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

STOCKFIELD COMMUNITY ASSOCIATION

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		-		59,555
Current assets					
Debtors	16	244,785		235,149	
Investments	17	4,777,579		4,414,975	
Cash at bank and in hand		316,946		157,608	
		5,339,310		4,807,732	
Creditors: amounts falling due within one year	18	(222,151)		(168,713)	
Net current assets		5,117,159		4,639,019	
Total assets less current liabilities		5,117,159		4,698,574	
The funds of the charity					
Unrestricted funds	19	5,117,159		4,698,574	
		5,117,159		4,698,574	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, 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 25/10/2024



Mrs A J Millward
Trustee

Company registration number 02588109 (England and Wales)

STOCKFIELD COMMUNITY ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	21		203,363		179,597
Investing activities					
Purchase of investments		(182,226)		(313,273)	
Investment income received		138,201		112,587	
Net cash used in investing activities			(44,025)		(200,686)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			159,338		(21,089)
Cash and cash equivalents at beginning of year			157,608		178,697
Cash and cash equivalents at end of year			316,946		157,608

STOCKFIELD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Stockfield Community Association is a private company limited by guarantee incorporated in England and Wales. The registered office is New Media House, Davidson Road, Lichfield, WS14 9DZ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. 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 charity 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 represent funds which are expendable at the discretion of the Trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both working and capital investment.

Designated funds are charitable donations with the stipulation that they be used for a specific purpose.

Restricted funds represent grants, donations and legacies received which are allocated by the donor for specific purposes.

1.4 Income

Income is recognised when the charity 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 charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

STOCKFIELD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

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 are allocated on the portion of the asset's use.

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.

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:

Leasehold land and buildings	4% straight line 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 the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

STOCKFIELD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Depreciation and residual values

The Trustees have reviewed the asset lives and associated residual values of all fixed asset calculations and has concluded that asset lives and residual values are appropriate.

4 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	14,387	30,717

STOCKFIELD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

5 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Social Housing Rents		
Social housing rents receivable	622,789	597,051
Performance related grants	69,141	58,781
Other income	729	-
	<u>692,659</u>	<u>655,832</u>

6 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest and dividends receivable	<u>138,201</u>	<u>112,587</u>

STOCKFIELD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Expenditure on charitable activities

	Provision of services 2023 £	Provision of services 2022 £
Direct costs		
Depreciation and impairment	59,555	239,124
Management and maintenance	158,790	182,947
Major repairs	97,319	67,556
Disability adaptations	-	9,602
Insurance	18,464	13,724
Ground rent	300	300
Donations	1,050	1,440
Investment fund fees	34,348	34,943
Support to youth activities	31,135	14,423
Resource centre	12,430	8,029
Events	26,261	19,378
Grant expenditure	69,141	58,341
Consultancy services	32,744	21,720
Downsizing incentive	-	1,500
	<u>541,537</u>	<u>673,027</u>
Share of support and governance costs (see note 8)		
Governance	65,503	55,824
	<u>607,040</u>	<u>728,851</u>
Analysis by fund		
Unrestricted funds	<u>607,040</u>	<u>728,851</u>

8 Support costs allocated to activities

	2023 £	2022 £
Governance costs	<u>65,503</u>	<u>55,824</u>
Analysed between:		
Provision of services	<u>65,503</u>	<u>55,824</u>

STOCKFIELD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Support costs allocated to activities

(Continued)

	2023 £	2022 £
Governance costs comprise:		
Audit fees	16,064	4,764
Legal and professional	-	3,101
Insurance	-	654
Bank charges	120	120
Administration services	28,362	27,646
Financial services	20,957	19,539
	<u>65,503</u>	<u>55,824</u>

9 Net movement in funds

2023
£

2022
£

The net movement in funds is stated after charging/(crediting):

Fees payable for the audit of the charity's financial statements	16,064	4,764
Depreciation of owned tangible fixed assets	59,555	239,124
	<u></u>	<u></u>

10 Trustees

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

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	-	-
	<u></u>	<u></u>

There were no employees whose annual remuneration was more than £60,000.

12 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	180,378	(533,395)
	<u></u>	<u></u>

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

STOCKFIELD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Tangible fixed assets

	Leasehold land and buildings £
Cost	
At 1 January 2023	5,986,492
At 31 December 2023	5,986,492
Depreciation and impairment	
At 1 January 2023	5,926,937
Depreciation charged in the year	59,555
At 31 December 2023	5,986,492
Carrying amount	
At 31 December 2022	59,555

The leasehold properties have an insured value of £18,879,000.

15 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	4,777,579	4,414,975

16 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	197,143	170,583
Amounts owed by fellow group undertakings	12,624	29,737
Prepayments and accrued income	35,018	34,829
	244,785	235,149

17 Current asset investments

	2023 £	2022 £
Unlisted investments	4,777,579	4,414,975

STOCKFIELD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	222,151	168,713

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 December 2023 £
General reserves	1,083,960	845,247	(607,040)	(238,207)	-	1,083,960
Major repairs sinking fund	3,066,975	-	-	208,207	-	3,275,182
Unrealised gains	255,350	-	-	-	180,378	435,728
Cyclical maintenance	227,289	-	-	30,000	-	257,289
Disability adaptations	15,000	-	-	-	-	15,000
Community facility	50,000	-	-	-	-	50,000
	<u>4,698,574</u>	<u>845,247</u>	<u>(607,040)</u>	<u>-</u>	<u>180,378</u>	<u>5,117,159</u>
Previous year:	At 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 December 2022 £
General funds	5,148,645	799,136	(728,851)	13,039	(533,395)	4,698,574

20 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

During the year the company received donations of £14,387 (2022 - £30,717) from its subsidiary undertaking, Stockfield Community Association (Subsidiary) Limited. At the year end, the charity was owed £12,624 (2022 - £29,737) from its subsidiary undertaking.

STOCKFIELD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Related party transactions

(Continued)

Birmingham City Council has the right to appoint 2 Directors and has provided non-repayable grants of £3,584,774. Bromford Housing Group also has the right to appoint 2 Directors.

During the year, Bromford Housing Group, acting as agents, paid rents to the company amounting to £622,789 (2022 - £597,051) and received management charges of £56,304 (2022 - £55,881) from the company. At 31 December 2023, £166,162 (2022 - £155,325) was due to the company from Bromford Housing Group.

21 Cash generated from operations	2023 £	2022 £
Surplus/(deficit) for the year	418,585	(463,110)
Adjustments for:		
Investment income recognised in statement of financial activities	(138,201)	(112,587)
Fair value gains and losses on investments	(180,378)	533,395
Depreciation and impairment of tangible fixed assets	59,555	239,124
Movements in working capital:		
(Increase) in debtors	(9,636)	(82,393)
Increase in creditors	53,438	65,168
Cash generated from operations	203,363	179,597

22 Analysis of changes in net funds

The charity had no material debt during the year.