

Charity Registration No. 1154204

Company Registration No. 08215892 (England and Wales)

THE OTHONA COMMUNITY
A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
CAPITAL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE OTHONA COMMUNITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms R C Bull	
	Ms E A Sayers	
	Mrs C E Gough	
	Ms A P Smith	
	Ms C S Walker	
	Mrs J E Webster	
	Mr M D Hunt	(Appointed 1 March 2021)
	Mr P R Coleman	(Appointed 1 March 2021)
	Mr D C Dutfield	(Appointed 1 March 2021)
	Mr F M MacDonald	(Appointed 26 July 2021)
	Mr S W Barnes	(Appointed 26 September 2020)
Charity number	1154204	
Company number	08215892	
Registered office	Coast Road Burton Bradstock Bridport Dorset DT6 4RN	
Independent examiner	Mr J Salim Alwyns LLP Crown House 151 High Road Loughton Essex IG10 4LG	

THE OTHONA COMMUNITY

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THE OTHONA COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report and accounts for the year ended 31 March 2021.

The financial statements comply with the charity's governing document, the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

Objectives and activities

Othona is an open and inclusive Community rooted in the Christian tradition and drawing on a wealth of other inspirations. We welcome people of all ages, abilities, backgrounds and beliefs to our two Centres on the quiet coasts of Essex and Dorset.

Through sharing in a daily rhythm of work, learning, worship and play, we seek personal renewal and glimpses of the sacred. In Community we explore the relationship between faith and life and encourage one another in caring for the world and its people.

Achievements and performance

This charitable company is a wholly owned subsidiary of a registered charity, The Othona Community (registration number 277843). At both West Dorset and Bradwell centres, work continued on upgrading the various buildings used in the charity.

The parent charity, The Othona Community's financial statements includes the full Trustees' report.

Financial review

During the year, the Charity did not receive any donations (2020: £20,000) from The Othona Community (the Parent Charity). The statement of financial activities showed a net surplus of £19,701 (2020: £2,323 surplus) for the year and the reserves stand at £28,816 surplus (2020: £3,115 surplus).

Risk Policy

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. During the year the Trustees commenced a review of all policies to ensure they were fit for purpose. This review will be ongoing in coming years.

Plans for the future

To continue to develop the two Centres at Bradwell and Burton Bradstock.

Structure, governance and management

The Charity is a company limited by guarantee, as defined by the Companies Act 2006. The Charity is governed by its Memorandum & Articles of Association dated 14 September 2012 as amended by special resolution registered at Companies House on 11 October 2013. It is registered as a Charity with the Charity Commission.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Ms R C Bull

Ms E A Sayers

Mrs C E Gough

Ms A P Smith

Ms C S Walker

Mr P J Martin

(Resigned 11 January 2021)

Mrs J E Webster

Mr M D Hunt

(Appointed 1 March 2021)

Mr P R Coleman

(Appointed 1 March 2021)

THE OTHONA COMMUNITY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 MARCH 2021*

Mr D C Dutfield	(Appointed 1 March 2021)
Mr F M MacDonald	(Appointed 26 July 2021)
Mr S W Barnes	(Appointed 26 September 2020)

Recruitment and appointment of Trustees

As set out in the Articles of Association, the Chairman of the Trustees is nominated by The Othona Community. The Directors of the organisation are also the Charity Trustees for the purposes of charity law.

None of the Trustees has any beneficial interest in the company other than as a member. All of the Trustees are members of the company and guarantee to contribute an amount not exceeding £1 in the event of a winding up. The Board has the power to appoint additional Directors.

Public Benefit Statement

The Trustees consider that they have complied with Section 4 of the Charities Act 2006 to have regard to the guidance on public benefit published by the Charity Commission.

The purpose of the charity is enshrined in its objects as described and the Trustees ensure this purpose is carried out for the public benefit of all persons that we service by delivering a range of services at Bradwell Community Centre and Othona, West Dorset Community Centre to those in need.

Organisation

The affairs of the Charity are directed by the Trustees who meet three times a year and shall consist of not less than eight and not more than fourteen members. The Trustees are responsible for control of policy and financial matters and day-to-day management of the services is delegated to the centre manager.

The report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to Small Companies.

The trustees' report was approved by the Board of Trustees.

Mrs C E Gough

Trustee

Dated: 21 September 2021

THE OTHONA COMMUNITY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of The Othona Community for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE OTHONA COMMUNITY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE OTHONA COMMUNITY

I report to the trustees on my examination of the financial statements of The Othona Community ('the charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet and related notes from pages 4 to 11.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

As the trustees of charitable company you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

- accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view which is not a matter considered as part of an independent examination; or
- the financial statements 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).

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

Mr J Salim FCA
Alwyns LLP
Chartered Accountants
Crown House
151 High Road
Loughton, Essex
IG10 4LG

Dated: 4 October 2021

THE OTHONA COMMUNITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income and endowments from:</u>			
Donations and grants	2	158,421	37,104
Charitable activities	3	35,140	252,195
Other income	4	31,058	24,968
Total income		224,619	314,267
<u>Expenditure on:</u>			
Charitable activities	5	21,534	50,502
Charitable activity running costs	6	176,762	261,442
Other	9	6,622	-
Total resources expended		204,918	311,944
Net income for the year/ Net movement in funds		19,701	2,323
Fund balances at 1 April 2020		3,115	792
Fund balances at 31 March 2021		22,816	3,115

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE OTHONA COMMUNITY

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		624		10,313
Current assets					
Debtors	11	21,617		10,055	
Cash at bank and in hand		61,756		14,288	
		<u>83,373</u>		<u>24,343</u>	
Creditors: amounts falling due within one year	12	<u>(61,181)</u>		<u>(31,541)</u>	
Net current assets/(liabilities)			22,192		(7,198)
Total assets less current liabilities			<u>22,816</u>		<u>3,115</u>
Income funds					
Unrestricted funds			22,816		3,115
			<u>22,816</u>		<u>3,115</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 21 September 2021

Mrs C E Gough
Trustee

Ms A P Smith
Trustee

Company Registration No. 08215892

THE OTHONA COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

The Othona Community is a private company limited by guarantee incorporated in England and Wales. The registered office is Coast Road, Burton Bradstock, Bridport, Dorset, DT6 4RN.

1.1 Accounting convention

These accounts have been prepared in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Companies Act 2006. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £ sterling.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

General funds comprise the accumulated surplus or deficit on the Statement of Financial Activities. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the Community. Restricted funds are subject to specific restrictive conditions imposed by donors or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements. Designated funds are unrestricted funds which have been earmarked by the Trustees for particular purposes.

1.4 Incoming resources

All incoming resources are recognised once the Charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability. Where income is received in advance of a stay, it is deferred until the Charity is entitled to that income. No amounts are included in the accounts for the value of services provided by volunteers.

Grants and donations are accounted for on a received basis. Retreat visitors fees and other income are accounted for on a receivable basis.

1.5 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and service for its beneficiaries. It includes those costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the Independent Examiner's and costs linked to the strategic management of the Charity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with use of resources.

THE OTHONA COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost including any incidental expenses of acquisition. Depreciation is provided on other tangible assets calculated to write off the cost on a straight-line basis over the expected useful economic lives as follows:-

Fixtures, fittings & equipment	Over 4 years
Motor vehicles	Over 4 years

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

1.8 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

THE OTHONA COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.11 Pensions

The regular cost of providing retirement pensions and related benefits is charged to the statement of financial activities over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the statement of financial activities and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

1.12 VAT

All resources expended are classified under activity heading that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.13 Taxation

The Charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

2 Donations and grants

	2021 £	2020 £
Donations and gifts	66,669	37,104
Grants received	91,752	-
	<u>158,421</u>	<u>37,104</u>

3 Charitable activities

	2021 £	2020 £
Retreat visitors fees	<u>35,140</u>	<u>252,195</u>

4 Other income

	2021 £	2020 £
Other Income	<u>31,058</u>	<u>24,968</u>
	<u>31,058</u>	<u>24,968</u>

THE OTHONA COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Charitable activities

	Total 2021 £	Total 2020 £
<u>Trading costs</u>		
Catering, speaker fees & related costs	21,534	50,502
	<u>21,534</u>	<u>50,502</u>

6 Running costs

	2021 £	2020 £
Salaries	80,037	94,518
Depreciation	1,867	10,351
Rates	11,706	15,624
Insurance	9,139	9,160
Light and Heat	12,526	26,288
Repairs and Maintenance	31,428	29,286
Postage and Stationary	6,019	4,592
Motor Expenses	6,681	12,121
Travelling Expenses	3	(191)
Event Facilitation, Bursaries and Sundries	2,233	33,948
Advertising	1,347	3,024
Volunteer Cost	474	3,911
Training	3,311	4,526
Household	6,408	8,079
Merchandise Expenses	-	1,699
Bank Charges	1,275	2,046
Telephone & Internet	2,308	2,460
	<u>176,762</u>	<u>261,442</u>
	<u>176,762</u>	<u>261,442</u>

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. There were no trustees' expenses (2020: none).

THE OTHONA COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Employees

The average monthly number of persons (including directors) employed by the company during the year was 12 (2020 - 12). No employees earned £60,000 or over (2020: none).

Employment costs	2021 £	2020 £
Wages and salaries	71,400	86,504
Other pension costs	8,637	8,014
	<u>80,037</u>	<u>94,518</u>

9 Other

	Unrestricted funds	Total
	2021	2020
Net loss on disposal of tangible fixed assets	6,622	-
	<u>6,622</u>	<u>-</u>

10 Tangible fixed assets

	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 April 2020	33,760	18,175	51,935
Disposals	(10,429)	-	(10,429)
At 31 March 2021	<u>23,331</u>	<u>18,175</u>	<u>41,506</u>
Depreciation and impairment			
At 1 April 2020	23,449	18,173	41,622
Depreciation charged in the year	1,867	-	1,867
Eliminated in respect of disposals	(2,607)	-	(2,607)
At 31 March 2021	<u>22,709</u>	<u>18,173</u>	<u>40,882</u>
Carrying amount			
At 31 March 2021	<u>622</u>	<u>2</u>	<u>624</u>
At 31 March 2020	<u>10,311</u>	<u>2</u>	<u>10,313</u>

THE OTHONA COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	12,962	8,083
Prepayments and accrued income	8,654	1,972
	<u>21,617</u>	<u>10,055</u>

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	4,217	4,466
Amount due to parent undertaking	47,746	14,530
Other creditors	9,218	8,469
Accruals and deferred income	-	4,076
	<u>61,181</u>	<u>31,541</u>

13 Member's liability

There is no authorised or called up share capital as the company is limited by guarantee, each member undertakes to contribute a maximum of £1 in the event of the company being wound up. At the end of the financial period there were 12 members.

14 Control and related party transaction

The immediate and ultimate parent in the current and preceding year is The Othona Community, a Charity registered with The Charity Commission in England & Wales, registration number 277843. The primary address is the same for both charities.

At the year end, this Charity owed the holding Charity, The Othona Community, £47,746 (2020 - £14,530).

15 Analysis of changes in net funds

The charity had no debt during the year.