

GORSE COVERT COMMUNITY ASSOCIATION LTD
(A Company Limited by Guarantee)

TRUSTEES REPORT AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

COMPANY NUMBER: 05174095
CHARITY NUMBER: 1108732

Cound & Co LLP
Chartered Accountants
1 Princes Court
Royal Way
Loughborough
Leics LE11 5XR

Tel: 01509 214163

GORSE COVERT COMMUNITY ASSOCIATION LIMITED
TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|--------------------------|---|
| CHARITY NUMBER | 1108732 |
| COMPANY NUMBER | 5174095 |
| REGISTERED OFFICE | Gorse Covert Community Centre Maxwell Drive Loughborough Leics LE11 4RZ |

DIRECTORS AND TRUSTEES

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and since the year end were as follows:

Val Watts (Chair)
Emma Ward – resigned January 2022
Billy Wong – resigned June 2021
David Dobson – resigned August 2022
Havinder Poonian – appointed December 2021
Lee Bradley – appointed December 2021 and resigned June 2022
Craig Brown – appointed August 2022
Daryl Gough – appointed August 2022

Secretary: Sue Castleton

Governing Document

Gorse Covert Community Association Limited is a company limited by guarantee governed by its Memorandum & Articles of Association dated 7 June 2004. It is a charity registered with the Charity Commission. Membership is open to any not for profit group using the community centre, each of whom agree to contribute up to £10 in the event of the charity being wound up.

Appointment of Trustees

As set out in the Articles of Association, the Association must have a minimum of three trustees, but there is no maximum number. One trustee retires in rotation at each Annual General Meeting but may be re-appointed. The Current Trustees recognise the importance of maintaining their number but are also determined to regularly review the skills Trustees bring to the Association and increase their number to fill any gaps identified. The appointment of Trustees who share an enthusiasm for maintaining excellence in local facilities is a core criterion for any new appointments.

Trustees Induction and Training

New trustees are advised of their obligations under charity and company law, the content of the Memorandum and Articles of Association as well as the structure and decision-making process of the committee.

Related Parties

The charity has close relationships with Charnwood Borough Council, who has provided an annual grant towards the running costs of the community centre through a Strategic Partner agreement. Charnwood Borough Council owns the building leasing it to the association for forty years which commenced in 2009.

GORSE COVERT COMMUNITY ASSOCIATION LIMITED
TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

Risk Management

The trustees have a risk management strategy which comprises:

An annual review of the risks the charity might face;
Systems and procedures to mitigate those risks identified in the plan; and
Procedures in place to minimise any potential impact on the charity should those risks materialise.

Objectives and Activities

Gorse Covert Community Association Limited aims to provide and promote social, recreational, educational and community development support for local people. It recognises that society is diverse in race, culture and beliefs, and believes that no person should be discriminated against or lack opportunity because of their race, gender, sexuality, disability, age, class, beliefs or geographical location. The Association aims to encourage participation, challenge discrimination and promote social justice. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. The aims and objectives are achieved through the provision of a wide range of regular activities. Participants of these activities come from a variety of backgrounds and represent a broad spectrum of the local community. The programme is wide ranging and encourages participation from some of the most disadvantaged members of our community including single parents and people on low and fixed incomes. It is hoped that taking part in the programme encourages greater self confidence which may in turn lead them into training and employment. To support the continuation of community activities within the premises, the Association is expanding the use of the premises by local authority and corporate bodies.

Key Developments and Achievements

Covid 19

In many ways this has been a more difficult year than the previous one as the restrictions and support offered during 2020 have been removed throughout the year.

1. Lockdowns and restrictions

We started our gradual re-opening in May 2021. We utilised our garden space and maintained our restricted access and other covid-19 mitigations until spring 2022. We have been fortunate in that we have been able to replace some hirers that have not returned with new hirers and we offer a broader provision.

2. Publicity and promotion

We have maintained positive engagement with the local community through our newsletter and our social media platforms as well as welcoming people back into the coffee bar and garden.

3. Staffing

We have taken the opportunity to review of staffing and have re-employed some staff that we had to lose in 2020 and recruited new roles – including an Activities Coordinator to develop our community provision. This re-building of our teams is enabling us to move forward with the plans that were interrupted in 2020.

4. Facilities and Equipment

We have utilised our outdoor space for activities including events for local groups during the colder months of winter 2021. The garden furniture and developing gardening project will add more value to our overall offer from the Association.

GORSE COVERT COMMUNITY ASSOCIATION LIMITED
TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

Financial Report

Funding continues to be a concern for trustees particularly given the disruption caused by the events of the last year severely restricting income. There is still much uncertainty and but we have worked hard to rebuild our services and bring back user groups and members of our community both current and new.

Trustees will need to rebuild reserves over the next few years and keep spending on the building and facilities to a minimum.

However, fortunately we ended the financial year 21/22 solvent.

Reserve Policy

It is a requirement of the Charities Commission and prudent management to have a reserves policy. As such the Community Association has cash reserves set aside to respond to any unforeseen funding difficulties or unexpected expenditure.

Development Plan

1. Consolidate the financial position of the Association after a period of disruption and closure.
2. Continue to develop our user base. Welcome back current users and attract new groups and individuals to extend and vary the services we offer.
3. Increase our range of provision for local children 5-11 years. Establish a partnership with an organisation to provide holiday and term time activities for local children in this age group.
4. Develop a database to enable all staff to signpost members of the community to services they may need.
5. Develop the membership of the Association with the intention of increasing community engagement in the governance of the Association.
6. Recruit new Trustees and other volunteers

.....
Val Watts
Chair of Trustees

2 August 2022

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
GORSE COVERT COMMUNITY ASSOCIATION LIMITED**

I report on the accounts of the company for the year ended 31 March 2022 which are set out on pages 5 to 11.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- examine the accounts under section 45 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, as amended); and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with 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 seeking 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 examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

D R Gradon
Cound & Co LLP
Chartered Accountants
1 Princes Court
Royal Way
Loughborough
Leics
LE11 5XR

2 August 2022

GORSE COVERT COMMUNITY ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

| | <u>Note</u> | Restricted Fund <u>2022</u> | Designated Fund <u>2022</u> | Unrestricted Fund <u>2022</u> | Total <u>2022</u> | Total <u>2021</u> |
|--|-------------|-----------------------------------|-----------------------------------|-------------------------------------|----------------------|----------------------|
| INCOME | | | | | | |
| Donations and Legacies | | | | | | |
| Grants | 2 | - | 7500 | 38548 | 46048 | 161148 |
| Donations | | - | - | 252 | 252 | 383 |
| Charitable Activities | 3 | - | - | 48837 | 48837 | 9168 |
| Other Trading Activities | 4 | - | - | 6594 | 6594 | 73 |
| Investment | 5 | - | - | 34 | 34 | 34 |
| Insurance Claim | | - | - | - | - | 2418 |
| | | | | | | |
| TOTAL INCOME | | - | 7500 | 94265 | 101765 | 173224 |
| | | | | | | |
| EXPENDITURE AND CHARITABLE ACTIVITIES | | | | | | |
| Project Costs | | - | - | 389 | 389 | 565 |
| Operation of café | | - | - | 6261 | 6261 | 1222 |
| Staff costs | 6 | - | - | 75861 | 75861 | 69981 |
| Pension Contributions | | - | - | 1297 | 1297 | 1029 |
| Rates and water | | - | - | 2890 | 2890 | 1170 |
| Insurance | | - | - | 2325 | 2325 | 2778 |
| Light and heat | | - | - | 9503 | 9503 | 9516 |
| Cleaning | | - | - | 2166 | 2166 | 3806 |
| Repairs and maintenance | | - | - | 9703 | 9703 | 8321 |
| Printing, postage, stationery and photocopying | | - | - | 1482 | 1482 | 331 |
| Advertising | | - | - | 2065 | 2065 | 283 |
| Telephone and internet | | - | - | 881 | 881 | 1638 |
| Miscellaneous | | - | - | 1196 | 1196 | 3005 |
| Depreciation | | - | - | 4963 | 4963 | 6222 |
| Bank charges and interest | | - | - | 284 | 284 | 125 |
| Legal and Professional Fees | | - | - | 2848 | 2848 | 3590 |
| Governance Costs | | - | - | 6084 | 6084 | 5910 |
| Training | | - | - | 72 | 72 | 36 |
| IT Support | | - | - | 6793 | 6793 | 4009 |
| Equipment Hire | | - | - | 1721 | 1721 | 1894 |
| | | | | | | |
| TOTAL EXPENDITURE | | - | - | 138784 | 138784 | 125431 |
| | | | | | | |
| NET (EXPENDITURE) INCOME | | - | 7500 | (44519) | (37019) | 47793 |
| | | | | | | |
| NET MOVEMENT IN FUNDS | | - | 7500 | (44519) | (37019) | 47793 |
| RECONCILIATION OF FUNDS: | | | | | | |
| Total funds brought forward | | - | - | 110715 | 110715 | 62922 |
| | | | | | | |
| TOTAL FUNDS CARRIED FORWARD | | - | £7500 | £66196 | £73696 | £110715 |

GORSE COVERT COMMUNITY ASSOCIATION LIMITED

BALANCE SHEET AS AT 31 MARCH 2022

| | <u>Notes</u> | <u>2022</u> | <u>2021</u> |
|---|--------------|---------------|----------------|
| Fixed Assets | | | |
| Tangible Assets | 7 | 14851 | 18619 |
| Current Assets | | | |
| Stocks | 8 | 824 | 599 |
| Debtors | 9 | 7599 | 11936 |
| Cash at Bank and in Hand | | 57485 | 88773 |
| | | <u>65908</u> | <u>101308</u> |
| Creditors Amounts falling due within one year | 10 | 7063 | 9212 |
| Net Current Assets | | <u>58845</u> | <u>92096</u> |
| Total Assets Less Current Liabilities | | <u>73696</u> | <u>110715</u> |
| NET ASSETS | | <u>£73696</u> | <u>£110715</u> |
| The Funds of the Charity: | | | |
| Unrestricted Funds: | | | |
| General Funds | 12 | 66196 | 110715 |
| Designated Fund | 12 | 7500 | - |
| | | <u>73696</u> | <u>110715</u> |

For the year ending 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006, relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors' acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

These financial statements were approved by the Board on 2 August 2022 and signed on its behalf by

.....

V Watts
Trustee

The information on pages 7 to 11 form an integral part of these financial statements.

GORSE COVERT COMMUNITY ASSOCIATION LIMITED

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

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year and also have been consistently applied within the same accounts.

a) Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Companies Act 2006 and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The Church constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest pound. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Company Status

The Association is a company limited by guarantee. The trustees of the company are named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

c) Fund Accounting

Undesignated general funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim of each restricted fund is set out in the notes to the financial statements.

d) Incoming Resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income the amount can be measured reliably and it is probable that the income will be received.

No amount is include in the financial statements for volunteer time, in line with SORP (FRS102),

e) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs to that category.

f) Tangible Fixed Assets and Depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows:

Fixtures, Fittings and Equipment - 25% Reducing Balance

g) Stock

Stock is valued at the lower cost and net realisable value.

h) Redundancy Costs

The costs incurred by the company due to making staff redundant are included in the year the staff members leave.

GORSE COVERT COMMUNITY ASSOCIATION LIMITED

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

2 GRANTS

| | Restricted Funds <u>2022</u> | Designated Funds <u>2022</u> | Unrestricted Funds <u>2022</u> | Total <u>2022</u> | Total <u>2021</u> |
|-------------------------------------|------------------------------------|------------------------------------|--------------------------------------|----------------------|----------------------|
| Charnwood Borough Council | | | | | |
| Core Grant | - | - | 20432 | 20432 | 20432 |
| Discretionary Grants | - | - | 10917 | 10917 | 19836 |
| Small Business Grant | - | - | - | - | 10000 |
| JRS Grant | - | - | 7199 | 7199 | 29631 |
| National Lottery Grant | - | - | - | - | 70000 |
| Leicestershire County Council Grant | - | 7500 | - | 7500 | 6488 |
| Garden Project Grant | - | - | - | - | 4761 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | - | 7500 | 38548 | £46048 | £161148 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

3 CHARITABLE ACTIVITIES

| | Restricted Funds <u>2022</u> | Designated Funds <u>2022</u> | Unrestricted Funds <u>2022</u> | Total <u>2022</u> | Total <u>2021</u> |
|-------------------------|------------------------------------|------------------------------------|--------------------------------------|----------------------|----------------------|
| Café income | - | - | 13097 | 13097 | 646 |
| Non-Corporate Room Hire | - | - | 33745 | 33745 | 8499 |
| Other income | - | - | 621 | 621 | 13 |
| Sales of donated goods | - | - | 910 | 910 | - |
| Equipment Hire | - | - | 464 | 464 | 10 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | - | - | 48837 | £48837 | £9168 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

4 OTHER TRADING ACTIVITIES

| | Restricted Funds <u>2022</u> | Designated Funds <u>2022</u> | Unrestricted Funds <u>2022</u> | Total <u>2022</u> | Total <u>2021</u> |
|---------------------|------------------------------------|------------------------------------|--------------------------------------|----------------------|----------------------|
| Corporate Room Hire | - | - | 6594 | £6594 | £73 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

5 INVESTMENTS

| | Restricted Funds <u>2022</u> | Designated Funds <u>2022</u> | Unrestricted Funds <u>2022</u> | Total <u>2022</u> | Total <u>2021</u> |
|-------------------|------------------------------------|------------------------------------|--------------------------------------|----------------------|----------------------|
| Interest received | - | - | 27 | £27 | £34 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

GORSE COVERT COMMUNITY ASSOCIATION LIMITED

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

6 STAFF COSTS

| | Restricted Funds <u>2022</u> | Designated Funds <u>2022</u> | Unrestricted Funds <u>2022</u> | Total <u>2022</u> | Total <u>2021</u> |
|-------------------------------|------------------------------------|------------------------------------|--------------------------------------|----------------------|----------------------|
| Wages and salaries | - | - | 75861 | 75861 | 69981 |
| National insurance | - | - | 2860 | 2860 | 2543 |
| Employment Allowance received | - | - | (2860) | (2860) | (2543) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | - | - | 75861 | 75861 | £69981 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

No trustees received any remuneration during the year (2021: none).

No trustees received any expenses during the year (2021: none).

The average number of employees during the year was 8 (2021: 8).

No employee earned in excess of £60,000 (2021: none).

7 FIXED ASSETS

| <u>Tangible Assets</u> <u>Cost (or Valuation)</u> | Fixtures Fittings & <u>Equipment</u> | <u>Total</u> |
|--|--|-------------------|
| At 1 April 2021 | 86993 | £86993 |
| Additions | 1195 | 1195 |
| Less: Disposals | - | - |
| | <u> </u> | <u> </u> |
| At 31 March 2022 | 88188 | £88188 |
| | <u> </u> | <u> </u> |
| <u>Depreciation</u> | | |
| At 1 April 2021 | 68374 | £68374 |
| Charge for the Year | 4963 | 4963 |
| Less: On Disposals | - | - |
| | <u> </u> | <u> </u> |
| At 31 March 2022 | 73337 | £73337 |
| | <u> </u> | <u> </u> |
| <u>Net Book Value</u> | | |
| At 31 March 2022 | 14851 | £14851 |
| | <u> </u> | <u> </u> |
| At 31 March 2021 | 18619 | £18619 |
| | <u> </u> | <u> </u> |

8 STOCKS

| | <u>2022</u> | <u>2021</u> |
|-------------------------|-------------------|-------------------|
| Café and Cleaning Stock | £824 | £599 |
| | <u> </u> | <u> </u> |

GORSE COVERT COMMUNITY ASSOCIATION LIMITED

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

| | | | |
|---|---|-------------|-------------|
| 9 | <u>DEBTORS</u> – All Receivable within one year | <u>2022</u> | <u>2021</u> |
| | Trade Debtors | 1647 | 2521 |
| | Prepayments | 5952 | 7145 |
| | Other Debtors | - | 2270 |
| | | _____ | _____ |
| | | £7599 | £11936 |
| | | ===== | ===== |

| | | | |
|----|--|-------------|-------------|
| 10 | <u>CREDITORS</u> – Amounts falling due within one year | <u>2022</u> | <u>2021</u> |
| | Accruals | 5025 | 5353 |
| | Membership Liabilities | 140 | 140 |
| | Pension Liabilities | 173 | 148 |
| | Other Taxes | 680 | 471 |
| | Other Creditors | 1045 | 3100 |
| | | _____ | _____ |
| | | £7063 | £9212 |
| | | ===== | ===== |

| | | | | | |
|----|---------------------------|----------------------------|---------------|--------------------|----------------------------|
| 11 | <u>STATEMENT OF FUNDS</u> | At 31 March <u>2021</u> | <u>Income</u> | <u>Expenditure</u> | At 31 March <u>2022</u> |
| | Unrestricted Funds | 110715 | 94265 | (138784) | 66196 |
| | Designated Fund | - | 7500 | - | 7500 |
| | | _____ | _____ | _____ | _____ |
| | Total Funds | £110715 | £101765 | £(138784) | £73696 |
| | | ===== | ===== | ===== | ===== |

The designated fund comprises the £7500 grant received from Leicestershire County Council to support the cost of an Activities Coordinator.

GORSE COVERT COMMUNITY ASSOCIATION LIMITED

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

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Designated <u>Funds</u> | Unrestricted <u>Funds</u> | Total <u>Funds</u> |
|--|----------------------------|------------------------------|-----------------------|
| Fund balances at 31 March 2022 are represented by: | | | |
| Tangible Fixed Assets | - | 14851 | 14851 |
| Current Assets | 7500 | 58408 | 65908 |
| Current Liabilities | - | (7063) | (7063) |
| | <hr/> | <hr/> | <hr/> |
| Total Net Assets | 7500 | 66196 | £73696 |
| | <hr/> | <hr/> | <hr/> |
| Fund balances at 31 March 2021 are represented by: | | | |
| Tangible Fixed Assets | 4657 | 13962 | 18619 |
| Current Assets | (4657) | 105965 | 101308 |
| Current Liabilities | - | (9212) | (9212) |
| | <hr/> | <hr/> | <hr/> |
| Total Net Assets | - | 110715 | £110715 |
| | <hr/> | <hr/> | <hr/> |

13 CONTROL AND RELATED PARTY TRANSACTIONS

The charity is controlled by its members.

There have been no transactions with related parties during the year (2021: none).

14 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The charity had total guarantees and commitments at the balance sheet date of £320 (2021: £1280).