

Arena Community
Registered Charity Limited
By Guarantee
REPORT AND
FINANCIAL STATEMENTS
for the Year Ended 31 March 2022

Charity Number 1115569
Company Number 5116407

Arena Community
Registered Charity Limited by Guarantee

Report of the Trustees for the year ended 31 March 2022

The Trustees are pleased to present their annual Director's Report together with the financial statements of the charity for the year ended 31 March 2022 which are also prepared to meet the requirements for a Director's Report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS102).

Chair's Report

Last year I reflected on the issues of the charity operating within the global pandemic. More so this year how the Arena Community Charity has emerged out of it, with purpose, intention, reach and influence still intact. I am pleased to say through the continued diligence and dedication of both staff workers and volunteers this is indeed the case. The challenges of both finance and resource continue to stand tall before us as the charity seeks to continue to help many with increased needs in these stricken times. It is my privilege to continue to chair the Trustee Board that oversees the work of all those involved, and know there is an ongoing passion and commitment to make a difference'

Phil Pye - Chair of Arena Community Charity Trustees

Our Purposes

Objectives and Activities

The charity's objectives and principal activities are to develop the capacity and skills of the members of the socially and economically disadvantaged communities in Derbyshire and Nottinghamshire, in such a way that they are better able to identify and meet their needs and to participate more fully in society.

Public Benefit

The food bank now operates on Tuesday and Thursday at our Community Hub on Belfield Street. It gives out food parcels with sufficient food to cover five days' worth of meals. There is also a furniture store operating where people can purchase second hand furniture at affordable prices or, where necessary, clients will be given furniture to help them. With the growing awareness of food poverty, we are getting more donations from local businesses and organisations.

We continue to work closely with Arena Church (charity no 1052643) but we actively seek the support of other local agencies, charities, businesses, schools and councils in order to sustain and increase the impact of the foodbank operation.

Related Party

Arena Community is a charitable company set up to support the work of its trading company known as Anera Enterprises Ltd, of which it owns the whole of the share capital.

Arena Community also has links with Arena Church whose members and trustees support the work of the charity by way of donation and help.

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Report of the Trustees for the year ended 31 March 2022 (Continued)

Achievements and Performance

COMMUNITY PURPOSE

A paper was submitted to the board of trustees, and subsequently passed, giving a breakdown of the four focus areas for Arena Community and a purpose statement.

The purpose statement - to restore broken lives because everybody is somebody at Arena.

The four focus areas:-

To feed and provide resource for the disadvantaged
To provide quality housing
To train, educate and rehabilitate
To make the community liveable again

COMMUNITY HUB

Foodbank

It has been another busy year at The Hub. We have continued to support people via the foodbank. In 2021 we changed our parcels so that they lasted for 5 days and this has continued. We are still running the foodbank two days a week. We have also had an increase in volunteers that help with the running of foodbank and also the organisation of food and other items that are included in the food parcels. Since April last year we have given out 768 parcels and have had 121 new clients added to our database. We have also introduced top-ups which include any surplus stock and a few other basic items. These are available to anyone twice a week which reduces the need for a full food parcel. This helps us with stock and also helps the clients to spread their food parcels out.

Collection/Delivery Service

We continue to operate our collection and delivery service and have continued selling items from the Hub using Ebay and Facebook Marketplace. We have also made changes to the delivery team. We now feel that we have an efficient, reliable team in place. This year we have been selling furniture from The Project, Hope and the Hub. We have been very intentional about trying to drive more stock up this year to improve our sales.

Christmas 2021

Last year we made some changes to how we do Christmas as we felt they went well. We have continued them this year.

Christmas Gifts for Social Services

Once again we contacted Social Services and asked them if they had any families with neglected children that we would be able to provide gifts for. Once a child had been referred the request was passed to a member of the community that had expressed an interest in providing gifts. Each gift bag included a selection of toys and a £25 gift voucher. This year we also opened this up to a Cotmanhay school and provided both toy bags and gift vouchers. We also provided a Christmas hamper and Christmas dinner boxes for each family. In total we provided gifts for 96 children.

Christmas Dinner Boxes

We wanted again to be able to provide dinners for families that were unable to afford them. We decided that we would put together all the components needed for a Christmas dinner and pass them out to families. We asked the local schools and Social Services to refer families that would benefit from these boxes. We asked local business owners to help with providing the items for the boxes such as potatoes, gravy, vegetables and puddings. In total we provided 160 Christmas dinner boxes across the Arena.

Christmas Hampers

This year we also provided Christmas Hampers that included a variety of Christmas food items that our clients could enjoy over the Christmas period. In total we provided 160 hampers across the Arena.

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Report of the Trustees for the year ended 31 March 2022 (Continued)

House Renovation

In October 2021 we were made aware of a need for a young male in the community. He had just gone to prison and it was discovered that the flat he was in was not suitable for living in. We sent a team from the Hub to go and clean, paint, wallpaper and refurbish the house. We were also able to help provide new furniture and white goods for him. Since the young man has been out of prison he is doing very well, has been able to get a job and is very appreciative of all the work that was done for him.

SUPPORTED LIVING ACCOMMODATION

The portfolio of properties remains consistent with five houses and one flat. The number of bedrooms varies according to need and during the year we decided that there was a greater need for rooms for males, and as a result we now have nine rooms for male occupants and two rooms for female occupants in the houses. Our 'next steps' flat is suitable for either male or female, but is currently occupied by a male.

Following on from a difficult previous year a new team has been set in place with Amelia Hill taking on the role of housing manager. We have also employed two additional support workers to assist Amelia going forwards.

The team aims are to ensure the tenants' needs are met, supporting them in every way possible, helping them to progress and achieve their individual aims and ambitions, overcoming any addictions and helping them to develop the necessary skills required to get back into work and move into their own place.

On joining us, each tenant is helped to register with all local agencies, including doctors and dentists and a team member accompanies them to various meetings such as the local jobcentre or probation and will actively encourage them to make contact with their appropriate agency key workers.

We also encourage our tenants to volunteer at various projects, and attend further education courses. We also offer advice and guidance in many areas including finance and budgeting, shopping and cooking, personal hygiene and overall cleanliness of their rooms and houses.

It is important that we continue to assess our effectiveness and the tenants' progress and this is done on a regular basis via support plans and regular review meetings.

Looking at our overall progress throughout the year:

Our Male Tenants:

At the start of the period we had seven male tenants, and due to reorganisation of the rooms we ended the period with ten. This has varied throughout the year due to various circumstances..

Progress this year:

- A male tenant has now progressed and has moved from our next steps flat and is now living in his own accommodation.
- Another of our tenants has moved into rented accommodation and is progressing well.

Our Female Tenants:

We started the year with five tenants and ended with two due to the reorganisation of the rooms.

One of our ladies is actively looking to move on and we are helping her bid for her own place through the home options route.

This year has seen some level of change in the balance of the rooms but, we do feel progress has been made. We are in a strong position going forward, having formed close relationships with various agencies, and working with the prisons, we continue to ensure that if and when we have any voids, these can be filled as soon as possible.

**Arena Community
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Report of the Trustees for the year ended 31 March 2022 (Continued)

We continue to work with those whose lives are entrapped in addiction, who can see no future for themselves, trying to help wherever we can, supporting and encouraging them to step by step get their lives back.

Our ethos and our passion is as strong as ever, we believe everybody is a somebody, which is new to many of our tenants as they often consider themselves to be nobodies. We firmly believe everyone deserves the chance to change, to restore their lives and though we cannot always guarantee great success, we do guarantee we will continue to work hard alongside every single person we can, encouraging and guiding, giving them every opportunity to free themselves of all addictions and move forward.

MANSFIELD

Care for a Coffee Numbers slowly increased and as support workers returned to face to face appointments in September many old faces returned.

We evaluated the current opening hours and decided the two hours would give room for a small group to develop in which a small number do attend.

Food Club was launched in April. Many of the members were from Care for a Coffee. Each member collects a food parcel of approximately 10 items for £3.50. Membership costs £1 for 12 months. This follows the model of other food clubs in Mansfield run by Family Action.

Feeding Britain provided us with additional funding to enable us to have Fare Share deliveries of fresh and frozen food delivered weekly. This gave a much greater variety for the parcels. The membership grew to 70 people in 12 months.

Christmas

70 Lunch parcels. We contacted two schools Sure Start 60 families received parcels with 12 food items. There were also Care for a Coffee clients and members of Arena Church to receive a 'treats' parcel.

1000 Selection boxes were delivered to 2 schools in Mansfield.

RETAIL OPERATIONS

The Project

The Project and Workshop Cafe had closed in October 2020 and did not reopen until May 2021. When the shop reopened, the style had been changed to a more boutique style and the furniture was displayed in room settings, which lifted the look of the retail area. Initially, the shop was opened for three days only - Thursday to Saturday inclusive, but as the instances of Covid decreased and more people started to feel confident about leaving their homes, we decided to open for four days trading in September but are monitoring the sales to see whether we believe it is profitable to be open for five days. We are focusing on social media to promote both the retail and cafe areas and we are finding that this is certainly attracting interest and customers into the shop.

Hope

Following its refurbishment in early 2021 and the shop reopening in April 2021 for three days, sales have been very buoyant and higher than when we were opened for six days! We have certainly seen the benefit of our hard work. The look of the shop is very different and no longer has that 'charity shop' feel about it. We have increased the prices of the merchandise sold which has also contributed to the increase in profitability. In September 2021 we decided to open the shop for another day so we were trading for four days as we were doing so well. We have introduced some of the upcycled furniture which is painted at the Project into the inventory and have managed to sell these items, which had not been the case before.

Open Door

Footfall in the shop has gradually increased since reopening after Covid. The shop has been trading for four days and prior to Christmas 2021 we decided to open for an extra day to see how trade went. After a few trial months, it was decided to trade Tuesday to Saturday but reduce the opening hours. As the shop is looking tired, it is planned to refurbish it during the summer and increase the cafe area.

**Arena Community
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Report of the Trustees for the year ended 31 March 2022 (Continued)

It has been a challenging year on the high street for many shops post Covid. Hope is doing really well and sales have increased, whilst for Open Door and The Project we are still building. However we continue to work in all three shops to tweak our operations so we can increase trade.

Whilst businesses were closed, the government introduced the Job Retention Scheme whereby staff were furloughed from work but paid up to 80% of their wages whilst the shops were closed. Unfortunately during this period two members of the team at The Project were made redundant

Financial Review

The attached financial statements show the current state of the finances. The company had net incoming resources during the year of £395,102. The company's revenue general fund balance is a balance of £(25,562) at 31 March 2022 ((£22,305) at 31 March 2021).

The Board of Trustees consider the current state of the company's finances to be sound.

Reserves Policy

It is the policy of the trustees to build up and maintain unrestricted reserves of £10,000. This has not happened during the financial year, but we are taking steps to address this.

The aim is to have 2-3 months running costs available and the team are working towards putting firmer budgets in place, identify any areas where we can increase income realistically and also restrict non-essential spending in order that this 'pot' can be built up.

Plans for the Future

To build the three businesses - the Project, Hope and Open Door

To get the Project in profit and build higher profit in the other two shops

To refurbish upstairs at the Project and create more order

To work on achieving the better administration of the support programme in supported living,
ie beauty treatments, haircuts, gym memberships, education , hobbies such as fishing

To continue building relationships within the community via serving projects such as house and garden refurbishments and support in other areas of hardship such as debt and addiction

To encourage the congregation at the Hub campus to get involved in community work thus giving the capacity to do more

To build volunteers in general

Arena Community
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Report of the Trustees for the year ended 31 March 2022 (Continued)

Reference and Administrative Information

CHARITY NAME:	Arena Community	
TRUSTEES OF THE CHARITY WHO ALSO SIT ON THE BOARD OF GOVERNORS AND ARE DIRECTORS OF THE COMPANY:	A Simpson P Pye R Gonouya (resigned 14.6.22) L Harrison C Stockdale R Tye	
SECRETARY:	Helen Turner (Appointed 13.10.21)	
REGISTERED OFFICE:	22-26 Nottingham Road Stapleford Nottingham NG9 8AA	
OPERATIONAL ADDRESS:	1 Rutland Street, Ilkeston, Derbyshire DE7 8DG	
CHARITY SHOP ADDRESSES:	Hope Charity Shop 22-24 Market Place Ilkeston Derbyshire DE7 5QA	Open Door Charity and Coffee Shop 6 Ladybrook Place Mansfield Nottinghamshire NG18 5JP
COMMUNITY BUILDING	Community Hub Unit 1, Belfield Street Ilkeston Derbyshire DE7 8DU	
REGISTERED COMPANY NUMBER:	5116407(England & Wales)	
REGISTERED CHARITY NUMBER:	1115569	
INDEPENDENT EXAMINER:	Diane Lockwood – FCA, FCCA, ATT (Fellow) Haines Watts Cliffe Hill House 22-26 Nottingham Road Stapleford Nottingham NG9 8AA	
BANKERS:	Nat West Plc Ilkeston Branch 42 Bath Street Ilkeston Derbyshire DE7 8HF	
SOLICITORS:	Mr Ben Bourne Ellis Fermor and Negus 2 Devonshire Avenue Beeston Nottingham NG9 1BS	

**Arena Community
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Report of the Trustees for the Year Ended 31 March 2022 - Continued

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, not having a share capital and having obtained exemption under Section 60 of the Companies Act 2006 to dispense with the word limited as part of the company name. The company was incorporated on 29 April 2004 and registered as a charity on 25 July 2006.

The company was established under a Memorandum of Association, which established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Change of Name

On 25 November 2009 the Arena in Ilkeston changed its name to Arena Community.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of Charity Law and under the company's Articles are known as members of the management committee. Under the requirements of the Memorandum and Articles of Association, the members of the management committee are elected to serve for a period of two years, after which they must be re-elected at the next Annual General Meeting.

Trustee Training

The trustees have served for a considerable period of time not only with this charity but are also involved with other charities as directors and trustees and are familiar with the practical work of this charity and their responsibilities as trustees.

Risk Management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Organisational Structure

Arena Community has a board of six trustees. They meet on a regular basis to review current issues and at these meetings decisions concerning the running of the charity are made. A full record of all meetings is kept.

Governance

The Memorandum of Articles were amended this year to enable the remuneration of trustees - namely Ann Simpson and Lisa Harrison.

**Arena Community
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Report of the Trustees for the Year Ended 31 March 2022 - Continued

Responsibilities of the Trustees

Company Law requires the management committee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs 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;
- 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 departure disclosed and explained in the Financial Statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The management committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

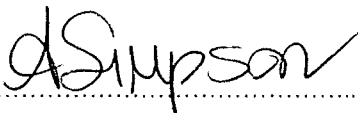
Members of the Board of Trustees

Members of the management committee, who are directors for the purpose of Company Law and trustees for the purpose of Charity Law, who served during the year and up to the date of this report are set out on page 7.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2022 was six (31 March 2021 - six).

This report has been prepared in accordance with the Statement of Recommended Practice : Accounting and Reporting by Charities and in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to small entities.

On behalf of the Board of Trustees

Signature..........(A Simpson) Dated.....14.12.22.....

Trustee and Director of the Company

**Arena Community
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Independent Examiner's report to the Trustees of Arena Community

I report on 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 purpose 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

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 requirements 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 (FRS102)).

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.

D. J. Lockwood
D J Lockwood FCA, FCCA ATT (Fellow)
Chartered Accountant

Dated 15.12.2022

Haines Watts
Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham
NG9 8AA

Arena Community
Registered Charity Limited by Guarantee

Statement of Financial Activities (Including Income and Expenditure Account)
for the Year Ended 31 March 2022

		Unrestricted Funds <u>2022</u>	Restricted Funds <u>2022</u>	Total Funds <u>2022</u>	Unrestricted Funds <u>2021</u>	Restricted Funds <u>2021</u>	Total Funds <u>2021</u>
	<u>Notes</u>	£	£	£	£	£	£
INCOME							
Income from							
Charitable Activities	2	237,198	9,135	246,333	275,896	28,732	304,628
Donations and Legacies	2	44,145	5,347	49,492	38,717	-	38,717
Other	2	51,357	-	51,357	31,886	-	31,886
JRS – Furlough Grants		2,732	-	2,732	33,804	-	33,804
Write off loan and Intercompany account	10	45,188	-	45,188	-	-	-
TOTAL INCOMING RESOURCES		380,620	14,482	395,102	380,303	28,732	409,035
EXPENDITURE							
Fundraising Costs		596	-	596	1,714	-	1,714
Charitable Activities	3	383,281	19,567	402,848	314,437	38,519	352,956
TOTAL RESOURCES EXPENDED		383,877	19,567	403,444	316,151	38,519	354,670
NET INCOME / (EXPENDITURE) FOR THE FINANCIAL YEAR		(3,257)	(5,085)	(8,342)	64,152	(9,787)	54,365
TOTAL FUNDS BROUGHT FORWARD		(22,305)	49,670	27,365	(86,457)	59,457	(27,000)
TOTAL FUNDS CARRIED FORWARD	15	(25,562)	44,585	19,023	(22,305)	49,670	27,365

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

Arena Community
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Balance Sheet as at 31 March 2022

	Notes	31 March 2022 £	31 March 2021 £
FIXED ASSETS:			
Tangible Assets	4	322,010	350,791
CURRENT ASSETS:			
Debtors and prepayments	18	28,923	24,028
Cash at Bank and in Hand		38,642	56,510
Investment in Subsidiaries	12	1	2
Intercompany Account – The Project Ilkeston Ltd		71,730	72,303
		<u>139,296</u>	<u>152,843</u>
CREDITORS: Amounts falling due within one year			
Sundry Creditors	19	31,147	16,654
Kingdom Bank Mortgage	4	13,984	13,984
Intercompany Account - Anera Enterprises Limited		-	25,188
- Arena Church	10	240,129	182,312
Loan - Arena Church		-	20,000
Individual Loans		-	56,770
		<u>285,260</u>	<u>314,908</u>
NET CURRENT ASSETS/(LIABILITIES):		(145,964)	(162,065)
LOAN – repayable after 12 months			
Kingdom Bank Mortgage	4	(157,023)	(161,361)
NET ASSETS		<u>£ 19,023</u>	<u>£ 27,365</u>
THE FUNDS OF THE CHARITY			
Unrestricted	15	(25,562)	(22,305)
Restricted		44,585	49,670
TOTAL CHARITY FUNDS		<u>£ 19,023</u>	<u>£ 27,365</u>

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

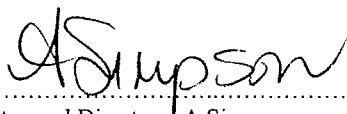
No notice has been deposited under Section 476 of the Companies Act 2006 in relation to its financial statements for the financial year.

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 which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far applicable to the Company and with the Financial Reporting Standard (issued January 2022).

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

ON BEHALF OF THE BOARD:



Trustee and Director – A Simpson

Approved by the Directors who are the Trustees of the Charity on 14-12-22

Arena Community
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Notes to the Financial Statements for the Year Ended 31 March 2022

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

a) Basis of Preparation

The financial statements have been prepared in accordance with the 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 1st January 2019) – (Charities SORP (FRS102)), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Arena Community meets the definition of a public benefit entity under FRS102.

Going Concern

The Trustees continue to monitor financial reporting very closely and more in depth reporting has been undertaken this year looking at every department and building. The charity continues to streamline costs as much as possible by working with volunteers who carry a passion to serve their local community. Regular funding and events are undertaken to involve local businesses and contacts for regular ongoing donations through our Business Buddies and 1000 Club. The Funding role was made a permanent position.

The accounts are presented in sterling (£).

b) Incoming Resources

Represents charity shop sales, donations specifically for the Foodbank Project, Mansfield and Community Projects and Gift Aid reclaims. All donations and sales are included in full in the Statement of Financial Activities when receivable. The value of services by volunteers has not been included in these accounts or the value of items gifted for resale at the charity shop.

Donations of food are made by both church members and local businesses for the “foodbank” project. It is not possible to quantify or value these gifts.

Any known incoming resources yet to be received relating to the period before the year end date are included as debtors.

The stock held in the charity shop, furniture restoring and also clothing for re-sale is not valued for stock purposes at the year end date but is recognised at point of sale.

Donated Services and Facilities

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt

The notes form part of these financial statements

Arena Community
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Notes to the Financial Statements for the Year Ended 31 March 2022 – Continued

c) Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred.

Expenditure includes VAT, which is not recoverable.

- 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 directly allocated to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource.
- Liabilities recognised as due at the year end date but at that point not paid are included as creditors.

d) Interest Receivable

Interest is included when receivable by the Charity.

e) Fixed Assets

These are applied if they have a life expectancy exceeding one year. They are valued at cost, or if gifted at the value to the charity on receipt. Depreciation is provided at the following rates in order to write off each asset over its useful life:-

- Land and Buildings (Leeming Street) -not provided
- Plant and Office Equipment – 20% reducing balance
- Fixtures and Fittings – 20% reducing balance
- Motor Vehicle – 25% of cost
- Property Improvements– 10 years on cost

No depreciation is charged on land and buildings as the residual value is believed to be higher than historical cost.

Fund Accounting

Unrestricted Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated Funds

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets this criteria is charged to the fund together with a fair allocation of management and support costs.

Legal Status of the Trust

The Trust 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.

The notes form part of these financial statements

**Arena Community
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Notes to the Financial Statements for the Year Ended 31 March 2022 – Continued

Pensions

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. Contributions payable for the year are shown in the Statement of Financial Activities.

Debtors

Debtors are recognised at the settlement amount owed to the Charity or prepaid.

Creditors

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

Financial Instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value

Taxation

The Charity is exempt from tax on its charitable activities as they further the Charity's aims and, as such, are considered to be charitable activity only.

Judgement and Key Sources of Estimation Uncertainty

The preparation of accounts using generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period.

The key estimates and assumptions used in the Financial Statements are detailed in the accounting policies.

The notes form part of these financial statements

Arena Community
Registered Charity Limited by Guarantee

Notes to the Financial Statements for the Year Ended 31 March 2022 – Continued

2. Income		Unrestricted £	Restricted £	2022 £	2021 £
Income from Charitable Activities					
Operation of Community Projects					
	- Shop Sales	95,182	-	95,182	26,135
	- Donated Goods/ Furniture Sales	11,426	-	11,426	2,349
Shared Accommodation	- Housing Benefit	127,447	-	127,447	132,615
Grants	- Feeding Britain – Mansfield	-	2,235	2,235	-
	- Mansfield Housing Needs	-	1,000	1,000	-
	- Derby RCC	-	2,450	2,450	-
	- 29th May 1961 Fund	-	-	-	4,000
	- Derbyshire Community Grant	-	-	-	1,000
	- Erewash Borough Council	3,143	-	3,143	46,357
	- Mansfield District Council	-	-	-	47,605
	- Co-Op Covid Grant	-	-	-	1,624
	- Crisis UK Grant	-	-	-	2,000
	- Western Power Grant	-	-	-	1,000
	- SLA Covid Grant	-	-	-	27,232
	- Notts County Council	-	-	-	1,000
	- Marsh Christian Trust	-	-	-	300
	- Severn Trent Water Recovery	-	-	-	5,000
	- Lady Hind Trust	-	-	-	2,500
	- LCF Co-Op Grant	-	-	-	2,911
	- Erewash Borough Council	-	-	-	1,000
	- Food Bank Grant	-	-	-	-
	- Arnold Clark Foundation	-	2,500	2,500	-
	- Asda Foundation - Mansfield	-	950	950	-
		237,198	9,135	246,333	304,628
Other Income	- Business Buddies Campaign	1,100	-	1,100	-
	- Rag Collection	1,934	-	1,934	916
	- eBay Sales	913	-	913	3,667
	- Delivery Income	2,305	-	2,305	1,238
	- Utilities & Sundry Income	16,480	-	16,480	9,428
	- Rent, Room Hire & Conferences	18,450	-	18,450	8,050
	- Management Fee	10,175	-	10,175	8,587
	- The Project	51,357	-	51,357	31,886
Donations	- Gifts from Arena Church	7,373	-	7,373	8,139
	- Donations & General Gifts	33,761	5,347	39,108	25,385
	- 1000 Club	3,011	-	3,011	5,193
		44,145	5,347	49,492	38,717

Trustee giving in the year amounted to £11,825. (2021: £597).

The notes form part of these financial statements

Arena Community
Registered Charity Limited by Guarantee

Notes to the Financial Statements for the Year Ended 31 March 2022 - Continued

3. Resources Expenses

Charitable Activities	Unrestricted Costs £	Restricted Costs £	Total 2022 £	Total 2021 £
Purchases for resale & sale costs	2,900	-	2,900	2,952
Foodbank Supplies	108	-	108	48
Refuse Collection	3,681	-	3,681	2,348
Light & Heat	27,260	-	27,260	18,870
Water Rates	5,762	-	5,762	4,035
Rent & Rates	75,426	-	75,426	72,395
Telephone	1,500	-	1,500	1,184
Staff Wages, Pension & NIC (note 5)	155,179	-	155,179	134,344
Sundry Costs (inc. Training)	253	2,320	2,573	4,982
Office Costs & Advertising	1,685	-	1,685	788
Repairs, Renewals & Maintenance	22,021	234	22,255	11,576
Cleaning	783	-	783	865
Insurance	16,602	-	16,602	15,375
Legal Fees and Licences	1,654	-	1,654	2,155
Travel and Transport Costs	6,525	-	6,525	3,477
Accountancy Fees	1,560	-	1,560	1,350
Consultancy Fees	28,565	-	28,565	24,427
Bank and Interest Charges	1,129	-	1,129	347
Depreciation	18,994	9,787	27,781	32,647
Professional/Management Fees	2,047	-	2,047	2,363
Project Related Costs & Events	-	7,226	7,226	6,575
Mortgage Interest	9,647	-	9,647	9,853
	<u>383,281</u>	<u>19,567</u>	<u>402,848</u>	<u>352,956</u>

4. Fixed Assets

	Equipment £	Fixtures & Fittings £	Leeming Street Properties £	Motor Vehicles £	Woolworths Project	Total £
Cost b/fwd	13,803	10,923	389,892	8,750	97,871	521,239
Additions/(Disposals)	-	-	-	-	-	-
	<u>13,803</u>	<u>10,923</u>	<u>389,892</u>	<u>8,750</u>	<u>97,871</u>	<u>521,239</u>
Less depreciation to date	(9,534)	(7,298)	(93,730)	(8,750)	(51,136)	(170,448)
Depreciation in the year	(861)	(725)	(17,408)	-	(9,787)	(28,781)
	<u>3,408</u>	<u>2,900</u>	<u>278,754</u>	<u>-</u>	<u>36,948</u>	<u>322,010</u>

To fund the purchase of a property formerly known as 'Rileys' at Leeming Street Mansfield, a loan was taken from Kingdom Bank. The loan is repayable:

Due	1 – 2 years	13,984
	2 – 5 years	41,952
Over	5 years	101,087

The bank holds a fixed and floating charge over the property at Leeming Street, Mansfield dated 16 April 2013.

For the purposes of a bank loan the property at Leeming Street was recently valued at a total of £575,000 this change in value has not been reflected within these accounts but is noted for reference purposes.

The notes form part of these financial statements

Arena Community
Registered Charity Limited by Guarantee

Notes to the Financial Statements for the Year Ended 31 March 2022 - Continued

5. Management and Administration costs

Included in charitable activities are staff costs as follows:-

	2022	2021
	£	£
Salaries	150,439	131,105
National Insurance	3,540	2,314
Pension	1,200	925
	<u>155,179</u>	<u>134,344</u>
	2022	2021
	£	£
Average Number of Paid Employees in the Year	<u>16</u>	<u>16</u>

No employee received emoluments of more than £60,000 in the year, the highest paid employees salary totalled £17,043.

6. Emoluments of Trustees

No emoluments were received by the Trustees either in their capacities as Trustees or as members of the Board of Trustees. Lisa Harrison is a trustee and paid employee of the Charity. In the year her gross pay totalled £17,403 (2021: £14,312). This is allowed in the Constitution, which has received Charity Commission approval.

There were no other emoluments or expenses paid to any charity trustee or persons connected with such a trustee directly or indirectly from the funds of the Company or from the property of any institution or body corporate connected with the Company.

Related Party

Mr Kristian Thorpe who is a member and trustee of the Arena Church received consulting income from the charity totalling £15,000 (2021: £14,130) via his limited company known as Grace GB Ltd. The charity employs the brother of Kristian Thorpe under a contract of employment.

Mr Thorpe rents to the charity properties at 138 Godfrey Drive, 32 Barlow Drive, 70 Norman Street and 5 Milton Street, Ilkeston at a monthly rent of £2,035.00 per month. The properties are used to deliver the Shared Accommodation Project. The total rent for the period totalled £23,995 (2021: £22,380). This agreement is for a 24 month period.

7. Taxation

The Company is a registered Charity and as such no taxation is payable on the excess of income over expenditure.

All income generated by the charitable shop is regarded as non – primary purpose trading, generating funds to support its charitable work alone.

8. Movement in Total Funds for the year

	2022	2021
	£	£
Independent Examination	1,350	1,350

9. Limited Liability

Arena Community is a company limited by guarantee and every member undertakes to contribute such an amount, not exceeding one pound, as may be required in the event of the company being wound-up while he is a member, or within one year after he ceases to be a member, for payment of debts and liabilities of the company and the cost of winding-up.

The notes form part of these financial statements

Arena Community
Registered Charity Limited by Guarantee

Notes to the Financial Statements for the Year Ended 31 March 2022 - Continued

10. Related Party (see also note 6)

Arena Community is a charitable company set up to support the work of its trading companies known as Anera Enterprises Ltd and The Project Ilkeston Ltd, of which the charity owns the whole share capital. Management fees are charged to the subsidiaries by Arena Community to represent the use of offices, accounting staff and light and heat. The charges made were £10,175 to The Project Ilkeston Ltd – there is no outstanding balance at the year end date.

During the year there have been the following transactions between the Arena Church and the charity:-

A loan from Arena Church of £20,000 was made previously and has been written off in this accounting year.

Mr K Thorpe is appointed both minister and trustee of the Arena Church and also rents properties to the charity for their use in the charity (see note 6).

Arena Church charged a management fee to the charity of £3,036 (2021: £8,894). This was for the use of the accounting staff, offices, light and heat etc. This is recharged via the intercompany account.

Arena Church now conducts its services in Mansfield from the building on Leeming Street which belongs to Arena Community – a charge is made for the hire of the premises. The charge for the year was £6,000 (2021: £1,500). The balance owing at 31 March 2022 was £Nil (2021 - £Nil).

Arena Church gifted in the year a total (including Gift Aid) of £7,373 (2021: £8,139) to Arena Community.

No interest has been charged on the inter-company loans.

There are no other related party transactions.

Intercompany Accounts

Arena Community operated intercompany accounts with its related businesses, Arena Church and Anera Enterprises Limited, to share joint costs and to correctly allocate expenditure.

The intercompany balances at 31 March 2022 were:

Creditors:	£		
Arena Church	240,129	(31 March 2021 - £182,312)	
Anera Enterprises Ltd	-	(31 March 2021 - £25,188)	Written off at dissolution of the trading subsidiary £25,188
Debtors:			
The Project Ilkeston Ltd	71,730	(31 March 2021 - £72,303)	

11. Future Commitments

The charity shop in Ilkeston known as 'Arena Hope' had a three year lease which renewed in November 2017 and extends to November 2022, which is at a cost per annum of £9,960. There is a six month break clause.

The charity shop in Mansfield known as 'Open Door' had a lease until March 2012 which is at a cost per annum of £6,460, the lease continues on a month to month basis, no new lease has been agreed since 2012.

The notes form part of these financial statements

Arena Community
Registered Charity Limited by Guarantee

Notes to the Financial Statements for the Year Ended 31 March 2022 - Continued

The charity operates a community hub and furniture project from premises at Belfield Street, Ilkeston, had a 5 year lease at a cost per annum of £9,000 until September 2020. This was renewed at a cost per annum of £10,000 until September 2025. The charity moved out of Belfield Street in October 2022. The landlord agreed to release the charity from the lease by the end of December 2022, however the property has now been sold to a new landlord who has agreed to honour the agreement in principal.

Arena Community took a lease at premises at the old Woolworths store in Ilkeston, known as the Woolworths Project. The lease is for a period of 15 years until 2031 at a cost per annum of £7,350. The lease has break clauses at 2021 and 2026.

12. Investment in subsidiary

The charity wholly owned two subsidiaries, Anera Enterprises Ltd and The Project Ilkeston Limited; the charity held the issued ordinary shares in each company representing 100% of the equity of the company. The principal activity of Anera Enterprises Ltd was the operation of a conference centre, room hire, events and coffee shops. On the 30 September 2021 the business ceased and the company has been struck off at Companies House on 9 August 2022. The principal activity of The Project Ilkeston Limited is running the Workshop Café.

A summary of the results of the subsidiary is shown below:

	Anera Enterprises Ltd		The Project Ilkeston Ltd	
	2022	2021	2022	2021
	£	£	£	£
Turnover	-	28,364	35,488	60,177
Cost of sales	-	1,775	10,135	1,694
Gross profit	-	26,589	25,353	58,483

The aggregate of the assets, liabilities and funds was:

Assets	-	-	9,559	34,305
Liabilities	-	6,051	110,728	121,641
Funds (representing 1 ordinary share of £1 each)	-	26,725	(101,169)	(87,336)

Investment in subsidiary at cost

1 Ordinary share of £1 each	NIL	1	1	1
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13. Group Accounts

The company has taken advantage of examples provided by the Companies Act 2006 in not preparing Group Accounts on the basis that the group qualifies as a small group.

14. Open Door Charity Shop

On the 27 July 2010 a legal agreement was made between the trustees of Arena Church and the trustees of Bosworth Street Church, Mansfield which incorporated a charity shop known as Open Door.

The assets of both the church and the shop were transferred in full to Arena Church.

The notes form part of these financial statements

Arena Community
Registered Charity Limited by Guarantee

Notes to the Financial Statements for the Year Ended 31 March 2022 – Continued

15. Movement in Funds

Year Ended 31.3.22	At 1.4.21	Incoming Resources	Outgoing Resources	Transfers	At 31.3.22
Restricted Funds					
Care 4 Coffee	-	355	-	-	355
Mansfield Food Club	-	2,070	808	-	1,262
Feeding Britain	-	2,235	150	-	2,085
Flourish	2,935	-	-	-	2,935
Woolworths Project	46,735	-	9,787	-	36,948
Mansfield Housing Needs	-	1,000	-	-	1,000
Belfield Christmas	-	8,822	8,822	-	-
	<u>49,670</u>	<u>14,482</u>	<u>19,567</u>	<u>-</u>	<u>44,585</u>

Restricted Fund – Woolworths Project. A balance was carried forward of £46,735. The asset has been capitalised and the balance will be written off over a 10 year period. The balance at 31 March 2022 was £36,948.

Restricted Fund – Flourish – This fund held specific donations received for the cultivation of the community garden which is overseen by Wash Arts. At 31 March 2022 a balance of £2,935 remained.

Restricted Fund – Care 4 Coffee - Care for a coffee operates twice a week serving the needs of over a 100 people each week who are lonely, homeless and vulnerable in Mansfield.

Restricted Fund – Mansfield Food Club – We recently launched a Food Club in 2021 in our Mansfield Campus to help the needs that are very evident in this community. Through grants and giving we were able to install a new kitchen / Food Club storage and space that has allowed Care for a Coffee and Food Club to launch and thrive. We now have around 100 members who regularly use this facility.

Restricted Fund – Feeding Britain – Give us regular funding for the ongoing of provision for the Mansfield Food Club providing food and membership to people in need.

Restricted Fund – Mansfield Housing Needs – Supporting people in need in the Mansfield Arena with items for their homes.

Restricted Fund – Belfield Christmas - Funding received for Christmas Giveaway of Hampers to families in need, selection boxes to our communities and toys to children in need.

Year Ended 31.3.21	At 1.4.20	Incoming Resources	Outgoing Resources	Transfers	At 31.3.21
Restricted Funds					
SLA COVID Grant	-	27,232	27,232	-	-
Flourish	2,935	-	-	-	2,935
Woolworths Project	56,522	-	9,787	-	46,735
Erewash Borough Council/ Mansfield Borough Council	-	1,500	1,500	-	-
	<u>59,457</u>	<u>28,732</u>	<u>38,519</u>	<u>-</u>	<u>49,670</u>

The notes form part of these financial statements

Arena Community
Registered Charity Limited by Guarantee

Notes to the Financial Statements for the Year Ended 31 March 2022 – Continued

16. Analysis of Net Assets between Funds

	General Funds	Restricted Funds	Total
	£	£	£
Fixed Assets	288,518	33,492	322,010
Current Assets	128,203	11,093	139,296
Current Liabilities	(285,260)	-	(285,260)
Long Term Liabilities	(157,023)	-	(157,023)
Net Assets at 31.3.22	<u>(25,562)</u>	<u>44,585</u>	<u>19,023</u>

	General Funds	Restricted Funds	Total
	£	£	£
Fixed Assets	304,056	46,735	350,791
Current Assets	149,908	2,935	152,843
Current Liabilities	(314,908)	-	(314,908)
Long Term Liabilities	(161,361)	-	(161,361)
Net Assets at 31.3.21	<u>(22,305)</u>	<u>49,670</u>	<u>27,365</u>

17. Short Term Loan

There was a balance outstanding at 31 March 2021 of £56,770; this has been fully repaid during the year.

18. Debtors

	2022	2021
	£	£
Trade Debtors	9,586	7,153
Other Debtors	780	780
Prepayments	<u>18,557</u>	<u>16,095</u>
	<u>28,923</u>	<u>24,028</u>

19. Sundry Creditors

	2022	2021
	£	£
Accruals	10,068	9,707
Trade Creditors	20,732	13,982
PAYE and Pension	<u>347</u>	<u>(7,035)</u>
	<u>31,147</u>	<u>16,654</u>

20. Pension Commitments

The charity operates a defined contribution pension scheme. The assets are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £1,200 (2021: £925).

The notes form part of these financial statements