

COMPANY REGISTRATION NUMBER: 2781672

CHARITY REGISTRATION NUMBER: 1024932

CORNERSTONE COMMUNITY CENTRE (HOVE)

Company Limited by Guarantee

UNAUDITED FINANCIAL STATEMENTS

30 SEPTEMBER 2022

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2022

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CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

YEAR ENDED 30 SEPTEMBER 2022

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 September 2022.

Reference and administrative details

Registered charity name Cornerstone Community Centre (Hove)

Charity registration number 1024932

Company registration number 2781672

Principal office and registered office Church Road
Hove
BN3 2FL

The trustees

Miss L Godfrey
Dr R M P Sayer
Ms A Ollerenshaw
Mr O D Sykes
Mr F Parkinson
Ms J Robinson
The Revd E Collins
Mr S Davidson
Mr S Lovett
Ms K Prior (Appointed 11 November 2021)
Mr J Barrett (Appointed 7 December 2021)

The Board, as members of the company, may derive no benefit, income or capital interest from the company's affairs other than the reimbursement of out-of-pocket expenses. In the event of the company being wound up, each member, who is a member at that time, has undertaken to contribute £1.

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 30 SEPTEMBER 2022

Directors and trustees

Under the Memorandum and Articles of Association the following bodies are entitled to nominate or appoint trustees:

- a) Up to one person nominated by the parish priest or person holding the Bishop's licence with responsibility for the parish of St John the Baptist or successor parish,
- b) Up to one person nominated by the Chichester Diocesan Fund and Board of Finance,
- c) Up to one person nominated by the local council,
- d) Up to three persons nominated by the Parochial Church Council of St John's,
- e) Up to three persons from the local community (see note i) below),
- f) Up to three persons from the users of Cornerstone (see note ii) below), and they shall compose the Committee of Management

Note

i) Those from the local community are defined to be those persons nominated through any community association that covers an area that intersects with the centre's area of benefit, or any coordinating body of community groups and residents associations that cover an area that intersects with the centre's area of benefit.

ii) A user of Cornerstone is defined to be those persons who have organised or attended activities which involved the hiring of the facilities of the centre in the last 24 months or those who volunteer in the centre for either specific time or periodically.

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 30 SEPTEMBER 2022

Senior staff and principal advisors

Centre Manager

Mr Jonathan Burrell

Bankers

National Westminster Bank

Hove

East Sussex

Insurers

Ansvar Insurance

Company secretary

Ms J Robinson

Independent examiner

Chris Kyffin-Walton

168 Church Road

Hove

East Sussex

BN3 2DL

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 30 SEPTEMBER 2022

Structure, governance and management

Constitution

The Cornerstone Community Centre (Hove) is a company limited by guarantee not having a share capital and is a registered charity governed by its memorandum and articles of association.

The company's principal activity is to promote, assist and advance work to the benefit of the inhabitants enclosed by the political ward boundaries of Brunswick and Adelaide and Central Hove without distinction of race, or sex, or of political, religious or other opinions by associating the local authorities, voluntary organisations and inhabitants in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants.

Organisation and decision making structure

Members of board (management committee) are also members of the company and charity ("Cornerstone Community Centre (Hove)") and set corporate priorities and decide the overall financial strategy for the Centre in its prime imperative to promote the benefit of the inhabitants of the area. Monitoring the implementation of financial policies that reflect these agreed priorities remains with the board sitting as a management committee.

The management committee holds up to seven meetings a year reviewing overall activities against budget, deciding investment policy and performance and approving expenditure. Monthly reports on rents for rooms and expenditure are received.

The management committee promotes the annual budget having set key indicators and performance targets for various areas of activities. There are the following sub committees: building, finance and staffing upon which trustees and others sit. Regular reports are made to the full management committee; all recommendations are considered by the full management committee and appropriate decisions taken there.

Trustee recruitment, selection and induction

Membership of the management committee is a mixture of nominated and appointed membership, which is set in the Articles of Association. The committee attempts to ensure that the committee has the appropriate skills and experience to perform its tasks. During membership members are provided with regular updates on best practice and opportunities for further training are made available.

Other organisations with which the Company co-operates in achieving its objectives The company's activities involve financial transactions with a number of other charities and associations active in the area. None are formally associated with the charity.

Decision making and delegation policy

The management committee considers and approves strategy and policies, sets the annual budget and delegates to the finance sub-committee monitoring and reporting responsibilities associated with the financial aspects of activities. In a similar way the other sub-committees have delegated powers to oversee areas of activity or responsibility and report to the full committee for both accountability and decisions when policy discussion is required. The day to day management and implementation of agreed strategies and policies is undertaken by senior staff.

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 30 SEPTEMBER 2022

Financial Risk assessment

The directors are responsible for maintaining a sound system of internal financial control to safeguard the company's assets. During 2022, the financial controls reviewed the previous year were applied identifying major risks to which the company is exposed and systems continue to be developed and procedures established to mitigate those risks. A formal financial risk assessment process has been adopted and will continue to be developed. The trustees expect to review the risk report annually.

Objectives and activities

The company's principal activity is to promote, assist and advance the benefit of the inhabitants of the area of activity.

The main objectives of the charity are:

To provide facilities for groups, organisations and associations to use; to promote the establishment of groups and associations to benefit identified sectors of the local population; to engage with the community to enhance its members' capacity to develop appropriate responses to identified needs.

As part of the first objective of the charity, financial information and projected income and expenditure, and usage of the Centre continued to be provided to the management committee on a monthly basis. In addition, regular inspection of the building is undertaken and the committee receives regular reports identifying progress and any issues arising.

In response to the second objective, help to groups, with fundraising and wider publicity to sustain, had been severely restricted over the pandemic period. However, staff did assist the long-standing 'Yoga for Chronic Fatigue' class in obtaining a grant from the Sussex Community Foundation ensured the sustainability of the group. Other groups were assisted with advertising and promotion.

In response to the third objective, the Chair of Trustees set-up a food bank operating from the centre, with the key purpose to serve the residents of BN3 who meet certain criteria. The enterprise is managed by volunteers and led by the Chair with the involvement of other Trustees and operates on Friday afternoons.

Cornerstone Centre remained the location for a growing number of local organisations to meet together and share their experiences, skills and knowledge. The Manager is also active in the network of community centres within Brighton and Hove. This activity helps to ensure that the Centre remains aware of different ways of responding to identified needs locally.

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 30 SEPTEMBER 2022

Achievements and performance

During the reporting period ending September 2022, there was a general upward trend in room usage at the community centre. In the autumn term of 2021, we witnessed the return of three of our major user groups, the WEA ESOL class, the Alexander Technique training college and Brighton and Hove U3A.

By November, a total of 55 classes were operating on a weekly basis, including a new monthly meeting of the RNID charity and the return of the shiatsu clinic and 'support after stomas' support group.

However, hopes of a long period of stability and recovery of service provision to pre-pandemic levels were dashed by the emergence of the omicron variant of covid. Once more, Cornerstone experienced a wave of cancellations, including the three major user groups mentioned earlier. These remained absent until early February, when the latest covid wave subsided.

With the next stage of rebuilding, as users felt safer to return to attending regular classes, more new groups were welcomed, such as Age UK and Historical Fencing. Saturday bookings also rose, with the community market thriving and a children's first aid course run monthly. There was also great demand for children's birthday parties, as many venues which had previously hosted these had closed or restricted their opening times.

The next challenge to be faced was a fall in attendances at many of the classes, as centre users were faced by the implications of the cost of living crisis unfolding nationally. This was an issue particularly for newly established groups, some of whom struggled to attract enough participants to be viable.

Despite the issues outlined, overall the year brought a sense of revival. Occupancy between October 2021 and September 2022 totalled 6138 hours, a large increase on the previous year but still down on pre-pandemic levels.

Another significant feature of the year was the resumption of the food bank service which had operated in 2021. Funding was acquired from grants and donations, notably an amount of £3,500 received from the Household Support fund of the government distributed by Brighton and Hove Council and £1,000 by the Brighton and Hove Food partnership, as well as local Councillor's local ward budgets and private donations. A sizeable grant (£1,000) was also given by the Homity trust. In Addition to food from Fareshare , a grant was awarded from Waitrose (£333) and Hove and Portslade AIS (£500) . Many other local businesses have awarded time and food in kind and spare food on Thursday evenings is regularly collected from local supermarkets and Bakeries including Gails bakery and Flour pot .

Around 50 to 60 families were supported each week, including many asylum seekers and refugees from Ukraine.

2022 saw two 5-yearly inspections of the building, a full electrical examination and the quinquennial inspection. Both necessitated only small remedial works, indicating the value of a regular maintenance programme at Cornerstone.

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 30 SEPTEMBER 2022

Financial review

Financial overview

The accounts show a deficit on operations of approximately £21,539 for the year 2021/2022 . Income from rents rose slightly this year but was still considerably lower than is needed to achieve a balanced budget. Rents and other income increased to £79,110 (£59,740 2020/2021)

Looking forward, the Trustees continue to aim for a balanced budget where income roughly equates to costs. To this end, a review of room rental prices has been conducted and increases implemented.

Reserves policy

The management's policy remains that the unrestricted general fund cash reserve should be set at a minimum level of six to 12 month's expenditure based on a typical year's expenditure. All investments provide income and reasonable funds to be available to cover work on the fabric.

Investments

The company invests through common investment funds and does not invest directly in the stock market. It takes cognisance of the funds' ethical policies. During 2021/2022 the unrealised loss in investments was £19,698 and total investments stand at £159,857.

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 30 SEPTEMBER 2022

Plans for future periods

As an ongoing strategy we will continue to identify potential new trustees and members of the management committee, focusing on the experience and talents they might bring to the Board while being aware that the Board itself ought to be representative of the community we serve.

Although the grip of the covid19 pandemic has to some extent lessened and Cornerstone and society at large are beginning to return to some semblance of normality, the emergence of new variants of concern, or the mere threat of them, still have the power to derail progress. Clearly this has significant operational and financial implications for the future running of the Centre, as we were to discover in early 2022 with the appearance of the Omicron variant of covid19. The health, safety and well-being of our staff and users remains our top priority and any new health advice or government guidelines and regulations will of course be followed.

Unfortunately mention must be made of the potential impact on Cornerstone of both the cost-of-living crisis and the war in Ukraine. Once again the Centre will have to be aware of any resulting changes in the pattern of usage or the needs of the community. This task will most likely fall on the able shoulders of the Manager, Assistant Manager and Volunteers via conversations with the Centre's users and visitors, with feedback to and support from the Board. As ever, the quiet importance of the Volunteers to the smooth running of the Centre is a component that we simply could not do without.

Last summer we undertook the latest quinquennial inspection to assess the current state of the Cornerstone and HOP Centre buildings and the St John the Baptist Church. The resulting report will guide for years to come the constant maintenance of the buildings to ensure they continue to be the welcoming and safe spaces for all those using the facilities. We also undertook our five-year full electrical inspection of the Cornerstone, HOP and Church to further guide this process.

The trustees once again acknowledge the debt owed to all those who have been involved with the Centre during these continuing extraordinary times, keeping it as an all important resource at the heart of the community.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 13 June 2023 and signed on behalf of the board of trustees by:

Ms A Ollerenshaw
Trustee

Ms J Robinson
Trustee

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CORNERSTONE COMMUNITY CENTRE (HOVE)

YEAR ENDED 30 SEPTEMBER 2022

I report to the trustees on my examination of the financial statements of Cornerstone Community Centre (Hove) ('the charity') for the year ended 30 September 2022.

Responsibilities and basis of report

As the trustees of the company (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 accounts of the company 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 charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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:

1. accounting records were not kept in respect of the charity 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).

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CORNERSTONE
COMMUNITY CENTRE (HOVE) *(continued)***

YEAR ENDED 30 SEPTEMBER 2022

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

Chris Kyffin-Walton
Independent Examiner

168 Church Road
Hove
East Sussex
BN3 2DL

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 30 SEPTEMBER 2022

		Unrestricted funds £	2022 Restricted funds £	Total funds £	2021 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	70	11,343	11,413	7,740
Charitable activities	6	79,110	–	79,110	36,011
Investment income	7	5,169	–	5,169	4,988
Other income	8	650	–	650	23,729
Total income		<u>84,999</u>	<u>11,343</u>	<u>96,342</u>	<u>72,468</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	–	–	–	6,091
Expenditure on charitable activities	10,11	88,988	9,195	98,183	82,799
Total expenditure		<u>88,988</u>	<u>9,195</u>	<u>98,183</u>	<u>88,890</u>
Net (losses)/gains on investments	12	(19,698)	–	(19,698)	11,057
Net expenditure and net movement in funds		<u>(23,687)</u>	<u>2,148</u>	<u>(21,539)</u>	<u>(5,365)</u>
Reconciliation of funds					
Total funds brought forward		248,857	–	248,857	254,222
Total funds carried forward		<u>225,170</u>	<u>2,148</u>	<u>227,318</u>	<u>248,857</u>

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

The notes on pages 14 to 24 form part of these financial statements.

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION

30 SEPTEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	17	1,558	1,947
Investments	18	159,851	179,549
		<u>161,409</u>	<u>181,496</u>
Current assets			
Cash at bank and in hand		68,753	68,561
Creditors: amounts falling due within one year	19	<u>2,844</u>	<u>1,200</u>
Net current assets		65,909	67,361
Total assets less current liabilities		<u>227,318</u>	<u>248,857</u>
Net assets		<u>227,318</u>	<u>248,857</u>
Funds of the charity			
Restricted funds		2,148	–
Unrestricted funds		225,170	248,857
Total charity funds	21	<u>227,318</u>	<u>248,857</u>

For the year ending 30 September 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The statement of financial position
continues on the following page.

The notes on pages 14 to 24 form part of these financial statements.

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION *(continued)*

30 SEPTEMBER 2022

These financial statements were approved by the board of trustees and authorised for issue on 13 June 2023, and are signed on behalf of the board by:

Ms A Ollerenshaw
Trustee

The notes on pages 14 to 24 form part of these financial statements.

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Church Road, Hove, BN3 2FL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

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

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

Going concern

At the time of approving the financial statement, 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.

Judgements and key sources of estimation uncertainty

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

No significant judgements have had to be made by the directors in preparing these financial statements.

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2022

3. Accounting policies *(continued)*

Fund accounting

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

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

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

Incoming resources

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

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

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2022

3. Accounting policies *(continued)*

Resources expended

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

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

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

Tangible assets

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

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

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

Short leasehold property	-	25 years from 1993
Fixtures and fittings	-	20% reducing balance

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2022

3. Accounting policies *(continued)*

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2022

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

In the event of the company being wound up, each member, who is a member at that time, has undertaken to contribute £1.

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2022

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations - general	70	—	70
Donations - food bank	—	3,343	3,343
Grants			
Grants receivable - general	—	—	—
Grants receivable - yoga	—	2,000	2,000
Grants receivable - food bank	—	6,000	6,000
	<u>70</u>	<u>11,343</u>	<u>11,413</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations - general	1,120	—	1,120
Donations - food bank	—	—	—
Grants			
Grants receivable - general	6,620	—	6,620
Grants receivable - yoga	—	—	—
Grants receivable - food bank	—	—	—
	<u>7,740</u>	<u>—</u>	<u>7,740</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Income from lettings	<u>79,110</u>	<u>79,110</u>	<u>36,011</u>	<u>36,011</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>5,169</u>	<u>5,169</u>	<u>4,988</u>	<u>4,988</u>

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2022

8. Other income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
HMRC CJRS grant receivable	<u>650</u>	<u>650</u>	<u>23,729</u>	<u>23,729</u>

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Other trading activities	<u>–</u>	<u>–</u>	<u>6,091</u>	<u>6,091</u>

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
General	86,796	–	86,796
Yoga	–	1,095	1,095
Food bank	–	8,100	8,100
Support costs	<u>2,192</u>	<u>–</u>	<u>2,192</u>
	<u>88,988</u>	<u>9,195</u>	<u>98,183</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
General	79,378	–	79,378
Yoga	–	–	–
Food bank	–	–	–
Support costs	<u>3,421</u>	<u>–</u>	<u>3,421</u>
	<u>82,799</u>	<u>–</u>	<u>82,799</u>

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2022

11. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2022	Total fund 2021
	£	£	£	£
General	86,796	–	86,796	79,378
Yoga	1,095	–	1,095	–
Food bank	8,100	–	8,100	–
Governance costs	–	2,192	2,192	3,421
	<u>95,991</u>	<u>2,192</u>	<u>98,183</u>	<u>82,799</u>

12. Net (losses)/gains on investments

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Gains/(losses) on other investment assets	<u>(19,698)</u>	<u>(19,698)</u>	<u>11,057</u>	<u>11,057</u>

13. Net expenditure

Net expenditure is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	<u>389</u>	<u>487</u>

14. Independent examination fees

	2022	2021
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,200</u>	<u>1,440</u>

15. Staff costs

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

	2022	2021
	£	£
Wages and salaries	55,854	58,241
Social security costs	1,152	–
Employer contributions to pension plans	2,751	–
	<u>59,757</u>	<u>58,241</u>

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2022

15. Staff costs *(continued)*

The average head count of employees during the year was 2 (2021: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2022 No.	2021 No.
Number of staff - administrative	<u>2</u>	<u>2</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

16. Trustee remuneration and expenses

None of the trustees (or any persons connected with them) received any remuneration during the year nor claimed any expenses.

17. Tangible fixed assets

	Short leasehold property £	Fixtures and fittings £	Total £
Cost			
At 1 Oct 2021 and 30 Sep 2022	<u>419,596</u>	<u>38,579</u>	<u>458,175</u>
Depreciation			
At 1 Oct 2021	419,596	36,632	456,228
Charge for the year	<u>–</u>	<u>389</u>	<u>389</u>
At 30 Sep 2022	<u>419,596</u>	<u>37,021</u>	<u>456,617</u>
Carrying amount			
At 30 Sep 2022	<u>–</u>	<u>1,558</u>	<u>1,558</u>
At 30 Sep 2021	<u>–</u>	<u>1,947</u>	<u>1,947</u>

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2022

18. Investments

	Listed investments £	Other investments £	Total £
Cost or valuation			
At 1 Oct 2021	917	178,632	179,549
Additions	—	—	—
Fair value movements	—	(19,698)	(19,698)
At 30 Sep 2022	<u>917</u>	<u>158,934</u>	<u>159,851</u>
Impairment			
At 1 Oct 2021 and 30 Sep 2022		—	—
Carrying amount			
At 30 Sep 2022	<u>917</u>	<u>158,934</u>	<u>159,851</u>
At 30 Sep 2021	<u>917</u>	<u>178,632</u>	<u>179,549</u>

All investments shown above are held at valuation.

Financial assets held at fair value

Investments have been valued using the bid market value at the year end.

19. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	1,200	1,200
Social security and other taxes	1,599	—
Other creditors	45	—
	<u>2,844</u>	<u>1,200</u>

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,751 (2021: £Nil).

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2022

21. Analysis of charitable funds

Unrestricted funds

	At 1 Oct 2021	Income	Expenditure	Gains and losses	At 30 Sep 2022
	£	£	£	£	£
General funds	<u>248,857</u>	<u>84,999</u>	<u>(88,988)</u>	<u>(19,698)</u>	<u>225,170</u>

	At 1 Oct 2020	Income	Expenditure	Gains and losses	At 30 Sep 2021
	£	£	£	£	£
General funds	<u>254,222</u>	<u>72,468</u>	<u>(88,890)</u>	<u>11,057</u>	<u>248,857</u>

Restricted funds

	At 1 Oct 2021	Income	Expenditure	Gains and losses	At 30 Sep 2022
	£	£	£	£	£
Restricted Funds	<u>—</u>	<u>11,343</u>	<u>(9,195)</u>	<u>—</u>	<u>2,148</u>

	At 1 Oct 2020	Income	Expenditure	Gains and losses	At 30 Sep 2021
	£	£	£	£	£
Restricted Funds	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

22. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Tangible fixed assets	1,558	—	1,558
Investments	159,851	—	159,851
Current assets	66,606	2,148	68,754
Creditors less than 1 year	<u>(2,845)</u>	<u>—</u>	<u>(2,845)</u>
Net assets	<u>225,170</u>	<u>2,148</u>	<u>227,318</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Tangible fixed assets	1,947	—	1,947
Investments	179,549	—	179,549
Current assets	68,561	—	68,561
Creditors less than 1 year	<u>(1,200)</u>	<u>—</u>	<u>(1,200)</u>
Net assets	<u>248,857</u>	<u>—</u>	<u>248,857</u>

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

MANAGEMENT INFORMATION

YEAR ENDED 30 SEPTEMBER 2022

The following pages do not form part of the financial statements.

CORNERSTONE COMMUNITY CENTRE (HOVE)**COMPANY LIMITED BY GUARANTEE****DETAILED STATEMENT OF FINANCIAL ACTIVITIES****YEAR ENDED 30 SEPTEMBER 2022**

	2022	2021
	£	£
Income and endowments		
Donations and legacies		
Donations - general	70	1,120
Donations - food bank	3,343	–
Grants receivable - general	–	6,620
Grants receivable - yoga	2,000	–
Grants receivable - food bank	6,000	–
	<u>11,413</u>	<u>7,740</u>
 Charitable activities		
Income from lettings	<u>79,110</u>	<u>36,011</u>
 Investment income		
Bank interest receivable	<u>5,169</u>	<u>4,988</u>
 Other income		
HMRC CJRS grant receivable	<u>650</u>	<u>23,729</u>
 Total income	<u><u>96,342</u></u>	<u><u>72,468</u></u>

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES *(continued)*

YEAR ENDED 30 SEPTEMBER 2022

	2022 £	2021 £
Expenditure		
Costs of other trading activities		
Purchases	—	6,091
Expenditure on charitable activities		
Purchases	9,195	—
Wages and salaries	55,854	58,241
Employer's NIC	1,152	—
Pension costs	2,751	—
Rates and water	867	—
Light and heat	2,735	—
Repairs and maintenance	12,856	—
Insurance	4,912	—
Other establishment	—	20,650
Legal and professional fees	2,192	3,421
Other office costs	5,231	—
Depreciation	389	487
Bank charges	24	—
Sundries	25	—
	<u>98,183</u>	<u>82,799</u>
Total expenditure	<u>98,183</u>	<u>88,890</u>
Net (losses)/gains on investments		
Gains/(losses) on other investment assets	<u>(19,698)</u>	<u>11,057</u>
Net expenditure	<u>(21,539)</u>	<u>(5,365)</u>

CORNERSTONE COMMUNITY CENTRE (HOVE)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 30 SEPTEMBER 2022

	2022 £	2021 £
Costs of other trading activities		
Other trading activities		
Other trading activities	—	6,091
	<u>—</u>	<u>6,091</u>
Costs of other trading activities	<u>—</u>	<u>6,091</u>
Expenditure on charitable activities		
General		
<i>Activities undertaken directly</i>		
Wages and salaries	55,854	58,241
Employer's NIC	1,152	—
Pension costs	2,751	—
Rates & water	867	—
Light & heat	2,735	—
Repairs & maintenance	12,856	—
Insurance	4,912	—
Centre running costs	—	20,650
Other office costs	5,231	—
Depreciation	389	487
Bank charges	24	—
Sundries	25	—
	<u>86,796</u>	<u>79,378</u>
Yoga		
<i>Activities undertaken directly</i>		
Purchases	1,095	—
Food bank		
<i>Activities undertaken directly</i>		
Purchases	8,100	—
Governance costs		
Governance costs - accountancy fees	2,192	3,421
	<u>2,192</u>	<u>3,421</u>
Expenditure on charitable activities	<u>98,183</u>	<u>82,799</u>