

Charity Registration No. 1104671

Company Registration No. 04577901 (England and Wales)

SOUTHALL COMMUNITY ALLIANCE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

SOUTHALL COMMUNITY ALLIANCE

CONTENTS

	Page
Trustees' report	1 - 4
Statement of trustees' responsibilities	5
Independent auditor's report	6 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 18

SOUTHALL COMMUNITY ALLIANCE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lourdu Maria Doss	Resigned 20/11/2020 & reappointed on 11/02/2021
	Ahmed Mohamed	
	Sarabjit Bhachu	
	Harsev Bains	Resigned 04/06/2020 & reappointed on 11/01/2021
	Ravinder Jain	
	Promila Bhatia	
	Tajinder P Singh	Appointed on 11/02/2021
	Jaskaran S Bholowasia	Appointed on 11/02/2021
	Obinna Nwokocha	Appointed on 11/02/2021 & resigned on 11/03/2021
	Balvinder Chahal	Appointment terminated on 11/01/2021
	Amir Fouladvand	Appointment terminated on 11/01/2021
Directors	Sarabjit Bhachu	Appointed on 17/08/2020
	Harsev Bains	Resigned 04/06/2020 & reappointed on 11/01/2021
	Promila Bhatia	Appointed 04/09/2020
	Jaskaran S Bholowasia	Appointed on 11/02/2021
	Lourdu Maria Doss	Appointed on 11/02/2021
	Ravinder Jain	
	Ahmed Mohamed	
	Tajinder P Singh	Appointed on 11/02/2021
	Balvinder Chahal	Appointment terminated on 11/01/2021
Secretary	Amir Fouladvand	Appointment terminated on 11/01/2021
Charity number	1104671	
Company number	04577901	
Principal address	Town Hall High Street Southall Middlesex UB1 3HA	
Registered office	Town Hall High Street Southall Middlesex UB1 3HA	
Auditor	RehncyShaheen Chartered Accountants 1276/1278 Greenford Road Greenford Middlesex UB6 0HH	

SOUTHALL COMMUNITY ALLIANCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

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 Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity aims to develop the skills and capacity of the socially and economically disadvantaged members of the local community and to promote equality, diversity and good race relations through the targeted activities it arranges. The charity arranges meetings of a community forum, delivers public health activities, arranges training and community support, involves stakeholders in the regeneration of Southall and provides a voice for the area on local networks and partnerships.

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

Achievements and performance

The charity operates a community resource centre at Southall Town Hall and provides group building support to voluntary and community groups working in the Southall area. The main features include providing hot desk support for groups, offering meeting space for ethnic minority groups, funding assistance, involvement in local partnerships and increased sustainability through diversified funding.

SCA is also involved in work that provides training to local residents, access to physical activity opportunities and assistance to access statutory and other services. Over this year we were involved in the attract funding City Bridge Trust, The National Lottery & Community Fund and Groundwork.

Food Hub

One of the years outstanding achievements was the establishment of the Southall Food Hub with the Young Ealing Foundation. We worked at the Young Adults Centre to arrange food deliveries for hundreds of residents and the equivalent of over 30,000 meals to families facing food poverty. The work with local businesses, voluntary partners, schools and the Council was unprecedented and brought together people in unique way. By the end of the year the work was still continuing as families struggled to access food and this was achieved in partnership with St John's Church, Southall Lions Club, Ealing Community Transport and others.

Public benefits statement

The company meets the Charity Commissions public benefit criteria under both the advancement of education and the advancement of citizenship or community development objectives. The trustees have complied with section 17 of Charities Act 2011 with regard to public benefit guidance issued by the Charity Commission.

SOUTHALL COMMUNITY ALLIANCE

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

FOR THE YEAR ENDED 31 MARCH 2021

Governance review

During the latter part of the year there was a serious incident involving two trustees who were later removed from office in January 2021 by SCA members at an Extraordinary General Meeting. The matter was reported as a serious incident to the Charity Commission by our Secretary. However, the two trustees made a number of unsubstantiated allegations against the charity that resulted in our funders temporarily freezing our grants and Ealing Council initiating an audit of finances and financial management processes. The audit concluded by finding no discrepancies in the disbursement of our finances.

We arranged an overdue Annual General Meeting in February 2021 and provided an annual report and accounts to comply with our legal commitments. The AGM also appointed new members to serve as trustees.

SCA also initiated a full governance review led by the Secretary to cover membership, policies and safeguards and trustee training.

Financial review

The charity saw an increase in grant income as compared to the previous year. Our overall income increased during the year and we managed to remain a going concern for the foreseeable future.

Although SCA receives a number of grants from Ealing Council, not all this funding is for the organisation alone. As a partner in various projects, the charity has to share funding with other partners around Ealing and this means that only a portion of the overall funding is retained by the organisation. This applies particularly to the Community Connectors and Lottery funded projects that involve between 6-15 other partner organisations, to whom the majority of the funding is provided.

The SCA bank account was also temporarily frozen to investigate allegations made by two former trustees. Whilst causing disruption to our finances, SCA was able to meet its core commitments, and eventually the bank found that there had been no wrong doing and fully restored access to our account.

Risk and internal control

The Treasurer and Chair worked closely with SCA staff to revise internal financial controls and the financial management policy, to provide reassurance against material mismanagement or loss. This includes new guidance on financial processes and regular monitoring of the finances of the charity. Regular reports about the financial position of the organisation are provided at trustee and finance meetings.

Reserves policy

The SCA reserves policy considers the need to:

- cover salary, accommodation and support costs, without which SCA could not function, in the event of a temporary loss of funding, or reduction or delay in funding
- cover notice and redundancy costs should it be necessary to reduce staffing levels
- cover any unbudgeted events such as sickness or maternity leave, and protect against any other risks and unforeseen expenditure which may arise

The policy states that:

- SCA should aim to hold unrestricted reserves which represent three months' estimated operating costs (defined as salary, accommodation, support and governance costs) for the organisation as a whole during the following 12 months
- Should reserves fall below the stated level, the Board of trustees and the Manager will endeavour to raise additional unrestricted funds as a matter of urgency, or take steps to reduce operating costs
- The level of unrestricted reserves should not exceed 30% of SCA's total annual income. Should reserves significantly exceed this level the Board will draw up a plan to use any additional reserves to invest in development of the organisation and long-term sustainability
- The level of reserves will be reviewed annually by the Board of trustees

Over the past 3 years we have seen a gradual depletion of our reserves, as our annual income levels have decreased. During this year we introduced many efficiency savings that significantly lowered our expenditure and allowed us to begin rebuilding our unrestricted reserves.

SOUTHALL COMMUNITY ALLIANCE

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

FOR THE YEAR ENDED 31 MARCH 2021

COVID-19

The COVID-19 pandemic had a significant impact on the operations of the charity. For much of this year the SCA office was closed to comply with national safety guidelines. Many of the projects we are funded to deliver involved the delivery of group sessional activities and with social distancing restrictions it became very difficult to continue many of the activities that we were originally contracted to deliver. Our different funders understood that agreed activities could be suspended because of the emergency situation.

As our normal work programme was temporarily suspended we began to focus upon emergency relief efforts in Southall with other partner organisations, focussing upon food distribution and the establishment of the Southall Food Hub.

Plans for future periods

SCA is an established umbrella organisation supporting almost 90 community group members and partners across Ealing. Our future aims include:

- helping residents and groups as they recover from the economic, social and health impacts of the pandemic
- working for the well being of Southall residents to develop new projects and initiatives that meet the current and emerging needs of the area
- involving local residents and groups in issues and developments likely to affect quality of life in the Southall area
- continue to diversify funding streams, so that core organisational costs are met from a range of sources
- complete our governance review and strengthening internal governance structures and broadening the role and involvement of trustees

Structure, governance and management

Southall Community Alliance (known as 'SCA') was established in 2000 and registered as a charitable company limited by guarantee in 2002. The organisation registered as a charity in 2005. The work and affairs of the charity are governed by compliance with a memorandum and articles of association. The charity currently has 8 trustees who are elected for a three year term from amongst the voting members of SCA. This election takes place at the Annual General Meeting of the charity. The trustees review and oversee the work of the organisation at regular Board meetings and the charity currently has three employees who are responsible to the trustees. Every trustee resigns after three years and it is open for them to stand for re-election after this period. No remuneration or benefits from employment with the charity are received by any of the trustees.

Decisions about the management or strategic direction of the charity are made by SCA trustees at regular board meetings. Staff are delegated the responsibility for the day-to-day or operational work of the charity.

Newly appointed trustees will receive induction and introductory materials at the first meeting of the Board following the AGM. These include the SCA constitution, standing orders, summary of projects and roles and responsibilities of trustees from the Charity Commission.

The pay and remuneration for staff is set by the trustees, using local authority pay scales as a guide to establishing pay rates.

SOUTHALL COMMUNITY ALLIANCE

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

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, many of 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:

Harsev Bains (Chair)	Resigned 04/06/2020 & reappointed on 11/01/2021
Lourdu Maria Doss	Resigned 20/11/2020 & reappointed on 11/02/2021
Ahmed Mohamed	
Sarabjit Bhachu	
Ravinder Jain (Treasurer)	
Promila Bhatia	
Tajinder P Singh	Appointed on 11/02/2021
Jaskaran S Bholowasia	Appointed on 11/02/2021
Obinna Nwokocha	Appointed on 11/02/2021 & resigned on 11/03/2021
Balvinder Chahal	Appointment terminated on 11/01/2021
Amir Fouladvand (Company Secretary)	Appointment terminated on 11/01/2021

Rev Michael Bolley was appointed as Secretary to the Board on 14/01/2021

Trustees' involvements

The following trustees were also involved in other unconnected charities:

Harsev Bains - Marx Memorial Library and Workers School
Balvinder Kaur Chahal - Ealing CVS
Ravinder Kumar Jain - Ealing Community Trust

Auditor

Rehncy Shaheen are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

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



Harsev Bains

Trustee

Dated: 25 Oct 2021



Ravinder Jain

Trustee

Dated: 26th Oct 2021

SOUTHALL COMMUNITY ALLIANCE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, many of who are also the directors of Southall Community Alliance 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

SOUTHALL COMMUNITY ALLIANCE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SOUTHALL COMMUNITY ALLIANCE

Opinion

We have audited the financial statements of Southall Community Alliance (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and the 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 FRS 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 March 2021 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.

SOUTHALL COMMUNITY ALLIANCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SOUTHALL COMMUNITY ALLIANCE

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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 auditors' 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.


Mr Jasdev Rehncy (Senior Statutory Auditor)
For and on behalf of RehncyShaheen Chartered Accountants

21/10/21

1276/1278 Greenford Road
Greenford
Middlesex
UB6 0HH

RehncyShaheen Chartered Accountants is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

SOUTHALL COMMUNITY ALLIANCE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
<u>Income and endowments from:</u>							
Charitable activities	3	10,295	297,113	307,408	45,248	191,077	236,325
Other income	4	-	-	-	3,473	-	3,473
Total income		<u>10,295</u>	<u>297,113</u>	<u>307,408</u>	<u>48,721</u>	<u>191,077</u>	<u>239,798</u>
<u>Expenditure on:</u>							
Charitable activities	5	-	238,934	238,934	46,586	170,455	217,041
Net income for the year/ Net movement in funds		<u>10,295</u>	<u>58,179</u>	<u>68,474</u>	<u>2,135</u>	<u>20,622</u>	<u>22,757</u>
Fund balances at 1 April 2020		<u>949</u>	<u>31,301</u>	<u>32,250</u>	<u>1,933</u>	<u>10,679</u>	<u>9,493</u>
Fund balances at 31 March 2021		<u><u>11,244</u></u>	<u><u>89,480</u></u>	<u><u>100,724</u></u>	<u><u>949</u></u>	<u><u>31,301</u></u>	<u><u>32,250</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SOUTHALL COMMUNITY ALLIANCE

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		5,705		3,867
Current assets					
Debtors	10	83,670		37,572	
Cash at bank and in hand		58,237		46,328	
		<u>141,907</u>		<u>83,900</u>	
Creditors: amounts falling due within one year	11	<u>(46,888)</u>		<u>(55,517)</u>	
Net current assets			95,019		28,383
Total assets less current liabilities			<u>100,724</u>		<u>32,250</u>
Income funds [Reserves]					
Restricted funds			89,480		31,301
Unrestricted funds			11,244		949
			<u>100,724</u>		<u>32,250</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, 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 21 OCT 2021



Harsev Bains
Trustee

Company Registration No. 04577901

SOUTHALL COMMUNITY ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Southall Community Alliance is a private company limited by guarantee incorporated in England and Wales. The registered office is Town Hall, High Street, Southall, Middlesex, UB1 3HA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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 are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

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.

SOUTHALL COMMUNITY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.6 Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

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:

Computer equipment	25% reducing balance
Fixtures and fittings	25% reducing balance

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

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.

SOUTHALL COMMUNITY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

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.

SOUTHALL COMMUNITY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Voluntary Income

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
City Bridge Trust- Health Improvement		33,839	33,839	-
LBE Projects (see * below)		135,000	135,000	124,119
Big Lottery Fund		114,620	114,620	20,900
Tej Kohli Foundation		10,000	10,000	-
Good Things Foundation		1,563	1,563	
W R Rawlings Trust	2,851		2,851	-
Young Ealing Foundation	6,000		6,000	
DEFRA - Young Ealing Foundation		24,091	24,091	-
Other	1,444		1,444	3,473
West London Mental Health Trust			-	2,916
Lets Go Southall			-	32,750
John Lyons Project		(22,000)	(22,000)	22,000
English My Way			-	12,498
GLA			-	21,142
For the year ended 31 March 2021	10,295	297,113	307,408	239,798
For the year ended 31 March 2020	48,721	191,077		239,798

*LBE Projects

Funding was received for the following projects:

Southall Connect	105,000
Ealing Community Network	30,000
Total	135,000

SOUTHALL COMMUNITY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Other income

	2021	2020
	£	£
Other income	-	3,473

5 Restricted and Unrestricted income funds

RESTRICTED INCOME FUNDS

	Balance at 01-Apr-20 £	Income £	Expenditure £	Balance at 31-Mar-21 £
City Bridge Trust- Health Improvement	-	33,839	(33,622)	217
London Borough of Ealing Projects	(573)	135,000	(74,449)	59,978
Big Lottery Fund	4,710	114,620	(96,772)	22,558
Tej Kohli Foundation	-	10,000	(10,000)	-
Good Things Foundation	-	1,563	-	1,563
Get Moving (GLA)	5,164	-	-	5,164
John Lyons Project*	22,000	(22,000)	-	-
DEFRA - Young Ealing Foundation	-	24,091	(24,091)	-
	<u>31,301</u>	<u>297,113</u>	<u>(238,934)</u>	<u>89,480</u>

UNRESTRICTED INCOME FUNDS

	Balance at 01-Apr-20 £	Income £	Expenditure £	Balance at 31-Mar-21 £
Unrestricted funds	949	10,295	-	11,244
	<u>949</u>	<u>10,295</u>	<u>-</u>	<u>11,244</u>
Total restricted and unrestricted funds	32,250	307,408	(238,934)	100,724

* £22,000 received for John Lyons Project in the previous year was returned during the year.

SOUTHALL COMMUNITY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Staff costs	89,410	-	89,410	53,660
Depreciation	1,901	-	1,901	1,171
Meetings and seminars	539	-	539	3,429
Rent	21,619	-	21,619	21,619
Insurance	1,821	-	1,821	1,906
Travelling	115	-	115	851
Computer & IT cost	8,716	-	8,716	1,102
Telephone	1,652	-	1,652	1,527
Printing, postage and stationery	1,011	-	1,011	1,818
Bank charges	490	-	490	170
Sundry expenses	2,289	-	2,289	2,533
Audit fees	-	1,800	1,800	1,800
Accountancy	-	2,400	2,400	598
	<u>129,563</u>	<u>4,200</u>	<u>133,763</u>	<u>92,184</u>
Analysed between				
Charitable activities	<u>129,563</u>	<u>4,200</u>	<u>133,763</u>	<u>92,184</u>

In the previous year (2020), salaries of £19,045 were recoverable from third parties. This is included as trade debtors (Note 10)

Governance costs includes payments to the auditors of £1,800 (2020- £1,800) for audit fees.

7 Trustees

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

SOUTHALL COMMUNITY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	4	3
	<u>4</u>	<u>3</u>
Employment costs	2021 £	2020 £
Wages and salaries	85,870	49,787
Social security costs	3,537	384
Other pension costs	3	3,489
	<u>89,410</u>	<u>53,660</u>

No employee was in receipt of remuneration in excess of £50,000 during the year.

9 Tangible fixed assets

	Computer equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2020	19,443	47,803	67,246
Additions	3,740	-	3,740
	<u>23,183</u>	<u>47,803</u>	<u>70,986</u>
At 31 March 2021	23,183	47,803	70,986
Depreciation and impairment			
At 1 April 2020	18,525	44,855	63,380
Depreciation charged in the year	1,164	737	1,901
	<u>19,689</u>	<u>45,592</u>	<u>65,281</u>
At 31 March 2021	19,689	45,592	65,281
Carrying amount			
At 31 March 2021	<u>3,494</u>	<u>2,211</u>	<u>5,705</u>
At 31 March 2020	<u>918</u>	<u>2,949</u>	<u>3,867</u>

SOUTHALL COMMUNITY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	79,045	33,947
Other debtors	4,625	3,625
	<u>83,670</u>	<u>37,572</u>

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	8,233	3,531
Other creditors	14,344	3,505
Accruals and deferred income	24,311	48,481
	<u>46,888</u>	<u>55,517</u>

Other creditors include:

£399 owed to Ealing Community Trust
 £2,645 owed to Southall Connect
 £6,869 net salaries owed to staff
 £2,866 pension contributions payable
 £1,565 owed to staff for over deduction of pension contributions now refundable

12 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £3 (2020 - £3,489).

13 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Tangible assets	5,705	-	5,705	3,867	-	3,867
Current assets/(liabilities)	5,539	89,480	95,019	(2,918)	31,301	28,383
	<u>11,244</u>	<u>89,480</u>	<u>100,724</u>	<u>949</u>	<u>31,301</u>	<u>32,250</u>

SOUTHALL COMMUNITY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Related party transactions

There were no related party transactions during the year.