

WEST DERBY COMMUNITY ASSOCIATION LIMITED

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

WEST DERBY COMMUNITY ASSOCIATION LIMITED

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FOR THE YEAR ENDED 28 FEBRUARY 2023**

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WEST DERBY COMMUNITY ASSOCIATION LIMITED

**LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 28 FEBRUARY 2023**

TRUSTEES:	Patricia Blair Kenneth James Blundell Stephen Guy Mikaela Louise Williams-Brown Kenneth John Lightfoot – resigned 28 February 2023 Anna Marie Garvey – appointed 28 February 2023 Daniel George O'Shaughnessy - appointed 28 February 2023
SECRETARY:	Gillian Thompson
REGISTERED OFFICE:	Lowlands 13 Haymans Green West Derby Liverpool Merseyside L12 7JG
COMPANY NUMBER:	05349231
CHARITY NUMBER:	1116826
INDEPENDENT EXAMINER:	David S Glover FCA John Kerr - Chartered Accountants 375 Eaton Road West Derby Liverpool Merseyside L12 2AH
BANKERS:	Barclays Bank PLC 164 Allerton Road Liverpool Merseyside L18 2DH

WEST DERBY COMMUNITY ASSOCIATION LIMITED**TRUSTEES' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2023**

The trustees, who are the directors for the purpose of company law, present their annual trustees' report with the financial statements of the charitable company for the year ended 28 February 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The legal and administrative information set out on page 1 forms part of this report.

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 applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019.

OUR PURPOSES AND ACTIVITIES

In so far as it is complimentary to the charity's objects, the charity is guided by both local and national policy. Advice from local organisations has proved invaluable to the charity in establishing improved links within the community and identifying relevant policy developments and prospective funding.

The purposes of the charity are to focus on the provision of resources and a community centre based at 'Lowlands' to advance education and social welfare by providing recreation and leisure facilities primarily for the use of the inhabitants of West Derby, Liverpool. The charity operates a number of initiatives to secure the widest range of facilities is available that best matches the needs of its client population.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit; running a charity' (PB2). The charity relies on the income from donations, rents, fees and charges to cover its operating costs. Affordability and access to our facilities is important to us and is reflected in our pricing policies.

ACHIEVEMENTS, PERFORMANCE AND PLANS FOR THE FUTURE

The results for the year and the financial position of the charity are as shown in the annexed financial statements. The charity has seen a continued demand for its facilities and services and the trustees continue to seek additional funding to support future operational plans.

RESERVES POLICY AND GOING CONCERN

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The trustees consider that the ideal level of reserves would be in the region of £35,000. The charity had reserves in the region of £23,000 after allowing for the resources represented by tangible fixed assets.

The trustees consider that, providing income covers the ongoing expenditure, the charity should be able to continue operations for the foreseeable future. The trustees continue to consider ways in which additional unrestricted funds can be raised.

STRUCTURE, GOVERNANCE AND MANAGEMENT

West Derby Community Association Limited is a charitable company limited by guarantee incorporated on 1 February 2005 and registered as a charity on 16 November 2006. Members of the charitable company guarantee to contribute an amount not exceeding £10 in the event of the charity winding up.

The company is governed by the policies made from time to time by the trustees together with the terms of its Memorandum and Articles of Association which set out the objects and powers of the company. The procedures for the appointment, retirement and removal of trustees are set out in the Articles. The trustees are familiar with the practical work of the charity and are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. The day to day operational aspects of the charity have been delegated to the Manager and the team.

RELATED PARTIES

None of the trustees receive remuneration or other financial benefit from their work with the charity and any contractual relationship with a related party must be disclosed to the full board of trustees. In the current year, no such related party transactions were reported.

WEST DERBY COMMUNITY ASSOCIATION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2023

RISK MANAGEMENT

The trustees have a risk management strategy which comprises: an annual review of the principal risks and uncertainties that the charity faces and; the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due and active management of trade debtors and creditor balances to ensure sufficient working capital is available.

Attention has also been focused on non-financial risks arising from fire, health and safety and hygiene. These risks are managed by ensuring procedures and accreditations are up to date, having robust policies and procedures in place, and regular awareness training for staff and volunteers working in these operational areas. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees (who are also the directors for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue on that basis.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

BY ORDER OF THE OF THE BOARD OF TRUSTEES:

Stephen Guy – Trustee

22 November 2023

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
WEST DERBY COMMUNITY ASSOCIATION LIMITED**

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 28 February 2023 which are set out on pages 5 to 8.

This report is made to the charity's trustees, as a body, in accordance with the terms of the engagement. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the trustees, as a body, for my work or for this report.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's report

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:

- accounting records were not kept in respect of the company as required by section 386 of 2006 Act; or
- the accounts do not accord with those accounting records, or
- the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019.

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.

David S Glover FCA
John Kerr - Chartered Accountants
375 Eaton Road
West Derby
Liverpool
Merseyside
L12 2AH

22 November 2023

WEST DERBY COMMUNITY ASSOCIATION LIMITED**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 28 FEBRUARY 2023**

UNRESTRICTED FUNDS:	28.2.2023	28.2.2022
	£	£
INCOME:		
Donations, subscriptions and fund raising	5,090	532
Coronavirus Job Retention Scheme	-	5,063
Government grants - Local Authority	-	12,763
UK rents & letting fees receivable	46,117	29,943
Investment income: UK interest receivable	16	65
TOTAL INCOME	51,223	48,366
EXPENDITURE:		
Costs of operation and maintenance of Lowlands	53,258	49,746
Governance costs - reporting & examination fees	1,104	1,104
TOTAL EXPENDITURE	54,362	50,850
Net expenditure and net movement in funds for the year	(3,139)	(2,484)
TOTAL FUNDS BROUGHT FORWARD	<u>376,477</u>	<u>378,961</u>
TOTAL FUNDS CARRIED FORWARD	<u>373,338</u>	<u>376,477</u>

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

All income and expenditure derive from continuing activities.

The notes form part of these financial statements

WEST DERBY COMMUNITY ASSOCIATION LIMITED
BALANCE SHEET
28 FEBRUARY 2023

	Notes	28.2.2023 £	28.2.2022 £
FIXED ASSETS			
Tangible assets	4	350,000	350,000
CURRENT ASSETS			
Debtors	5	38	952
Cash at bank and in hand		<u>26,382</u>	<u>27,164</u>
		26,420	28,116
LIABILITIES			
Creditors falling due within one year	6	<u>3,082</u>	<u>1,639</u>
NET CURRENT ASSETS		<u>23,338</u>	<u>26,477</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>373,338</u>	<u>376,477</u>
THE FUNDS OF THE CHARITY			
Unrestricted income funds	7	<u>373,338</u>	<u>376,477</u>
TOTAL CHARITY FUNDS		<u>373,338</u>	<u>376,477</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2023.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 28 February 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its income and expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the 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 and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

The financial statements were approved by the Board of Trustees and authorised for issue on 22 November 2023 and were signed on its behalf by:

Stephen Guy - Trustee

WEST DERBY COMMUNITY ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023****1. ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The 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 (FRS 102) effective 1 January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

West Derby Community Association Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Preparation of the accounts on a going concern basis

In preparing the accounts, the trustees have taken account of the resources available to the charity and consider that, providing income covers the ongoing expenditure, the charity should be able to continue operations for the foreseeable future.

Income recognition

Items of income are recognised and included in the accounts when all of the following criteria are met: the charity has entitlement to the funds; any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity; there is sufficient certainty that receipt of the income is considered probable; and the amount can be measured reliably. The value of services provided by volunteers has not been included in these accounts.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. However, in the case of the freehold property, depreciation is not recognised as both the depreciation charge and the accumulated depreciation are not material because the asset is considered to have a very long useful life. In addition, the element of cost representing freehold land is considered to have an indefinitely long useful life.

Pensions

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the statement of financial activities in the period to which they relate.

2. ANALYSIS OF STAFF COSTS AND STAFF NUMBERS

	28.2.2023	29.2.2022
	£	£
Salaries & wages (No employees had employee benefits in excess of £60,000)	13,403	11,700
Employer's contributions to defined contribution pension schemes	<u>235</u>	<u>164</u>
The average monthly head count during the year was as follows:		
Facilities operation & management	<u>1</u>	<u>1</u>

3. NET EXPENDITURE

The charity trustees were not paid, nor did they receive any other benefit from employment with the charity in the year (2022: £nil) neither were they reimbursed expenses during the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

WEST DERBY COMMUNITY ASSOCIATION LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023 - continued****4. TANGIBLE FIXED ASSETS**

	Freehold Property £
COST AND NET BOOK VALUE	
At 1 March 2022	<u>350,000</u>
At 28 February 2023	<u>350,000</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.2023 £	28.2.2022 £
Prepayments and accrued income	38	952
	<u>38</u>	<u>952</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.2023 £	28.2.2022 £
Trade creditors	85	96
Social security & other taxes	79	75
Accruals	2,918	1,468
	<u>3,082</u>	<u>1,639</u>

7. ANALYSIS OF CHARITABLE FUNDS

	General unrestricted income funds £
At 1 March 2022	376,477
Incoming resources	51,223
Outgoing resources	<u>(54,362)</u>
At 28 February 2023 represented by total assets less current liabilities	<u>373,338</u>

8. CORPORATION TAX

The charity is exempt from tax on income and gains to the extent that these are applied to its charitable objects.

9. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other charities of our size and nature we use our Independent Examiner to assist with the preparation of the financial statements.

10. LEGAL STATUS OF THE CHARITY

The charity is a private company, limited by guarantee, registered in England & Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the company. The company's registered number and registered office address can be found on page 1.

WEST DERBY COMMUNITY ASSOCIATION LIMITED**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2023**

	28.2.2023		28.2.2022	
	£	£	£	£
Income:				
Donations, subscriptions and fund raising		5,090		532
Government grants		-		17,826
UK rents & letting fees receivable	46,117		29,943	
UK interest receivable	<u>16</u>		<u>65</u>	
		<u>46,133</u>		<u>30,008</u>
		51,223		48,366
Expenditure:				
Rates and water	3,113		4,016	
Insurances	3,538		3,761	
Light, heat and power	10,350		5,638	
Repairs, maintenance & security	11,742		14,906	
Wages & NIC	13,403		11,700	
Employer pension contributions	235		164	
Bookkeeping and administrative support	600		2,517	
Telephone	751		752	
Postage, stationery & advertising	1,229		1,197	
Cleaning	3,225		4,153	
Fund raising, hospitality and sundry expenses	4,844		534	
Legal and professional	<u>1,332</u>		<u>1,512</u>	
		<u>54,362</u>		<u>50,850</u>
Net expenditure		<u>(3,139)</u>		<u>(2,484)</u>