

**Elm Tree Community Association**  
**Unaudited Financial Statements**  
**31 March 2023**

# **Elm Tree Community Association**

## **Financial Statements**

**Year ended 31 March 2023**

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# Elm Tree Community Association

## Trustees' Annual Report

### Year ended 31 March 2023

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The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

#### Reference and administrative details

|                                    |                                                 |
|------------------------------------|-------------------------------------------------|
| <b>Registered charity name</b>     | Elm Tree Community Association                  |
| <b>Charity registration number</b> | 1042780                                         |
| <b>Principal office</b>            | Elm Tree Avenue<br>Stockton on Tees<br>TS19 0UW |

#### The trustees

Mr E Kennedy  
Mr P Davies  
Mr C Huntley  
Mrs M Hill  
Mrs L Grainge  
Mr P Surtees  
Mrs J Derbyshire

|                             |                                                                                                     |
|-----------------------------|-----------------------------------------------------------------------------------------------------|
| <b>Independent examiner</b> | SJ Accounting Services (NE) Ltd<br>3 Galava Walk<br>Ingleby Barwick<br>Stockton on Tees<br>TS17 5JD |
|-----------------------------|-----------------------------------------------------------------------------------------------------|

#### Structure, governance and management

Elm Tree Community Association is a registered unincorporated Charity, governed by a Board of Trustees. The organisation gained charitable status registering with the Charity Commission for England and Wales on the 12th December 1994.

#### Objectives and activities

Elm Tree Community Association aim's to promote the benefit of the inhabitants of the neighbourhood without distinction and to maintain and manage the Elm Tree Community Centre for activities provided by the association.

# **Elm Tree Community Association**

## **Trustees' Annual Report** *(continued)*

**Year ended 31 March 2023**

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### **Achievements and performance**

The centre has had a successful year considering it is only staffed on a part time basis. There continues to be just two members of staff working 30 hours a week between them. The system whereas many users hold keys to the building is working very well and very few problems arise.

The two staff members ensure that the centre is always clean and well maintained and their hours are planned to coincide with use by elderly or more vulnerable users so rooms can be prepared for them and support can be offered.

Our Children's centre is now under new Management and the transition has been trouble free. We have had the nursery room re-decorated for their arrival in September. They have expanded their provision to a younger toddler group and need extra space so we have given them the use of the computer room which is no longer used.

Our management committee continues to meet bi monthly and they continue to be very supportive of the staff and the centre.

### **Financial review**

The results for the period are reflected in the Statement of Financial Activities in the accounts. The accounts for the year show a deficit of £8,255. The reserves stand at £38,889, being unrestricted of which £30,024 free reserves.

### **Reserves Policy**

The trustees aim is to expend all funds on their charitable objects; however, they recognise the need to maintain a certain level of reserves as a cushion against possible future difficulties. Free reserves at the level of 6 months running costs would allow the charity to continue it's operations while alternative funding sources were sought.

The trustees' annual report was approved on 31 July 2023 and signed on behalf of the board of trustees by:

Mr P Surtees  
Chair

# Elm Tree Community Association

## Independent Examiner's Report to the Trustees of Elm Tree Community Association

**Year ended 31 March 2023**

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I report to the trustees on my examination of the financial statements of Elm Tree Community Association ('the charity') for the year ended 31 March 2023.

### **Responsibilities and basis of report**

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

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

### **Independent examiner's statement**

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

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

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

SJ Accounting Services (NE) Ltd  
Independent Examiner

3 Galava Walk  
Ingleby Barwick  
Stockton on Tees  
TS17 5JD

# Elm Tree Community Association

## Statement of Financial Activities

Year ended 31 March 2023

|                                                           |            | 2023           |                | 2022          |
|-----------------------------------------------------------|------------|----------------|----------------|---------------|
|                                                           |            | Unrestricted   | Total funds    | Total funds   |
|                                                           | Note       | funds          | £              | £             |
|                                                           |            | £              | £              | £             |
| <b>Income and endowments</b>                              |            |                |                |               |
| Donations and legacies                                    | <b>4</b>   | 19,325         | 19,325         | 26,809        |
| Charitable activities                                     | <b>5</b>   | 22,198         | 22,198         | 30,525        |
| <b>Total income</b>                                       |            | <u>41,523</u>  | <u>41,523</u>  | <u>57,334</u> |
| <b>Expenditure</b>                                        |            |                |                |               |
| Expenditure on charitable activities                      | <b>6,7</b> | 49,778         | 49,778         | 53,470        |
| <b>Total expenditure</b>                                  |            | <u>49,778</u>  | <u>49,778</u>  | <u>53,470</u> |
| <b>Net (expenditure)/income and net movement in funds</b> |            | <u>(8,255)</u> | <u>(8,255)</u> | <u>3,864</u>  |
| <b>Reconciliation of funds</b>                            |            |                |                |               |
| Total funds brought forward                               |            | 47,144         | 47,144         | 43,280        |
| <b>Total funds carried forward</b>                        |            | <u>38,889</u>  | <u>38,889</u>  | <u>47,144</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 6 to 10 form part of these financial statements.

# Elm Tree Community Association

## Statement of Financial Position

31 March 2023

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|                                                       | Note      | 2023<br>£            | 2022<br>£            |
|-------------------------------------------------------|-----------|----------------------|----------------------|
| <b>Current assets</b>                                 |           |                      |                      |
| Cash at bank and in hand                              |           | 39,541               | 47,747               |
| <b>Creditors: amounts falling due within one year</b> | <b>11</b> | <u>652</u>           | <u>603</u>           |
| <b>Net current assets</b>                             |           | <u>38,889</u>        | <u>47,144</u>        |
| <b>Total assets less current liabilities</b>          |           | <u>38,889</u>        | <u>47,144</u>        |
| <b>Net assets</b>                                     |           | <u><u>38,889</u></u> | <u><u>47,144</u></u> |
| <b>Funds of the charity</b>                           |           |                      |                      |
| Unrestricted funds                                    |           | <u>38,889</u>        | <u>47,144</u>        |
| <b>Total charity funds</b>                            | <b>12</b> | <u><u>38,889</u></u> | <u><u>47,144</u></u> |

These financial statements were approved by the board of trustees and authorised for issue on 31 July 2023, and are signed on behalf of the board by:

Mr P Surtees  
Trustee

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The notes on pages 6 to 10 form part of these financial statements.

# Elm Tree Community Association

## Notes to the Financial Statements

Year ended 31 March 2023

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### 1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Elm Tree Avenue, Stockton on Tees, TS19 0UW.

### 2. Statement of compliance

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

### 3. Accounting policies

#### Basis of preparation

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

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

#### Going concern

There are no material uncertainties about the charity's ability to continue.

#### Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (a) No cash flow statement has been presented for the company.

(b) Disclosures in respect of financial instruments have not been presented.

#### Judgements and key sources of estimation uncertainty

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

#### Fund accounting

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

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

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



# Elm Tree Community Association

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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### 3. Accounting policies *(continued)*

#### Incoming resources

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

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

#### Resources expended

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

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

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

#### Financial instruments

A financial asset or a financial liability is recognised only when the charity 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.

# Elm Tree Community Association

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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### 3. Accounting policies *(continued)*

#### Financial instruments *(continued)*

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 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.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

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.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### 4. Donations and legacies

|                          | Unrestricted<br>Funds<br>£ | Total Funds<br>2023<br>£ | Unrestricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|--------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| <b>Donations</b>         |                            |                          |                            |                          |
| Donations                | 19,325                     | 19,325                   | –                          | –                        |
| <b>Grants</b>            |                            |                          |                            |                          |
| Stockton Borough Council | –                          | –                        | 10,667                     | 10,667                   |
| Job Retention Scheme     | –                          | –                        | 16,142                     | 16,142                   |
|                          | <u>19,325</u>              | <u>19,325</u>            | <u>26,809</u>              | <u>26,809</u>            |

# Elm Tree Community Association

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

### 5. Charitable activities

|                                         | Unrestricted<br>Funds<br>£ | <b>Total Funds<br/>2023<br/>£</b> | Unrestricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|-----------------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Other income from charitable activities | <u>22,198</u>              | <u>22,198</u>                     | <u>30,525</u>              | <u>30,525</u>            |

### 6. Expenditure on charitable activities by fund type

|                 | Unrestricted<br>Funds<br>£ | <b>Total Funds<br/>2023<br/>£</b> | Unrestricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|-----------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Activity type 1 | 48,691                     | 48,691                            | 52,478                     | 52,478                   |
| Support costs   | <u>1,087</u>               | <u>1,087</u>                      | <u>992</u>                 | <u>992</u>               |
|                 | <u>49,778</u>              | <u>49,778</u>                     | <u>53,470</u>              | <u>53,470</u>            |

### 7. Expenditure on charitable activities by activity type

|                  | Activities<br>undertaken<br>directly<br>£ | Support<br>costs<br>£ | <b>Total funds<br/>2023<br/>£</b> | Total fund<br>2022<br>£ |
|------------------|-------------------------------------------|-----------------------|-----------------------------------|-------------------------|
| Activity type 1  | 48,691                                    | –                     | 48,691                            | 52,478                  |
| Governance costs | <u>–</u>                                  | <u>1,087</u>          | <u>1,087</u>                      | <u>992</u>              |
|                  | <u>48,691</u>                             | <u>1,087</u>          | <u>49,778</u>                     | <u>53,470</u>           |

### 8. Independent examination fees

|                                                                                                      | <b>2023<br/>£</b> | 2022<br>£  |
|------------------------------------------------------------------------------------------------------|-------------------|------------|
| Fees payable to the independent examiner for:<br>Independent examination of the financial statements | <u>500</u>        | <u>500</u> |

### 9. Staff costs

The average head count of employees during the year was 2 (2022: 2).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

### 10. Trustee remuneration and expenses

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

# Elm Tree Community Association

## Notes to the Financial Statements *(continued)*

### Year ended 31 March 2023

#### 11. Creditors: amounts falling due within one year

|                              | <b>2023</b>     | 2022            |
|------------------------------|-----------------|-----------------|
|                              | <b>£</b>        | <b>£</b>        |
| Accruals and deferred income | 652             | 603             |
|                              | <u>        </u> | <u>        </u> |

#### 12. Analysis of charitable funds

##### Unrestricted funds

|                    | At<br>1 April 2022 | Income<br>£   | Expenditure<br>£ | Transfers<br>£ | At<br>31 March 2023<br>£ |
|--------------------|--------------------|---------------|------------------|----------------|--------------------------|
| General funds      | 39,514             | 41,523        | (49,778)         | (1,235)        | 30,024                   |
| Redundancy Reserve | 7,630              | –             | –                | 1,235          | 8,865                    |
|                    | <u>47,144</u>      | <u>41,523</u> | <u>(49,778)</u>  | <u>–</u>       | <u>38,889</u>            |

|                    | At<br>1 April 2021 | Income<br>£   | Expenditure<br>£ | Transfers<br>£ | At<br>31 March 2022<br>£ |
|--------------------|--------------------|---------------|------------------|----------------|--------------------------|
| General funds      | 43,280             | 57,334        | (53,470)         | (7,630)        | 39,514                   |
| Redundancy Reserve | –                  | –             | –                | 7,630          | 7,630                    |
|                    | <u>43,280</u>      | <u>57,334</u> | <u>(53,470)</u>  | <u>–</u>       | <u>47,144</u>            |

#### 13. Analysis of net assets between funds

|                | Unrestricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|----------------|----------------------------|--------------------------|
| Current assets | 38,889                     | 38,889                   |
|                | <u>        </u>            | <u>        </u>          |
|                | Unrestricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
| Current assets | 47,144                     | 47,144                   |
|                | <u>        </u>            | <u>        </u>          |