

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

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 MARCH 2022**

**Company Registration Number: 07886190**

**Registered Charity Number: 1147104**

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

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 MARCH 2022**

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

**TRUSTEES' ANNUAL REPORT**

**FOR THE YEAR ENDED  
31 MARCH 2022**

The trustees are pleased to present their annual report and unaudited Financial Statements for the year ended 31 March 2022, 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		Resigned 31.12.21
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 2022**

**REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)**

**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 2022**

**ACHIEVEMENTS AND PERFORMANCE**

**Covid 19**

The activities of the Centre were still being impacted by the Covid pandemic at the beginning of this financial year. The UK Government had published a road map to coming out of the pandemic and in response the VCA produced an action plan based on these rules. The Centre was closed due to Covid at the beginning of April but re-opened with a free outside café from 12<sup>th</sup> April 2021. This was funded by a grant from Chandler's Ford Parish Council. This service was offered to the estate to reach out to people who had been isolated by the lockdowns. The café then returned to a paid service and from 17<sup>th</sup> May the Centre re-opened with inside activities at a reduced capacity. Finally on 21<sup>st</sup> June all Covid restrictions were lifted. Despite, the relaxation of restrictions the Centre clients were hesitant to return and a number of hirers found a similar situation and so this was a time of great uncertainty. The number of bookings has slowly continued to gradually increase month by month during this year but still did not fully return to the pre-Covid times.

**Centre Management**

The Centre management structure continued to prove a successful working model for the Community Association even during the pandemic and the government Furlough Scheme was used where possible. The former Centre Manager had passed away in the January prior to this period and so the Centre was being run by the Administration Assistant with help from the Treasurer. The Café Supervisor, who was also the cleaner, decided to leave at the end of April as the Covid restrictions were lifted and so the Centre benefited from a period of reduced staffing costs. The café continued to run with the Café Assistant covering some extra hours and with a group of volunteers for which the VCA is very grateful. The job vacancies were advertised in March but suitable staff were in short supply after Covid and so new staff were not appointed immediately. A new Centre Manager, Sue Cornish, was appointed and started in July 2021. A new cleaner started in the same month but the café role was difficult to fill. Finally, a new Café Supervisor was appointed and started in March 2022. The Administration Assistant left in December 2021 and was immediately replaced.

The Centre is now fully staffed and Sue Cornish has established a cohesive and dedicated team of staff and volunteers.

During the year Margaret Atkinson resigned from the VCA board. It is recognised that the number of members should be expanded, but enquires in this area have not been successful.

**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. Since the re-opening the normal maintenance programmes have resumed but no significant additional maintenance has been carried out over this period. The fabric of the café chairs was beginning to look very worn and these were recovered using a grant received from Hampshire County Council.

Another failure of the hot air heating system in Belmont Hall occurred in the winter and although it was able to be repaired, it did necessitate a period of temporary heating again. The replacement of this system will be investigated in the next year.

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

**FOR THE YEAR ENDED  
31 MARCH 2022**

**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. The re-opening of the building after the closure at the end of 2021 was done in a controlled way following all appropriate government guidance. Actions included restricting the numbers using the building, increased ventilation and regular cleaning.

**Business Development**

The uncertain situation during the year once restrictions were lifted did not allow business development: rather the focus was on actions to keep the business running and supporting the neighborhood. A number of local authority grants for business re-opening were applied for and received. These together with the government furlough payments allowed the business to continue during this period.

**Cherry Tree Café**

The Cherry Tree café was recognized as a key local resource for people who had been confined to home for long periods during Covid and so, as permitted by the Covid rules, the café was re-opened as soon as possible. The main demand on the café space is as a place to meet-up and socialize. This is particularly true for the older generations. The appointment of a new café supervisor at the end of this period was made with a plan for the expansion of the offering from the café both in terms of hours and offerings. The Board plan to maintain a close scrutiny on the cost and return on this resource.

**FINANCIAL REVIEW**

The charitable company had a decrease in income to £57,306 compared to £60,998 in the previous year. This was mainly due to a reduction in coronavirus support payments received from HM Revenue & Customs and Eastleigh Borough Council. This totalled £36,171 in the year to 31 March 2021, compared to £2,915 in the year to 31 March 2022.

Expenditure also decreased to £49,041 (2021 - £53,747).

As a result, the charitable company achieved a surplus in the year to 31 March 2022 of £8,265 (2021 - £7,251).

The financial aim of VCA during this period has been to survive the ongoing impact of the pandemic. This has continued to be addressed by minimising costs, using the Furlough Scheme where possible, using volunteers to supplement staff or cover staffing gaps and by applying for all applicable grants. The income in this year was around 78% of the pre-Covid year but by the careful controls exercised there has been a small increase in profit over the year to 31 March 2021.



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

**TRUSTEES' ANNUAL REPORT  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 MARCH 2022**

**FINANCIAL REVIEW (CONTINUED)**

**Reserves**

Prior to Covid the Trustees had an aim to create a reserve of 3 months' turnover over the following two years. This was set aside by the Covid pandemic but the Trustees recognise the importance of this and commit to the formalising a reserves policy during 2022. (This policy was signed off by the Board in September 2022).

**Investment Policy**

Due to the uncertainty of the Covid 19 pandemic the VCA funds have been held in the current account but once the reserves policy is agreed then consideration of investment will be made.

**PLANS FOR FUTURE PERIODS**

- To continue to engage with the community and re-start Centre run activities which ceased during the Covid times.
- 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 Café and reach out to a broader range of clientele with targeted hours and appropriate menus.
- 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 investigate the replacement of the heating system at Belmont Hall and possible energy improvement options.
- To formalize a Reserves Policy.

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

**TRUSTEES' ANNUAL REPORT  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 MARCH 2022**

**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 6 times a year, 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 5 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 2022**

**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 2022**

**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 8 December 2022 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 2022**

I report to the charity trustees on my examination of the Accounts of Velmore Community Association (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 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 2022**

**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**

**8 December 2022**

**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 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
<b>INCOME</b>					
Donations and legacies	2	16,060	-	16,060	17,699
Charitable activities	3	37,806	-	37,806	7,128
Other trading activities	4	525	-	525	-
Coronavirus schemes and relief	5	2,915	-	2,915	36,171
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL INCOME</b>		57,306	-	57,306	60,998
		<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURE</b>					
Charitable activities	6	47,036	2,005	49,041	53,747
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL EXPENDITURE</b>		47,036	2,005	49,041	53,747
		<hr/>	<hr/>	<hr/>	<hr/>
<b>NET INCOME/(EXPENDITURE)/ NET MOVEMENTS IN FUNDS FOR THE YEAR</b>					
	8	10,270	(2,005)	8,265	7,251
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		33,382	2,005	35,387	28,136
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward		£43,652	£-	£43,652	£35,387
		<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 2022**

	Notes	2022	2021
		£	£
<b>FIXED ASSETS</b>			
Tangible fixed assets	10	3,347	5,782
		<hr/>	<hr/>
<b>TOTAL FIXED ASSETS</b>		3,347	5,782
<b>CURRENT ASSETS</b>			
Debtors	11	5,355	269
Cash at bank and in hand		38,612	33,341
		<hr/>	<hr/>
<b>TOTAL CURRENT ASSETS</b>		43,967	33,610
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	12	3,662	4,005
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		40,305	29,605
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		43,652	35,387
		<hr/>	<hr/>
<b>NET ASSETS</b>	14	£43,652	£35,387
		<hr/>	<hr/>
<b>THE FUNDS OF THE CHARITABLE COMPANY</b>	15		
Unrestricted income funds		43,652	33,382
Restricted income funds		-	2,005
		<hr/>	<hr/>
<b>TOTAL CHARITABLE COMPANY FUNDS</b>		£43,652	£35,387
		<hr/>	<hr/>

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

**BALANCE SHEET  
(CONTINUED)**

**AS AT 31 MARCH 2022**

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

**Directors' Responsibilities:**

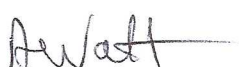
- The directors have not required the company to obtain an audit of its Accounts for the year in question in accordance with section 476; and
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of Accounts.

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 8 December 2022 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 2022**

**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 2022**

**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  
(A COMPANY LIMITED BY GUARANTEE)**

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

**FOR THE YEAR ENDED  
31 MARCH 2022**

**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  
(A COMPANY LIMITED BY GUARANTEE)**

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

**FOR THE YEAR ENDED  
31 MARCH 2022**

**2. DONATIONS AND LEGACIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total Funds £</b>	<b>2021 Total Funds £</b>
Grants received	13,516	-	13,516	10,310
Other donations	2,544	-	2,544	7,389
	<hr/>	<hr/>	<hr/>	<hr/>
	£16,060	£-	£16,060	£17,699
	<hr/>	<hr/>	<hr/>	<hr/>

Of the income from donations and legacies of £17,699 in the year 2021, £14,586 was unrestricted and £3,113 was restricted.

There were no donated services and facilities receivable which could be quantified in the year (2021 - none).

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total Funds £</b>	<b>2021 Total Funds £</b>
Rental income	30,147	-	30,147	5,187
Café income	7,116	-	7,116	1,941
Miscellaneous	543	-	543	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£37,806	£-	£37,806	£7,128
	<hr/>	<hr/>	<hr/>	<hr/>

In 2021 the income from charitable activities of £7,128 was unrestricted.

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

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

**FOR THE YEAR ENDED  
31 MARCH 2022**

**4. OTHER TRADING ACTIVITIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total Funds £</b>	<b>2021 Total Funds £</b>
Other activities	£525	£-	£525	£-
	—	—	—	—

In 2021, the income from other trading activities of £nil was unrestricted.

**5. CORONAVIRUS SCHEMES AND RELIEF**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total Funds £</b>	<b>2021 Total Funds £</b>
Coronavirus Job Retention Scheme	2,915	-	2,915	25,671
EBC Business Rates Relief Scheme	-	-	-	10,500
	—	—	—	—
	£2,915	£-	£2,915	£36,171
	—	—	—	—

**6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total Funds £</b>	<b>2021 Total Funds £</b>
Community Centre costs	44,247	2,005	46,252	51,280
Support costs	1,667	-	1,667	1,313
Governance costs	1,122	-	1,122	1,154
	—	—	—	—
	£47,036	£2,005	£49,041	£53,747
	—	—	—	—

The expenditure on charitable activities in 2021 of £53,747 comprised unrestricted funds of £50,939 and £2,808 restricted funds.



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

**FOR THE YEAR ENDED  
31 MARCH 2022**

**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
Other costs	1,667	-	1,667	Usage
Independent Examiner's fees	-	1,122	1,122	Governance
	_____	_____	_____	
	£1,667	£1,122	£2,789	
	_____	_____	_____	

**8. NET INCOME/(EXPENDITURE) FOR THE YEAR**

	2022 £	2021 £
This is stated after charging:		
Depreciation	£2,435	£1,928
Independent Examiner's fees	£1,122	£1,154
	_____	_____

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

	2022 £	2021 £
Wages and salaries	27,332	37,188
Employer's pension	327	508
	_____	_____
	£27,659	£37,696
	_____	_____

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

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

**FOR THE YEAR ENDED  
31 MARCH 2022**

**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:

	<b>2022</b>	<b>2021</b>
Administration staff	4	4
	—	—

No employee received remuneration of more than £60,000 during the year (2021 - £nil).

No payments were made to Trustees by way of remuneration or expenses during the year (2021 - £nil).

**10. TANGIBLE FIXED ASSETS**

	<b>Equipment £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2021	1,772	17,524	19,296
	—	—	—
As at 31 March 2022	1,772	17,524	19,296
	—	—	—
<b>Depreciation</b>			
At 1 April 2021	909	12,605	13,514
Provided for the year	733	1,702	2,435
	—	—	—
As at 31 March 2022	1,642	14,307	15,949
	—	—	—
<b>Net Book Values</b>			
As at 31 March 2022	£130	£3,217	£3,347
	—	—	—
As at 31 March 2021	£863	£4,919	£5,782
	—	—	—



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

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

**FOR THE YEAR ENDED  
31 MARCH 2022**

**11. DEBTORS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	5,355	269
	<hr/>	<hr/>
	£5,355	£269
	<hr/>	<hr/>

**12. CREDITORS: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	986	1,406
PAYE and pension	372	295
Accruals	2,304	2,304
	<hr/>	<hr/>
	£3,662	£4,005
	<hr/>	<hr/>

**13. FINANCIAL INSTRUMENTS**

Financial instruments measured at amortised cost comprise the following:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Financial assets that are debt instruments	£5,355	£269
Financial liabilities that are debt instruments	£3,290	£3,710
	<hr/>	<hr/>

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

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

**FOR THE YEAR ENDED  
31 MARCH 2022**

**14. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total Funds £</b>	<b>2021 Total Funds £</b>
Tangible fixed assets	3,347	-	3,347	5,782
Current assets	43,967	-	43,967	33,610
Current liabilities	(3,662)	-	(3,662)	(4,005)
	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	£43,652	£-	£43,652	£35,387
	<hr/>	<hr/>	<hr/>	<hr/>

**15. ANALYSIS OF CHARITABLE FUNDS**

	<b>At 01.04.21 £</b>	<b>Incoming Resources £</b>	<b>Outgoing Resources £</b>	<b>At 31.03.22 £</b>
<b>Analysis of Movements in Unrestricted Funds</b>				
General Funds	33,382	57,306	47,036	43,652
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Unrestricted Funds</b>	33,382	57,306	47,036	43,652
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Analysis of Movements in Restricted Funds</b>				
Covid Support Fund	1,602	-	1,602	-
Café Chairs Fund	403	-	403	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Restricted Funds</b>	2,005	-	2,005	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Funds</b>	£35,387	£57,306	£49,041	£43,652
	<hr/>	<hr/>	<hr/>	<hr/>

**Unrestricted Funds**

Unrestricted Funds comprise those funds which trustees are free to use in accordance with the charitable objects.

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

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

**FOR THE YEAR ENDED  
31 MARCH 2022**

**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 Covid Support Fund represents a donation received in order to provide Covid support for work in the community. This was fully utilised in the year.

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

This was fully utilised in the year.

**16. RELATED PARTY TRANSACTIONS**

There were no related party transactions arising in the year to 31 March 2022 (2021 - £nil).

**17. 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.

**18. 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 2022**

	<b>2022</b>		<b>2021</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME</b>				
Donations and legacies		16,060		17,699
Charitable activities		37,806		7,128
Other trading activities		525		-
Coronavirus schemes and relief		2,915		36,171
		<hr/>		<hr/>
		57,306		60,998
 <b>EXPENDITURE</b>				
Café purchases	1,493		686	
Friendship club expenses	25		54	
Wages and salaries	27,332		37,188	
Employers' NI	1,177		1,570	
Employer's Allowance	(1,177)		(1,570)	
Employers' pension	327		508	
Room hire	-		240	
Light and heat	4,529		3,393	
Repairs and maintenance	5,150		3,515	
Insurance	1,559		1,487	
Accountancy	1,765		1,424	
Other professional fees	66		40	
Telephone	722		697	
Other office costs	691		102	
Depreciation	2,435		1,928	
Other sundry items	158		18	
	<hr/>		<hr/>	
	46,252		51,280	
 Licences and subscriptions	1,667		1,313	
Independent Examiner's fees	1,122		1,154	
	<hr/>		<hr/>	
		49,041		53,747
 <b>SURPLUS FOR THE YEAR</b>		<hr/>		<hr/>
		£8,265		£7,251