

REGISTERED COMPANY NUMBER: 04328889 (England and Wales)
REGISTERED CHARITY NUMBER: 1105027

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
SOUTHWATER AREA COMMUNITY CENTRE**

Ashdown Hurrey
Chartered Accountants & Business Advisers
20 Havelock Road
Hastings
East Sussex
TN34 1BP

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FOR THE YEAR ENDED 31 MARCH 2022**

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SOUTHWATER AREA COMMUNITY CENTRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The primary objective is to establish the community centre to promote the benefit of the inhabitants of the southwater renewal area and surrounding area and the neighbourhood without distinction of sex, sexual orientation, race or of political, religions or other opinions, by associating together the said habitants and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interest of social welfare for recreation and other leisure time occupation with the object of improving the conditions of life of the said inhabitants.

Grantmaking

The charity objectives are such that direct grants are not made as the charity aims to provide a service to the community.

ACHIEVEMENT AND PERFORMANCE

Charitable Activities

The company has achieved its main objective in continuing to run the community centre. The ability to increase the scope of its activities will depend upon the availability of funding in future years.

FINANCIAL REVIEW

Reserves Policy

The reserves policy is to ensure that the trustees have a reserve of £30,000 to be carried in a designated fund, to ensure that the centre has sufficient reserves in place to cover any potential downturn in its income stream and to cover any ongoing liabilities that arise from such an event for at least eighteen months. Any surplus over the £30,000 is to be held in the general unrestricted fund.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and Appointment of New Trustees

Any new appointments are at the recommendation of the board and may be any person who is willing to work for the charity's objectives and whom the members of the board feel will be able to perform both their legal and professional responsibilities under charity and company law.

Induction and Training of New Trustees

In the view of the board all the trustees understand the nature of the charity and fully comply with the charity's current views of its progression. They are aware of both their legal and professional responsibilities under the charity and company law. The present board would look to make this knowledge available to any prospective new board member to enable them to discharge their responsibilities fully.

Related Parties

There were no related party transactions during the year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04328889 (England and Wales)

Registered Charity number

1105027

SOUTHWATER AREA COMMUNITY CENTRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Registered office

20 Havelock Road
Hastings
East Sussex
TN34 1BP

Trustees

P W Pragnell
N M O Hill (resigned 18.5.22)
N C Sinden
N P Terdre
E Farkas
K J Towner

Independent Examiner

Stuart Rosling FCCA
Ashdown Hurrey
Chartered Accountants & Business Advisers
20 Havelock Road
Hastings
East Sussex
TN34 1BP

Approved by order of the board of trustees on 21 December 2022 and signed on its behalf by:

P W Pragnell - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SOUTHWATER AREA COMMUNITY CENTRE

Independent examiner's report to the trustees of Southwater Area Community Centre ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts 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 your 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 Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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)).

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.

Stuart Rosling FCCA
Ashdown Hurrey
Chartered Accountants & Business Advisers
20 Havelock Road
Hastings
East Sussex
TN34 1BP

Date: 21 December 2022

SOUTHWATER AREA COMMUNITY CENTRE**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	31.3.22 Unrestricted funds £	31.3.21 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		17,694	5,000
Other trading activities	3	32,643	16,376
Investment income	4	3	12
Other income	5	-	20,241
Total		<u>50,340</u>	<u>41,629</u>
EXPENDITURE ON			
Raising funds		10	-
Charitable activities			
Charitable Activities		<u>48,778</u>	<u>33,583</u>
Total		<u>48,788</u>	<u>33,583</u>
NET INCOME		1,552	8,046
RECONCILIATION OF FUNDS			
Total funds brought forward		43,841	35,795
TOTAL FUNDS CARRIED FORWARD		<u><u>45,393</u></u>	<u><u>43,841</u></u>

The notes form part of these financial statements

SOUTHWATER AREA COMMUNITY CENTRE**BALANCE SHEET
31 MARCH 2022**

	Notes	31.3.22 Unrestricted funds £	31.3.21 Total funds £
FIXED ASSETS			
Tangible assets	10	1,978	924
CURRENT ASSETS			
Debtors	11	1,927	34
Cash at bank		46,309	44,314
		<u>48,236</u>	<u>44,348</u>
CREDITORS			
Amounts falling due within one year	12	(1,581)	(1,431)
		<u>46,655</u>	<u>42,917</u>
NET CURRENT ASSETS			
		<u>46,655</u>	<u>42,917</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		48,633	43,841
CREDITORS			
Amounts falling due after more than one year	13	(3,240)	-
		<u>45,393</u>	<u>43,841</u>
NET ASSETS			
		<u>45,393</u>	<u>43,841</u>
FUNDS	14		
Unrestricted funds		45,393	43,841
TOTAL FUNDS		<u>45,393</u>	<u>43,841</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 21 December 2022 and were signed on its behalf by:

P W Pragnell - Trustee

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. STATUTORY INFORMATION

The Southwater Area Community Centre is a private company, limited by guarantee, registered in England & Wales. The company's registered number and registered office address can be found in the Report of the Trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

In preparing the financial statements, the trustees are required to make an assessment of the ability of the charity to continue as a going concern. The trustees have prepared a cash flow forecast and budgets for the charity and against the backdrop of the COVID-19 Pandemic a "reverse stress" test has been applied to the forecasts, seeking to establish the level of liquidity headroom the charity is expected to have during the 12 month going concern period.

On the basis of these forecasts and the fact that the charity has substantial net current assets and net assets, the trustees are confident that the charity has adequate resources to continue in operational existence and to meet its liabilities as they fall due for the foreseeable future. As a result of the above, the trustees have concluded that it remains appropriate to adopt a going concern basis of preparation in these financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Short Leasehold Premises	- Straight Line over period of lease
Equipment and Furniture	- 25% on Reducing Balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022
2. ACCOUNTING POLICIES - continued
Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Government grants

In accordance with s24 of FRS 102 these are treated using the accruals model and so are recognised in income on a systematic basis over the periods in which the charity recognises the related costs for which the grants are intended to compensate.

3. OTHER TRADING ACTIVITIES

	31.3.22	31.3.21
	£	£
Hire of premises	19,617	14,442
Rent of office	11,596	895
Tariff income (EDF)	1,430	1,039
	<u>32,643</u>	<u>16,376</u>

4. INVESTMENT INCOME

	31.3.22	31.3.21
	£	£
Deposit account interest	3	12
	<u>3</u>	<u>12</u>

5. OTHER INCOME

	31.3.22	31.3.21
	£	£
Government COVID support	-	20,241
	<u>-</u>	<u>20,241</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.22	31.3.21
	£	£
Depreciation - owned assets	233	225
Other operating leases	420	537
	<u>653</u>	<u>762</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

SOUTHWATER AREA COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

8. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.3.22	31.3.21
Average monthly number of employees	2	2

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	5,000
Other trading activities	16,376
Investment income	12
Other income	20,241
Total	41,629
EXPENDITURE ON	
Charitable activities	
Charitable Activities	33,583
NET INCOME	8,046
RECONCILIATION OF FUNDS	
Total funds brought forward	35,795
TOTAL FUNDS CARRIED FORWARD	43,841

10. TANGIBLE FIXED ASSETS

	Short leasehold £	Equipment & Furniture £	Totals £
COST			
At 1 April 2021	1,248	27,211	28,459
Additions	1,287	-	1,287
At 31 March 2022	2,535	27,211	29,746
DEPRECIATION			
At 1 April 2021	850	26,685	27,535
Charge for year	101	132	233
At 31 March 2022	951	26,817	27,768
NET BOOK VALUE			
At 31 March 2022	1,584	394	1,978
At 31 March 2021	398	526	924

SOUTHWATER AREA COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

11. DEBTORS

	31.3.22 £	31.3.21 £
Amounts falling due within one year:		
Trade debtors	1,900	34
Amounts falling due after more than one year:		
Other debtors	27	-
Aggregate amounts	1,927	34

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22 £	31.3.21 £
Trade creditors	1,581	1,432
Social security and other taxes	-	(1)
	1,581	1,431

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.22 £	31.3.21 £
Other creditors	3,240	-

14. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	13,841	1,552	15,393
Designated funds	30,000	-	30,000
	43,841	1,552	45,393
TOTAL FUNDS	43,841	1,552	45,393

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	50,340	(48,788)	1,552
TOTAL FUNDS	50,340	(48,788)	1,552

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

14. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	5,795	8,046	13,841
Designated funds	30,000	-	30,000
	<u>35,795</u>	<u>8,046</u>	<u>43,841</u>
TOTAL FUNDS	<u>35,795</u>	<u>8,046</u>	<u>43,841</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	41,629	(33,583)	8,046
	<u>41,629</u>	<u>(33,583)</u>	<u>8,046</u>
TOTAL FUNDS	<u>41,629</u>	<u>(33,583)</u>	<u>8,046</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	5,795	9,598	15,393
Designated funds	30,000	-	30,000
	<u>35,795</u>	<u>9,598</u>	<u>45,393</u>
TOTAL FUNDS	<u>35,795</u>	<u>9,598</u>	<u>45,393</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	91,969	(82,371)	9,598
	<u>91,969</u>	<u>(82,371)</u>	<u>9,598</u>
TOTAL FUNDS	<u>91,969</u>	<u>(82,371)</u>	<u>9,598</u>

SOUTHWATER AREA COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

SOUTHWATER AREA COMMUNITY CENTRE**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	31.3.22 £	31.3.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants Received	17,644	5,000
Donations rec'd	50	-
	<hr/> 17,694	<hr/> 5,000
Other trading activities		
Hire of premises	19,617	14,442
Rent of office	11,596	895
Tariff income (EDF)	1,430	1,039
	<hr/> 32,643	<hr/> 16,376
Investment income		
Deposit account interest	3	12
Other income		
Government COVID support	-	20,241
	<hr/> 50,340	<hr/> 41,629
Total incoming resources		
EXPENDITURE		
Other trading activities		
Purchases - Cafe	10	-
Charitable activities		
Wages	13,351	13,033
Social security	(29)	(119)
Pensions	144	136
Cleaning	420	537
Rates and water	1,444	168
Insurance	1,804	1,754
Light and heat	3,039	2,675
Telephone	726	658
Postage and stationery	232	160
Sundry Expenses	205	56
Computer costs	497	713
Repairs and maintenance	16,615	11,945
Workshops and events	6,031	-
Short leasehold	101	50
Depn of equipment & furniture	131	175
	<hr/> 44,711	<hr/> 31,941
Support costs		
Finance		
Bank charges	133	180
Governance costs		
Accountancy and legal fees	3,934	1,462

This page does not form part of the statutory financial statements

SOUTHWATER AREA COMMUNITY CENTRE**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	31.3.22 £	31.3.21 £
Total resources expended	48,788	33,583
Net income	<u>1,552</u>	<u>8,046</u>

This page does not form part of the statutory financial statements