

**WATLING COMMUNITY ASSOCIATION**

**REPORT OF THE TRUSTEES AND**  
**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

# WATLING COMMUNITY ASSOCIATION

(limited by guarantee)

## COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2021

**MANAGEMENT COMMITTEE** Harry Gilling - Chairperson  
Valerie Edwards – Vice Chairperson  
Gary Journet  
Hasu Haria  
Hamid Omed  
Rodo H Orellana

**SECRETARY** Valerie Edwards (Miss)

**TREASURER** Anil Shah

**CHARITY NUMBER** 1107689

**COMPANY NUMBER** 5268484 (England and Wales)

**REGISTERED OFFICE** Watling Centre  
145 Orange Hill Road  
Edgware  
Middlesex  
HA8 OTR

**ACCOUNTANTS:** Appleday Associates  
Chartered Accountants  
192B Station Road  
Edgware  
Middlesex  
HA8 7AR

# WATLING COMMUNITY ASSOCIATION

## **REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31 DECEMBER 2021**

The management committee of Watling Community Centre presents its annual report and the financial statements for the year ended 31 December 2021.

Members of the Management Committee, who are directors for the purpose of the company law and trustees for the purpose of charity law, who served as trustees during the year and up to the date of this report were as follows:

Harry Gilling - Chairperson  
Valerie Edwards – Vice Chairperson  
Gary Journet  
Hasu Haria  
Hamid Omed  
Rodo H Orellana

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### Governing Document

The organisation is a charitable company limited by guarantee governed by its Memorandum and Articles of Association. It is registered as a charity with the Charities Commission with registration number 1107689.

### Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purpose of the charity law and are known as members of the Management Committee. A trustee must be a member of the association who is of 18 years of age or over. New trustees are appointed by the existing trustees from members who have put their names forward to be considered for such an appointment.

Members of the management committee have no beneficial interest in the organisation.

### Management Committee Induction and Training

Most members of the management committee are familiar with the practical work of the charity. New members of the management committee are briefed by the chief executive of the charity so as to familiarise them with the charity and the context within which it operates. This covers:

- The obligations of Management Committee members.
- The main documents which set out the operational framework for the charity.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

### Risk Management

The board of directors is responsible for the management of the risks faced by the charity. All major risks to which the charity is exposed have been reviewed and systems have been established to mitigate all major risks. These are periodically reviewed to ensure that they continue to meet the needs of the charity.

# WATLING COMMUNITY ASSOCIATION

## Organisational Structure

The management committee directs the overall management of the charity. The committee meets eight times a year to review activities and to consider and agree plans for future progress.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Centre Manager who is also responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Centre Manager has responsibility for day to day operational management of the centre, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

## **OBJECTIVES, ACTIVITIES AND PUBLIC BENEFIT**

### Objects

The Charity's objects and principal activities are:

- To promote the benefit of the inhabitants of the Watling Estate and the surrounding areas without distinction of sex, sexual orientation, race or of political, religious or other opinions.
- To associate with the Local Authority, voluntary organisations and residents in a common effort to advance education.
- 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 residents.

### Activities

The centre is used for providing various activities for the local community, such as:

Montessori Nursery	Kumon
Various Yoga Classes	Keep Fit
Martial Arts	Karate
Dancing	Slimming Classes
Healing Classes	Tiny Tots Classes
Church Groups	Weekend Parties

### Public Benefit

The trustees have complied with the duty in section 4 of the Charities Act 2006 to have due careful consideration to the Charity Commission's general guidance on public benefit and have achieved the aims of public benefit by providing facilities to the residents of Watling Estate and surrounding areas for recreation and leisure-time activities.

## **ACHIVEMENTS AND PERFORMANCE**

Excellent administration and housekeeping by all concerned was successful in providing the charitable service that met its objectives.

## **FINANCIAL REVIEW**

Details of incoming resources and resources expended can be seen in the Statement of Financial Activities. Resources expended for the year amounted to £118,970 compared to amount of incoming resources of £240,702. In broad summary, the accounts show a surplus for the year of £121,732.

During the year, incoming resources were boosted by a contract with the Barnet Council to provide a covid testing station. Insurance claims in the sum of £54,580 were received for loss of income due to lockdown and JRS (furlough) grants in the sum of £3,178 were also received.

# WATLING COMMUNITY ASSOCIATION

## Funding for Activities

The charity is run only from funds raised from its activities. It does not receive any grants from the council or any other organisation.

## Reserves Policy

The trustees have established a healthy reserve over the years. All the funds and reserves of the charity are unrestricted. The surplus funds are placed on deposit with Metro Bank.

## **MAJOR WORKS DONE AND PLANS FOR THE FUTURE**

In 2021, major works were carried out including the roof replacement.

In 2022 it is planned to work on courtyard to gain access to the main hall and to redecorate rooms.

## **RESPONSIBILITIES OF THE MANAGEMENT COMMITTEE**

Law applicable to charities in England and Wales requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Management Committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Management Committee is 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.

In so far as the directors are aware:

- \* there is no relevant accounting information of which the charity's accountants are unaware; and
- \* they have taken all the steps they ought to have taken as trustees in order to make themselves aware of any relevant accounting information and to establish that the charity's accountants are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Management Committee on 15 March 2022 and signed on its behalf by:

Harry Gilling  
(Director)

# WATLING COMMUNITY ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 Unrestricted Funds £	2020 Unrestricted Funds £
<b><u>INCOME AND ENDOWMENTS</u></b>			
Hire of halls		178,901	86,525
Membership		0	175
Interest receivable	3	4,043	6,293
Insurance claims received		54,580	0
Furlough grants received		3,178	3,720
		<hr/>	<hr/>
<b>TOTAL</b>		<b>240,702</b>	<b>96,713</b>
		<hr/>	<hr/>
<b><u>EXPENDITURE ON CHARITABLE ACTIVITIES</u></b>			
Rent		0	0
Water rates		1,250	770
Light and heat		2,823	3,143
Telephone		859	962
Insurance		1,393	1,224
Security		3,589	1,655
Repairs and maintenance		17,804	9,997
Major repairs and renovations		29,004	92,946
Cleaning		3,460	5,321
Garden maintenance		1,707	5,837
Printing, postage, stationery and advertising		671	864
Salaries		42,039	43,395
Travelling expenses		164	491
Accountancy		960	960
Legal & professional fees		1,403	0
Amortisation		11,048	11,048
Depreciation		74	99
Sundry expenses		722	945
		<hr/>	<hr/>
<b>TOTAL</b>		<b>118,970</b>	<b>179,657</b>
		<hr/>	<hr/>
<b>NET INCOME (EXPENDITURE) - UNRESTRICTED</b>		<b>121,732</b>	<b>(82,944)</b>
<b>Total funds brought forward - Unrestricted</b>	8	<b>494,049</b>	<b>576,993</b>
		<hr/>	<hr/>
<b>Total funds carried forward - Unrestricted</b>	8	<b>615,781</b>	<b>494,049</b>
		<hr/>	<hr/>

# WATLING COMMUNITY ASSOCIATION

(limited by guarantee)

## BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
<b><u>FIXED ASSETS</u></b>			
Tangible assets	5	105,187	116,309
<b><u>CURRENT ASSETS</u></b>			
Debtors and prepayments	6	500	410
Cash and bank balances		515,806	379,549
		<hr/>	<hr/>
		516,306	379,959
		<hr/>	<hr/>
<b><u>CURRENT LIABILITIES</u></b>			
Creditors	7	5,712	2,219
<b><u>NET CURRENT ASSETS</u></b>			
		<hr/> 510,594	<hr/> 377,740
<b><u>NET ASSETS</u></b>			
		<hr/> 615,781	<hr/> 494,049
		<hr/>	<hr/>
<b><u>REPRESENTED BY</u></b>			
Unrestricted Funds		<hr/> 615,781	<hr/> 494,049
<b><u>TOTAL FUNDS</u></b>			
	8	<hr/> 615,781	<hr/> 494,049
		<hr/>	<hr/>

The company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss 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 the financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the directors on 15 March 2022 and were signed on its behalf by:

Harry Gilling  
Director

# WATLING COMMUNITY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 ACCOUNTING POLICIES

#### 1.1 Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the charities SORP (FRS102) '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 (FRS102) (effective 1 January 2016), Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value. The base currency is sterling.

#### 1.2 Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. All donations are recognised on the date they become receivable.

#### 1.3 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under appropriate headings. Grants are charged to the Statement of financial activities when a constructive obligation exists. Irrecoverable VAT is charged as a cost to the Statement of financial activity.

#### 1.4 Fund accounting

Unrestricted funds comprise accumulated surplus and deficits on general funds that are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

#### 1.5 Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each assets over its estimated useful life:

Leasehold premises	Evenly over the lease term
Equipment, furniture, fixtures and fittings	25% on reducing balance

#### 1.6 Taxation

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

### 2 LEGAL STATUS OF THE CHARITY

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

### 3 INTEREST RECEIVABLE

	2,021	2,020
	£	£
Interest on cash balances	4,043	6,293



# WATLING COMMUNITY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 4 RESOURCES EXPENDED

	2,021	2,020
	£	£
Included within administrative expenses are:		
Depreciation of tangible fixed assets	11,122	11,147
Wages and salaries	42,039	43,395
Social security costs	0	0

The trustees have not received any remuneration for their services.  
No employee received emoluments of more than £60,000.  
The average number of employees during the year was 7.

### 5 TANGIBLE FIXED ASSETS

	Leasehold Premises £	E F F & F £	Total £
<b>Cost:</b>			
At 01.01.2021	309,067	44,330	353,397
At 31.12.2020	309,067	44,330	353,397
<b>Depreciation:</b>			
At 01.01.2021	193,054	44,034	237,088
Charge for year	11,048	74	11,122
At 31.12.2020	204,102	44,108	248,210
<b>Net book Value:</b>			
At 31.12.2021	104,965	222	105,187
At 31.12.2020	116,013	296	116,309

	2021	2020
	£	£
<b>6 DEBTORS</b>		
Other debtors and prepayments	500	410

### 7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Other creditors and accruals	5,712	2,219
------------------------------	-------	-------

### 8 ANALYSIS OF RESERVES

	At 01.01.21 £	Incoming Resources £	Outgoing Resources £	At 31.12.21 £
Unrestricted funds	494,049	240,702	118,970	615,781



# WATLING COMMUNITY ASSOCIATION

## INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF WATLING COMMUNITY ASSOCIATION

I report on the accounts for the year ended 31 December 2021 as set out on pages 1 to 9.

### **Respective responsibilities of trustees and examiner**

The trustees (who are also directors of the company for the purpose of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 and that an independent examination is needed.

Having been satisfied that the charity is not subject to audit under company law and is eligible for independent examination it is my responsibility to:

- \* examine the accounts under section 145 of the Charities Act;
- \* to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5) of the Charities Act; and
- \* to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### **Independent examiners' statement**

In connection with my examination, no matter has come to my attention which gives me cause to believe that in, any material respect:

- \* accounting records were not kept in accordance with s386 of the Companies Act 2006; or
- \* the accounts do not accord with such records; or
- \* the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view is not a matter considered as part of an independent examination; or
- \* the accounts have not been prepared in accordance with the Charities SORP (FRS 102).

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

Name of principle: A V Malde

Name of firm: Appleday Associates

Relevant professional qualification or body: Chartered Accountants

192B Station Road  
Edgware  
Middlesex HA8 7AR

Date: 21 March 2022