

LANGDON SQUARE COMMUNITY CENTRE
STATEMENT OF ACCOUNTS
YEAR ENDED 31ST MARCH 2022

COMPANY NUMBER: 08072139
CHARITY NUMBER: 1148682

LANGDON SQUARE COMMUNITY CENTRE

MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31st MARCH 2022

The Trustees present their report and the audited financial statements of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016)

Reference and administrative information

Charity name Langdon Square Community Centre

Charity registration number 1148682

Company registration number 08072139

Registered Office and Operational Address

Langdon Square Community Centre
Langdon Square
Coulby Newham
Middlesbrough
TS8 0TF

Management Committee

David Elliott
Margaret Black
Christine Eaton
Harold Gent

Independent Examiner

Mr J Gresham FCCA
Azets
Chartered Accountants
New Garth House
Upper Garth Gardens
Guisborough
TS14 6HA

Bankers

Yorkshire Bank
7 Linthorpe Road
Middlesbrough
TS1 1RF

Structure, governance and management

Governing Document

The charity is a company, limited by guarantee, incorporated on 16th May 2012 and registered as a charity on 22nd August 2012. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of its being wound up, members are required to contribute an amount not exceeding £10.

Recruitment, appointment and training of Trustees

The trustees are recruited from a pool of individuals who support the organisation. Potential trustees are briefed by the board and given copies of relevant policies and procedures.

Risk management

The trustees constantly review the risks to which the charity is exposed and to this end they put in place systems and strategies to minimise those risks.

Organisational Structure

The trustees are responsible for the strategic objectives of the charity. They are currently also responsible for the day to day running of the charity.

Related Parties

There are no related parties other than Trustees and their immediate family.

Objectives and Activities

The objects of the charity as set out in its Memorandum of Association are:

To further, or benefit, for the residents of Middlesbrough and surrounding areas without distinction of sex, sexual orientation, race or of political, or religious or other opinions, by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation, leisure time occupation, with the objective of improving the conditions of life for the said residents.

In furtherance to these objects but not otherwise the trustees shall have power to establish or secure the establishment of a community centre and to maintain or manage or cooperate with any statutory authority in the maintenance and the management of such a centre for activities promoted by the charity in furtherance of the above objects.

The charity therefore administers and runs the Langdon Square Community Centre.

The trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Achievements and performance

The charity was formed in May 2012 for the purpose of taking over the running of Langdon Square Community Centre from Middlesbrough Council. The transfer took place on 1st April 2013. Prior to this the Centre had been run by a committee of volunteers on behalf of Middlesbrough Council. The charity now has a 25 year lease on the Centre with the rent being funded, as part of the agreement, by Middlesbrough Council. The trustees were largely recruited from the original management committee and therefore have wide experience of the Centre.

The centre has largely continued the activities which already took place there and the income arises from room hire and charges for use of the kitchen. The centre is a vital community resource and is well attended and well used and it is hoped that this will continue for many years to come.

Financial review

The Statement of Financial Activities shows the result of the charity for the year. The charity generated sufficient income to cover its running costs.

Reserves Policy

The Trustees have established that the organisation should maintain free reserves of approximately 12 months' running costs, which would be around £40,000 as at 31st March 2022 (disregarding the rent charge which is funded annually). Free reserves at 31st March 2022 were £57,490. A designated fund of £25,000 has been established to cover planned decoration and maintenance.

Statement of trustees' (directors') responsibilities

The trustees (who are also directors of Langdon Square Community Centre for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which 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 the year. 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 in operation.

The trustees are responsible for keeping proper accounting records that 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.

Approved by the Committee:

Margaret Black
Trustee

8 June 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LANGDON SQUARE COMMUNITY CENTRE

I report on the accounts of the company for the year ended 31st March 2022 which are set out on pages 6 to 14.

Respective responsibilities of trustees and examiner

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

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

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

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts, presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and

- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mr J Gresham FCCA
Azets
Chartered Accountants
8 June 2022

New Garth House
Upper Garth Gardens
Guisborough
TS14 6HA

LANGDON SQUARE COMMUNITY CENTRE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31ST MARCH 2022

	2022	2022	2022	2021
	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
	Note			
INCOME				
Donations and legacies	2	27,500	-	27,500
Income from charitable activities		28,270	-	28,270
Room hire and other income arising from the centre		10,604	-	10,604
Grant income		18	-	18
Bank interest		66,392	-	66,392
EXPENDITURE				
Total incoming resources		66,392	-	66,392
Expenditure on charitable activities		58,022	-	58,022
Cost of running centre	3	1,122	-	1,122
Governance costs	3	53,801	-	53,801
Net movement in funds (net income for the year)		59,144	-	59,144
Fund balances brought forward		140,514	-	140,514
FUND BALANCES CARRIED FORWARD		147,762	-	147,762

LANGDON SQUARE COMMUNITY CENTRE

BALANCE SHEET

AS AT 31st MARCH 2022

	2022	2021
	£	£
FIXED ASSETS		
Tangible fixed assets	15,328	14,328
Long-term investment	49,944	50,000
CURRENT ASSETS		
Debtors & prepayments	3,710	1,476
Cash at Bank	83,261	75,684
	<u>86,971</u>	<u>77,160</u>
CURRENT LIABILITIES		
Creditors & Accruals	(4,481)	(974)
	<u>82,490</u>	<u>76,186</u>
NET ASSETS		
	<u>147,762</u>	<u>140,514</u>
FUNDS		
Unrestricted Funds	122,762	101,514
-General Funds	25,000	39,000
-Designated Funds	-	-
Restricted Funds	<u>147,762</u>	<u>140,514</u>

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

Directors' responsibilities:

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

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

Approved by the Committee:

Margaret Black

Trustee

8 June 2022

(a) General information and basis of preparation

Langdon Square Community Centre is a company limited by guarantee and registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the informal education of young people aged 8 to 16 years who are experiencing social exclusion and/or disadvantage. The charity constitutes a public benefit entity as defined by FRS 102. 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

ACCOUNTING POLICIES

1.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding cash in a deposit account and is recognised when it is earned.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. All direct costs relate to the charity's charitable activities.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 3.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Equipment	10% straight line.
Property improvements	No depreciation

(g) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(h) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

(i) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(j) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(k) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2.

DONATIONS & LEGACIES

	Unrestricted Funds	Restricted Funds	Total	Total
	£	£	£	£
Donated by Middlesbrough Council	-	-	-	-
Rent funding Middlesbrough Council	26,500	-	26,500	26,500
Sundry donations & fundraising	1,000	-	1,000	-
	<u>27,500</u>	<u>-</u>	<u>27,500</u>	<u>26,500</u>

Under a lease dated 1st March 2013, the charity is leasing the Centre from Middlesbrough Council for a term of 25 years. Middlesbrough Council is providing funding to cover rental costs which amounts to £26,500 per annum.

LANGDON SQUARE COMMUNITY CENTRE

NOTES TO THE ACCOUNTS

EXPENDITURE

3.

	Charitable Activities	Governance Costs	2022 Total	2021 Total
	£	£	£	£
Costs directly allocated to activities	26,500	-	26,500	26,500
Rent of Centre	12,415	-	12,415	12,027
Photocopier	-	-	-	535
Security	785	-	785	722
Postage & stationery	294	-	294	214
Insurance	1,225	-	1,225	1,015
Light and heat	4,267	-	4,267	1,591
Water	507	-	507	583
Rates	243	-	243	-
Telephone	351	-	351	354
Kitchen supplies	136	-	136	-
Cleaning supplies	798	-	798	769
Waste disposal	-	-	-	498
Building & garden maintenance	6,850	-	6,850	6,121
Licences	429	-	429	-
Depreciation	2,288	-	2,288	1,959
Sundry expenses	514	-	514	523
Bookkeeping & payroll costs	-	573	573	845
Independent Examiner's Fee	-	549	549	509
Window cleaning	420	-	420	390
Professional/consultancy fees	-	-	-	-
	58,022	1,122	59,144	55,155

4. TANGIBLE FIXED ASSETS

TANGIBLE FIXED ASSETS		
	Equipment	Property Improvement
	£	£
COST		
At 1 st April 2021	19,595	8,149
Additions	3,288	-
At 31 st March 2022	<u>22,883</u>	<u>8,149</u>
DEPRECIATION		
At 1 st April 2021	13,416	-
Charge for the year	2,288	-
At 31 st March 2022	<u>15,704</u>	<u>-</u>
NET BOOK VALUE		
At 31 st March 2022	7,179	8,149
At 31 st March 2021	6,179	8,149
Total	£	£
	14,328	15,328

5. DEBTORS

Trade debtors and prepayments

2022	£	3,710
2021	£	1,476

6. CREDITORS AND ACCRUALS

Other creditors and accruals

2022	£	4,481	4,481
2021	£	974	974

7. EMPLOYEE EMOLUMENTS

Staff Costs were as follows:

Gross salaries

The average number of staff during the year was 3 (2020:3)

NOTES TO THE ACCOUNTS

8. TRUSTEE EXPENSES
The trustees received no emoluments or expenses during the year.

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total
Fixed Assets	65,272	-	65,272
Net Current Assets	82,490	-	82,490
	<u>147,762</u>	<u>-</u>	<u>147,762</u>

In both years ended 31st March 2022 and 31st March 2021 all expenditure related to unrestricted funds.

10. MOVEMENTS IN FUNDS

	Opening Balance	Incoming Resources	Resources Expended	Transfers	Closing Balance
Restricted Funds	-	-	-	-	-
Unrestricted Funds	101,514	66,392	(59,144)	14,000	122,762
General funds	39,000	-	-	(14,000)	25,000
Designated Funds	140,514	66,141	(59,144)	-	147,762
Total Funds	<u>140,514</u>	<u>66,141</u>	<u>(59,144)</u>	<u>-</u>	<u>147,762</u>

The trustees have set up a designated fund to provide for the following:

Decorating	£3,000
Hall Floor	£2,000
Curtains/Carpets	£2,000
Blinds	£1,000
Roof repair	£2,000
Boiler replacement	£15,000
	<u>£25,000</u>