

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2021**

Company Registration Number: 07886190

Registered Charity Number: 1147104

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2021**

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**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

TRUSTEES' ANNUAL REPORT

**FOR THE YEAR ENDED
31 MARCH 2021**

The trustees are pleased to present their annual report and unaudited Financial Statements for the year ended 31 March 2021, which are also prepared to meet the requirements for a Directors' Report and Financial Statements 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 Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name: Velmore Community Association

Charity Registration Number: 1147104

Company Registration Number: 07886190

Principal Office: Velmore Centre
Falkland Road
Eastleigh
Hampshire
SO53 3GY

Registered Office Address: Velmore Centre
Falkland Road
Eastleigh
Hampshire
SO53 3GY

The Trustees

The trustees who served the company during the year were as follows:

Mr G Riddoch	Chair
Mr A Watt	Treasurer
Mrs M D F Atkinson	
Mr R A Dibb	
Mrs K Hatchett	
Mrs L Ross	

Secretary: To be advertised/appointed

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

Senior Management Team: Mrs L Gibbons Until 5 January 2021

Our Advisors
Independent Examiner: Abraham & Dobell
230 Shirley Road
Southampton
SO15 3HR

OBJECTIVES AND ACTIVITIES

The charitable company's objectives and principal activities are:

- to promote the benefit of the inhabitants of the Velmore Estate and North End Copse in the borough of Eastleigh without distinction of sex, sexual orientation, age, disability, nationality, race or of political, religious or other opinions, by association together the said inhabitants and the statutory authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure-time occupation with the object of improving the conditions of life for the said inhabitants;
- to establish or secure the establishment of a Community Centre and to maintain and manage the same (whether alone or in co-operation with any statutory authority or other person or body) in furtherance of the Objects; and
- to promote such other charitable purposes as may from time to time be determined.

The charitable company shall be non-party in politics and non-sectarian in religion. The area of benefit shall be Velmore Estate and North End Copse in the borough of Eastleigh. This area is bounded by Leigh Road, Bournemouth Road, Chestnut Avenue and the M3.

Public Benefit Statement

All of our activities are undertaken to further our charitable purposes for the public benefit. In shaping our objectives 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)'.

**VELMORE COMMUNITY ASSOCIATION
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**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

ACHIEVEMENTS AND PERFORMANCE

COVID-19

The activities of the Centre were significantly impacted during the year by the world-wide COVID-19 pandemic. The Centre started the financial year in lockdown having closed for business on 18 March 2020. This remained the case until 3 August when it opened 3 days a week and then on 28 September it opened 5 days a week. However, social distancing rules were in place. A second lockdown was announced for 5 November which lasted until 4 December. The Centre closed for Christmas on 18 December and then remained closed under Tier 4 and then national lockdown rules starting 26 December. The Centre then remained shut until the restrictions were lifted post this financial period and allowed an outside café to open on 12 April 2021.

Centre Management

The Centre management structure continued to prove a successful working model for the Community Association even during the pandemic. However, to control the costs of the Association, all the staff were initially furloughed and when part furlough was allowed then initially the Centre Manager was employed part time as needed and later the café assistant was brought back part time. During the lockdown period when part-time furlough was not allowed, the needs of the Association were taken care of by the treasurer and volunteers.

In January 2021 unfortunately Lorraine Gibbons the Centre Manager passed away after a relatively short illness un-related to Covid. She had been doing an excellent job for the Association and was highly respected and loved by the community. She will be sadly missed by the whole Centre management team and community. In recognition of her work and, as a result of gifts to the Centre in her memory, a garden will be created at the front of the Centre in her name.

Buildings Maintenance

The closure of the Centre due to the pandemic necessitated that all costs should be reduced as much as possible and generally only essential services and maintenance were carried out. The building was inspected twice a week by volunteers and prior to re-opening a thorough clean of the water systems in both buildings was carried out in accordance with government recommendations for the control of Legionnaires disease.

Before the period in the autumn when the Centre was able to re-open an opportunity was found to replace the carpet in Kent Hall using nearly new carpet tiles. These tiles were free from a charity and the only cost for these was the delivery and fitting charges. Thus, the flooring was replaced in August for the sum of £1287.20.

A number of repairs became necessary at Belmont Hall during the lockdown whilst it was in use by the Preschool. In December 2019, the woodwork covering the blocked-up window deteriorated to the extent that urgent repairs were necessary and this was carried out by a volunteer. During March there was a failure of the hot air heating system. Temporary heating was provided to allow the Preschool to continue whilst a new part was sourced from America where this hot air system is still in production.

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Health & Safety

Health and safety incidents and accidents are reported to the Trustee Board. There have been no incidents during this period. In accordance with the government guidance a Covid Risk Assessment was carried out and the actions implemented before the building was re-opened following lockdown. Actions included restricting the numbers using the building, increasing ventilation and regular cleaning. The Risk Assessment was updated as government guidance was issued or updated.

Business Development

The Covid situation during the year did not allow business development: rather the focus was on actions to keep the business running. A number of local authority grants were applied for and granted. These together with the government furlough payments allowed the business to continue during this very trying period.

Cherry Tree Cafe

The Cherry Tree café was recognized as a key local resource for people who had been confined to home for long periods during the year and so, as permitted by the Covid rules, the café was opened when possible. It opened on 3 August following the March 2020 closure for 3 days a week and was run by a volunteer and the Centre Manager. This was extended to 5 days a week at the end of September but was closed on 5 November by the 2nd national lockdown. It re-opened briefly from 4 December for two weeks then was closed for Christmas and the 3rd national lockdown. This closure remained in place beyond the end of the financial year

FINANCIAL REVIEW

The financial aim of Velmore Community Association during this period has been to survive the impact of the pandemic. This has been addressed by minimising costs, retaining staff by using the Furlough Scheme, using volunteers in place of paid staff (due to initial furlough restrictions) and by applying for all applicable grants. This has enabled the Association to reach the end of this period with an increased bank balance.

The charitable company had an decrease in income to £60,998 compared to £72,886 in the previous year. Expenditure decreased to £53,747 (2020 - £65,286). As a result, the charitable company incurred a surplus in the year to 31 March 2021 of £7,251 (2020 - £7,600).

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

FINANCIAL REVIEW (CONTINUED)

Reserves

The trustees had a plan and expectation to be able to create a reserve of 3 months' turnover. This amount of reserve is currently within the funds held at the bank. However, the ongoing Covid situation continues to affect the room hires and income of the Association. Thus, the policy will continue to be kept under review.

Investment Policy

Due to the ongoing uncertainty with the Covid pandemic, the trustees consider it prudent to retain funds as cash at the bank.

PLANS FOR FUTURE PERIODS

- At the end of this accounting period the UK Lockdown was still continuing and the impact of this on the activity of the Centre for the next year is again unknown. Another period of no income is anticipated and in recognition of this the following steps are ongoing:
 - Government advice for the facility will continue to be strictly followed.
 - The building will stay mothballed, in so far as safe and practical whilst maintaining sufficient level of security and surveillance, until allowed to be used.
 - Steps will continue to minimize expenditure.
 - Staff will continue to be Furloughed where possible.
 - Business support grants will be sought where applicable.
 - Once permitted, then activities will be restarted and be brought back on line as quickly as feasible and the following plans for the year will be re-established if possible.
- To continue to develop initiatives and services to reflect the needs of local residents and business communities and to be aware of the potential competition for these from the new Stoneham development.
- To build on the reputation of the Velmore Centre as a hub for health and wellbeing activities in the community through development and promotion of services.
- To maximise the use of the Velmore Centre and continue to maintain links with local partners.
- To consider new ideas and initiatives to promote Velmore Centre with the local community and to continue to promote our Cafe
- To work closely with the local Co-operative Store who have agreed to have Velmore Community Association as their "Charity Partner" in the next financial year.
- To continue to monitor the hire rates and compare with the rates of similar organisations in the area to ensure we remain competitive in this market.
- To review all service contracts and regular suppliers to ensure that we are receiving the best possible rates available, and to make changes where improvements can be obtained.
- To undertake the re-covering of the chairs in the Café for which a grant from Hampshire County Council of £403 has been given.

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 19 December 2011 and registered as a charity on 3 May 2012. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association. Anybody can apply to the Board of Directors to become a member of the charitable company and each member is required to contribute £1 in the event of the charitable company winding up.

The Association works within current, relevant legislation, in particular Health and Safety at Work Act 1974, Employment Act 2001, Charities Act 2011, Companies Act 2006, Data Protection Act 1988, together with appropriate guidance including Charities Statement of Recommended Practice (SORP (FRS 102)) and European Working Time Directive.

Recruitment and Appointment of the Trustees

The directors of the company are also charity trustees for the purposes of charity law.

The trustees are appointed by members' agreement at an Annual General Meeting. A third of the directors shall retire (but may be re-appointed) by rotation at each Annual General Meeting. Trustees have not been paid any remuneration for their roles as Trustees.

Trustee Induction and Training

Trustees are recruited and appointed in accordance with the Articles of Association. Induction and training of new trustees is arranged by the Board on an individual basis.

Risk Management

The trustees have examined the major strategic, business and operational risks which the charitable company 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

The trustees of Velmore Community Association meet monthly, ensuring that any decisions are agreed at a quorum meeting of the Board of Trustees. The Board of Trustees, at the date of signing this Report, comprised 6 trustees. The trustees come from a variety of professional backgrounds relevant to the work of the charitable company. The trustees delegate day to day responsibility for the running of the organisation to Senior Executives who are responsible for delivering services.

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Related Parties

Velmore Community Association collaborates with a number of key parties to ensure the charitable company meets its objectives. The key parties are:

- Vivid Homes
- Eastleigh Borough Council
- Chandlers Ford Parish Council
- Co-operative Stores
- Velmore Friendship Group
- Velmore Church
- One Community

Key Management and Personnel Remuneration

The trustees consider the Board of Trustees and the Senior Management Team comprise the key management personnel of the charitable company in charge of directing and controlling the charitable company and running and operating the charity on a day to day basis.

All trustees give their time freely and no remuneration was paid to trustees in the year.

The pay of the Senior Management Team is reviewed by the trustees periodically on the basis of the performance of the individual concerned and the charitable company as a whole.

RESPONSIBILITIES OF THE DIRECTORS

The charitable company's directors (who are trustees for the purposes of charity law) are responsible for preparing an 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 directors to prepare Financial Statements for each financial period, 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 period. In preparing those Financial Statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- 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; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue on that basis.

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

RESPONSIBILITIES OF THE DIRECTORS (CONTINUED)

The directors are responsible for keeping proper accounting records that 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 directors 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.


The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption under the Companies Act 2006.

Approved by the trustees on 1 December 2021 and signed on their behalf by:


.....
G RIDDOCH
CHAIR


.....
A WATT
TREASURER

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED
31 MARCH 2021

I report to the charity trustees on my examination of the Accounts of Velmore Community Association (the Company) for the year ended 31 March 2021.

RESPONSIBILITIES AND BASIS OF REPORT

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

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

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

**INDEPENDENT EXAMINER'S REPORT
(CONTINUED)**

**TO THE TRUSTEES OF
VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**FOR THE YEAR ENDED
31 MARCH 2021**

INDEPENDENT EXAMINER'S STATEMENT (CONTINUED)

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


.....
D J MANT FCA

1 December 2021

**ABRAHAM & DOBELL
Chartered Accountants
230 Shirley Road
Southampton
SO15 3HR**

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED
31 MARCH 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
INCOME					
Donations and legacies	2	14,586	3,113	17,699	4,499
Charitable activities	3	7,128	-	7,128	67,842
Other trading activities	4	-	-	-	545
Coronavirus schemes and relief	5	36,171	-	36,171	-
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL INCOME		57,885	3,113	60,998	72,886
		<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURE					
Charitable activities	6	50,939	2,808	53,747	65,286
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURE		50,939	2,808	53,747	65,286
		<hr/>	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE)/ NET MOVEMENTS IN FUNDS FOR THE YEAR					
	8	6,946	305	7,251	7,600
RECONCILIATION OF FUNDS					
Total funds brought forward		26,436	1,700	28,136	20,536
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward		£33,382	£2,005	£35,387	£28,136
		<hr/>	<hr/>	<hr/>	<hr/>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	10		5,782		7,710
			<hr/>		<hr/>
TOTAL FIXED ASSETS			5,782		7,710
CURRENT ASSETS					
Debtors	11	269		6,243	
Cash at bank and in hand		33,341		17,475	
		<hr/>		<hr/>	
TOTAL CURRENT ASSETS		33,610		23,718	
LIABILITIES					
Creditors: Amounts falling due within one year	12	4,005		3,292	
		<hr/>		<hr/>	
NET CURRENT ASSETS			29,605		20,426
			<hr/>		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES			35,387		28,136
			<hr/>		<hr/>
NET ASSETS	14		£35,387		£28,136
			<hr/>		<hr/>
THE FUNDS OF THE CHARITABLE COMPANY	15				
Unrestricted income funds			33,382		26,436
Restricted income funds			2,005		1,700
			<hr/>		<hr/>
TOTAL CHARITABLE COMPANY FUNDS			£35,387		£28,136
			<hr/>		<hr/>

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET
(CONTINUED)**

AS AT 31 MARCH 2021

For the year ended 31 March 2021 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' Responsibilities:


- The directors have not required the company to obtain an audit of its Accounts for the year in question in accordance with section 476; and
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of Accounts.

The directors have prepared Financial Statements in accordance with the special provisions of Part 15 of the Companies Act relating to small companies which constitute the annual Financial Statements required by the Companies Act 2006 and are for circulation to members of the charitable company.

The notes on pages 14 to 23 form part of these Financial Statements.

Approved by the trustees on 1 December 2021 and signed on their behalf by:


.....
G RIDDOCH
CHAIR


.....
A WATT
TREASURER

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2021**

1. ACCOUNTING POLICIES

Charity Information

Velmore Community Association is a charitable company established under its Memorandum and Articles of Association and registered with the Charity Commission and Companies House in England and Wales. The principal address is Velmore Centre, Falkland Road, Eastleigh, Hampshire, SO53 3GY. The charitable company is a public benefit entity.

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

(a) 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 Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Financial Statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest £.

(b) Income

All income is included in the Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are received by way of donations and gifts and are included in full in the Statement of Financial Activities when receivable.
- Donated services and facilities are included at the value to the charitable company where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.
- Investment income is included when receivable.
- Income from charitable trading activities is accounted for when earned.
- Income from grants, where related to performance and specific deliverables, are accounted for as the charitable company earns the right to consideration by its performance.
- Government grants are recognised at the fair value received or receivable.

**VELMORE COMMUNITY ASSOCIATION
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**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

1. ACCOUNTING POLICIES (CONTINUED)

(c) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT as the charitable company is not VAT registered and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Expenditure on charitable activities comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and their associated support costs.

Support costs are those functions that assist the work of the charitable company but do not directly undertake the charitable activities. These costs have been allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource and are apportioned on an appropriate basis, eg floor areas, per capita or estimated usage.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the Independent Examiner's fees and costs linked to the strategic management of the charitable company.

(d) Tangible Fixed Assets

All fixed assets are initially recorded at cost less accumulated depreciation and any impairment losses. Fixed assets over £500 are capitalised.

Depreciation is calculated so as to write-off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

- Equipment	25% reducing balance
- Fixtures and Fittings	25% reducing balance

(e) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

(f) Cash at Bank and in Hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**VELMORE COMMUNITY ASSOCIATION
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**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

1. ACCOUNTING POLICIES (CONTINUED)

(g) Creditors and Provisions

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 after allowing for any trade discounts due.

(h) Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

(i) Taxation

The charitable company is exempt from Corporation Tax on its charitable activities.

(j) Fund Accounting

Unrestricted funds consist of the general purposes fund and designated funds.

Designated funds are funds established by the trustees from time to time for specific projects or purposes, are not in any way restricted and any surplus or deficit will be transferred to/from the general purposes fund when the designated fund is closed.

Restricted Funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal. The purpose and use of designated and restricted funds is set out in the notes to the Financial Statements.

(k) Donated Services

Donated services and facilities are included at the value to the charitable company where this can be quantified.

(l) Financial Instruments

The charitable company only 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(m) Significant Judgements and Estimates

Preparation of the Financial Statements may require management to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

**VELMORE COMMUNITY ASSOCIATION
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**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Grants received	9,907	403	10,310	-
Other donations	4,679	2,710	7,389	4,499
	<hr/>	<hr/>	<hr/>	<hr/>
	£14,586	£3,113	£17,699	£4,499
	<hr/>	<hr/>	<hr/>	<hr/>

In 2020 the income from donations and legacies of £4,499 was unrestricted.

There were no donated services and facilities receivable which could be quantified in the year (2020 - none).

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Rental income	5,187	-	5,187	55,665
Café income	1,941	-	1,941	12,177
	<hr/>	<hr/>	<hr/>	<hr/>
	£7,128	£-	£7,128	£67,842
	<hr/>	<hr/>	<hr/>	<hr/>

In 2020 the income from charitable activities of £67,842 was unrestricted.

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Other activities	-	-	-	545
	£-	£-	£-	£545

In 2020, the income from other trading activities of £545 was unrestricted.

5. CORONAVIRUS SCHEMES AND RELIEF

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Coronavirus Job Retention Scheme	25,671	-	25,671	-
EBC Business Rates Relief Scheme	10,500	-	10,500	-
	£36,171	£-	£36,171	£-

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Community Centre £	2021 Total Funds £	2020 Total Funds £
Centre costs	51,280	51,280	62,498
Support costs	1,313	1,313	1,660
Governance costs	1,154	1,154	1,128
	£53,747	£53,747	£65,286

The expenditure on charitable activities in 2021 of £53,747 (2020 - £65,286) comprised £50,939 unrestricted funds (2020 - £64,986) and £2,808 restricted funds (2020 - £300).

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The charitable company identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken (see note 6) in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	General Support £	Governance £	Total Funds £	Basis of Apportionment
Office costs	-	-	-	Usage
Other costs	1,313	-	1,313	Usage
Independent Examiner's fees	-	1,154	1,154	Governance
	<hr/>	<hr/>	<hr/>	
	£1,313	£1,154	£2,467	
	<hr/>	<hr/>	<hr/>	

8. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2021 £	2020 £
This is stated after charging:		
Depreciation	£1,928	£2,570
Independent Examiner's fees	£1,154	£1,128
	<hr/>	<hr/>

**9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES
AND THE COST OF KEY MANAGEMENT PERSONNEL**

	2021 £	2020 £
Wages and salaries	37,188	39,573
Social Security costs	-	-
Employer's pension	508	567
	<hr/>	<hr/>
	£37,696	£40,140
	<hr/>	<hr/>

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

**9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES
AND THE COST OF KEY MANAGEMENT PERSONNEL (CONTINUED)**

Particulars of Employees

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

	2021	2020
Administration staff	4	4
	—	—

No employee received remuneration of more than £60,000 during the year (2020 - £nil).

No payments were made to Trustees by way of remuneration or expenses during the year (2020 - £nil).

10. TANGIBLE FIXED ASSETS

	Equipment £	Fixtures & Fittings £	Total £
Cost			
At 1 April 2020	7,856	22,579	30,435
Disposals	(6,084)	(5,055)	(11,139)
	—	—	—
As at 31 March 2021	1,772	17,524	19,296
	—	—	—
Depreciation			
At 1 April 2020	6,705	16,020	22,725
Provided for the year	288	1,640	1,928
Eliminated on disposal	(6,084)	(5,055)	(11,139)
	—	—	—
As at 31 March 2021	909	12,605	13,514
	—	—	—
Net Book Values			
As at 31 March 2021	£863	£4,919	£5,782
	—	—	—
As at 31 March 2020	£1,151	£6,559	£7,710
	—	—	—

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

11. DEBTORS

	2021 £	2020 £
Trade debtors	269	6,243
	—	—
	£269	£6,243
	—	—

12. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,406	774
PAYE	295	264
Accruals	2,304	2,254
	—	—
	£4,005	£3,292
	—	—

13. FINANCIAL INSTRUMENTS

Financial instruments measured at amortised cost comprise the following:

	2021 £	2020 £
Financial assets that are debt instruments	£269	£6,243
Financial liabilities that are debt instruments	£3,710	£3,028
	—	—

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Tangible fixed assets	5,782	-	5,782	7,710
Current assets	33,610	-	33,610	23,718
Current liabilities	(4,005)	-	(4,005)	(3,292)
Total funds	£35,387	£-	£35,387	£28,136

15. ANALYSIS OF CHARITABLE FUNDS

	At 01.04.20 £	Incoming Resources £	Outgoing Resources £	At 31.03.21 £
Analysis of Movements in Unrestricted Funds				
General Funds	26,436	57,885	50,939	33,382
Total Unrestricted Funds	26,436	57,885	50,939	33,382
Analysis of Movements in Restricted Funds				
Belmont Hall Fund	1,700	-	1,700	-
Café Improvement Fund	-	250	250	-
Covid Support Fund	-	2,460	858	1,602
Café Chairs Fund	-	403	-	403
Total Restricted Funds	1,700	3,113	2,808	2,005
Total Funds	£28,136	£60,998	£53,747	£35,387

Unrestricted Funds

Unrestricted Funds comprise those funds which trustees are free to use in accordance with the charitable objects. For the purpose of this report, any funds received towards counselling are included in General Funds.

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 MARCH 2021**

15. ANALYSIS OF CHARITABLE FUNDS (CONTINUED)

Restricted Funds

Restricted Funds are funds which have been given for particular purposes and projects. The Restricted Funds must be used for the specific purpose as laid down by the donor.

The Belmont Hall Fund represents a grant received from Chandlers Ford Parish Council for repairs to Belmont Hall. This grant has now been fully utilised during this year and the previous year.

The Café Improvement Fund represents a donation received to repair the coffee machine.

The Covid Support Fund represents a donation received in order to provide Covid support for work in the community.

The Café Chairs Fund represents a grant received for the re-upholstery of the café's chairs.

16. RELATED PARTY TRANSACTIONS

There were no related party transactions arising in the year to 31 March 2021 (2020 - £nil).

17. POST BALANCE SHEET EVENTS

The charitable company has no post Balance Sheet events (2020 - £nil).

18. TAXATION

As a registered charity, the income is generally exempt from Corporation Tax under Section 478 of the Corporation Taxes Act 2010 by reason of its charitable objects and activities.

19. LEGAL STATUS OF THE CHARITABLE COMPANY

The charitable company is limited by guarantee and has no share capital. The liability of each trustee, in the event of winding-up, is limited to £1.

**THE FOLLOWING PAGE
DOES NOT FORM PART OF THE
STATUTORY FINANCIAL STATEMENTS**

**VELMORE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**DETAILED UNRESTRICTED AND RESTRICTED
INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED
31 MARCH 2021**

	2021		2020	
	£	£	£	£
INCOME				
Donations and legacies		17,699		4,499
Charitable activities		7,128		67,842
Other trading activities		-		545
Coronavirus schemes and relief		36,171		-
		<hr/>		<hr/>
		60,998		72,886
 EXPENDITURE				
Café purchases	686		3,157	
Friendship club expenses	54		201	
Wages and salaries	37,188		39,573	
Employers' NI	1,570		1,924	
Employer's Allowance	(1,570)		(1,924)	
Employers' pension	508		567	
Room hire	240		-	
Light and heat	3,393		6,444	
Repairs and maintenance	3,515		4,720	
Insurance	1,487		1,443	
Accountancy	1,424		2,549	
Other professional fees	40		93	
Telephone	697		649	
Other office costs	102		392	
Depreciation	1,928		2,570	
Other sundry items	18		140	
	<hr/>		<hr/>	
	51,280		62,498	
 Other office costs	-		318	
Licences and subscriptions	1,313		1,342	
Independent Examiner's fees	1,154		1,128	
	<hr/>		<hr/>	
		53,747		65,286
 SURPLUS FOR THE YEAR		<hr/>		<hr/>
		£7,251		£7,600
		<hr/>		<hr/>