

Charity number: 1154758

Llanfwrog Community Association CIO
Trustees' report and financial statements
for the year ended 31 March 2023

Llanfwrog Community Association CIO

Contents

	Page
Legal and administrative information	1
Trustees report	2 - 4
Independent examiners' report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 11

Llanfwrog Community Association CIO

Legal and administrative information

Charity number 1154758

Previously Llanfwrog Community Association - Charity registration number
1109074

Business address Mwrog Street
Ruthin
Denbighshire
LL15 1LE

Trustees	Sidney Smith	
	Helen Cunnie	Appointed 28th March 2023
	Jon Wingeatt	Appointed 28th March 2023
	Dennis Matishok	Appointed 28th March 2023
	Sharon Hawkins	Appointed 28th March 2023
	Rodney Bowden	

Accountants Lynda Roberts & Co
The Old Barn
Tyn y Minffordd
Llanfwrog, Ruthin
Denbighshire LL15 2LL

Llanfwrog Community Association CIO

Report of the trustees for the year ended 31 March 2023

The trustees present their report and the financial statements for the year ended 31 March 2023. The trustees who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Llanfwrog Community Association, registered charity 1109074 was managed by a committee of three elected trustees until 31st March 2022. Llanfwrog Community Association CIO continued the activities of this charity on 1st April 2022. The original 2013 lease Llanfwrog Community Association/ Denbighshire County Council was assigned to Llanfwrog Community Association CIO on 1st April 2022 with a deed of variation. In addition to this the assets were transferred to Llanfwrog Community Association CIO 1154758 as from 1st April 2022. The LCA Charity Bank loan was also transferred to LCACIO on 1st April 2022 and Llanfwrog Community Association was removed from the register of charities on 22nd February 2023. On 28th March 2023 at the annual general meeting four new, local trustees were appointed: Helen Cunnie; Jon Wineatt; Sharon Hawkins; Dennis Matischok. George Flanagan resigned with effect from 31st March 2023; Rod Bowden resigned on the understanding he would remain a trustee to see through the new tenancy rents; the signing of the sub leases; and Gift Aid registration of LCACIO. Sid Smith will remain as a trustee for another year at least. At the AGM it was intimated that Helen would take on the secretary role and Sid the treasurer role. This new type of charity gives limited liability to the trustees and with the addition of indemnity insurance for the trustees offers a more attractive proposition to be a trustee.

The committee will operate within the LCACIO's constitution document revised 1st September 2013.

This year has been problematic with the increase in interest rate rises and increased energy costs. But the Charity Bank Limited generously assisted by allowing interest only payments throughout the year. For the coming year all the tenants have agreed to new rent payments which should see a sustainable situation for the charity within the existing business plan period 2022 to 2027. This is based on refinancing of the Charity Bank Limited loan this coming year over a new period and interest only payments until October 2023.

Objectives and activities

To promote the benefits of the inhabitants of Llanfwrog and the neighbourhood by associating together with inhabitants, 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 and leisure time occupation with the object of improving the conditions of life for those inhabitants.

Achievements and performance

Llanfwrog Community Association CIO is a charity, number 1154758, also a Charitable Incorporated Organisation. The changeover to Llanfwrog Community Association CIO has now been completed. Draft sub leases have been prepared for the principal stakeholders and Llanfwrog Community Association CIO and it is hoped that these will be signed this calendar year 2023, so that the refinancing of the LCACIO loan with the Charity Bank Limited can now be completed.

The Association now boasts a two storey community centre with car parking for 200, 6 tennis courts, 5 junior football pitches; a crown bowling green; a golf driving range, a 9 hole Foot Golf course, allotments and pathways for walking.

The Association Trustees are grateful on behalf of its members for the support it has received from the following.

Welsh Government through the Communities Facilities and Activities programme; Denbighshire County Council through direct and European funding; Ryder Cup Wales; Ruthin Lawn Tennis Club; Cyfenter; DVSC; Ruthin Town Council; Sports Wales; Cadwyn Clwyd; Garfield Weston Foundation; The Trusthouse Charitable Foundation; and Awards for All-External Stairs/ Wheelchair Platform lift 0010300892 £5,000, Changing rooms 10269550 £5,000, Play Area 0010250379, £ 4130- Cafe and Kitchen extension AFW/1/010459646, £4,500- Car park surfacing AFW/1/010378845, £4870- Furniture and computers equipment AAW/£/010281858, £4,800.

Llanfwrog Community Association CIO

Report of the trustees for the year ended 31 March 2023

In addition grant funding has been given: £1,500 from the Bernard Piggott Charitable Trust to complete installation of LED lighting to the downstairs room; £2,500 from the Moondance Foundation for works to the grounds. The trustees are extremely grateful for this support.

This year Moondance Foundation awarded a further £2,500 to assist the charity through the next few months of high interest rates.

The Association would also like to thank Denbighshire County Council for supporting the Association with the continued rent and rate reductions. Without these the business would not survive.

Finally the Charity Bank Limited for the original £125,000 bank loan; and Ruthin Town Council for their continued support.

Financial review

This has been a particularly difficult year for the Association. The Charity Bank limited has been particularly generous and helpful over the last 18 months.

To this end the trustees confirm that the proposed amendments to the lease and new rent increases allows the valuation of the business to be completed such that it is estimated that this has increased the "quick sale" value to a threshold where the maximum debt allowed by the Charity Bank Limited is above the actual debt. The overall debt is expected to be circa £94,000 by March 2024. Therefore a "quick sale" valuation should be circa £157,000, overall valuation circa £220,500. Overall rentals will be by 1st April 2023 £22,000 and the income is expected to be £24,000 by April 2024.

It is anticipated that with the reducing interest rates over the coming years that a comfortable sustainable situation will be achieved by April 2027.

During the year the Association had total incoming resources of £ 32,506 and expended £29,224 leaving an excess of income over expenditure of £3,282.

Actions still required

Refinancing of the existing loan with the Charity Bank Limited over a new 20 years (agreed in principle);

Completion of sub lease agreements of the regular users (drafts completed and with solicitors).

Completion of the following capital schemes

Solar panels for the hall; LED lighting throughout; enclosing beneath the balcony; new work shed/ housing for housing tenants/mowers etc. It is still the policy not to complete any future capital works without 100% grant funding.

Solar panels and LED lighting will significantly reduce running costs.

Plans for future periods

The trustees will pursue extension of its lands once the above formalities with the lease are complete. They are of the opinion that additional lands would be extremely beneficial for the already successful Foot Golf and for community recreational lands for walking.

Llanfwrog Community Association CIO

Report of the trustees for the year ended 31 March 2023

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of charity and of the incoming resources and application of resources of the charity for that 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

On behalf of the board

Trustee
Mr Rod Bowden
25 May 2023

Llanfwrog Community Association CIO

Independent examiner's report to the trustees on the unaudited financial statements of Llanfwrog Community Association CIO.

I report on the accounts of Llanfwrog Community Association CIO for the year ended 31 March 2023 set out on pages 2 to 11.

Respective responsibilities of trustees and independent examiner

As the charity's trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the 2011 Act; to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the 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:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Acthave not been met; or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Lynda Roberts FCCA
Chartered Certified Accountant
Independent examiner
The Old Barn, Tyn y Minffordd
Llanfwrog, Ruthin
Denbighshire

LL15 2LL

Llanfwrog Community Association CIO

Statement of financial activities

For the year ended 31 March 2023

	Notes	Unrestricted funds £	2023 Total £	2022 Total £ Restated
Incoming resources				
Incoming resources from generating funds:				
Voluntary income	2	7,251	7,251	12,595
Activities for generating funds	3	25,255	25,255	15,115
Total incoming resources		<u>32,506</u>	<u>32,506</u>	<u>27,710</u>
Resources expended				
Establishment costs		16,034	16,034	14,817
Accountancy fees		575	575	550
Legal and professional fees		1,920	1,920	8,386
Interest payable and similar charges		6,544	6,544	5,129
Depreciation and impairment		3,921	3,921	3,204
Other costs		230	230	751
Bank charges		-	-	16
Total resources expended		<u>29,224</u>	<u>29,224</u>	<u>32,853</u>
Total funds brought forward		<u>686,835</u>	<u>686,835</u>	<u>691,978</u>
Total funds carried forward		<u>690,117</u>	<u>690,117</u>	<u>686,835</u>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 8 to 11 form an integral part of these financial statements.

Llanfwrog Community Association CIO

Balance sheet as at 31 March 2023

	Notes	£	2023 £	£	2022 £ Restated
Fixed assets					
Tangible assets	5		785,451		789,372
Current assets					
Debtors	6	1,175		-	
Cash at bank and in hand		2,721		2,085	
		<u>3,896</u>		<u>2,085</u>	
Creditors: amounts falling due within one year	7	(1,929)		(8,642)	
Net current assets/(liabilities)			<u>1,967</u>		<u>(6,557)</u>
Total assets less current liabilities			787,418		782,815
Creditors: amounts falling due after more than one year	8		(97,301)		(95,980)
Net assets			<u>690,117</u>		<u>686,835</u>
Funds	9				
Unrestricted income funds			690,117		686,835
Total funds			<u>690,117</u>		<u>686,835</u>

The financial statements were approved by the trustees on 25 May 2023 and signed on its behalf by

Sidney Smith
Trustee

The notes on pages 8 to 11 form an integral part of these financial statements.

Llanfwrog Community Association CIO

Notes to financial statements for the year ended 31 March 2023

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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 (FRS102), the Charities SORP (FRS102) and the Charities Act 2011.

1.2. Incoming resources

All incoming resources are included in the statement of financial activities when the charity 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:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

1.3. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Llanfwrog Community Association CIO

Notes to financial statements for the year ended 31 March 2023

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold property improvements	4% reducing balance
Plant and machinery	- 15% reducing balance

1.5. Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

2. Voluntary income

	2023 Total £	2022 Total £
Donations	4,500	4,400
Grants receivable	2,500	8,000
Sponsorship	150	-
Subscriptions	101	195
	<u>7,251</u>	<u>12,595</u>

3. Activities for generating funds

	2023 Total £	2022 Total £
Room hire	8,197	5,746
Sports facilities (rugby/football)	12,038	7,565
Sports facilities (tennis)	3,069	1,018
Misc income	1,951	786
	<u>25,255</u>	<u>15,115</u>

4. Employees

No expenses were paid to trustees.

No salaries or wages have been paid to employees, including the trustees, during the year.

Number of employees

There were no employees in the year.

Llanfwrog Community Association CIO

Notes to financial statements for the year ended 31 March 2023

5. Tangible fixed assets	Long leasehold property	Plant and machinery	Total
	£	£	£
Cost			
At 1 April 2022 and At 31 March 2023	802,385	29,495	831,880
Depreciation			
At 1 April 2022	22,524	19,984	42,508
Charge for the year	2,495	1,426	3,921
At 31 March 2023	25,019	21,410	46,429
Net book values			
At 31 March 2023	777,366	8,085	785,451
At 31 March 2022	779,861	9,511	789,372
6. Debtors		2023	2022
		£	£
Prepayments and accrued income		1,175	-
7. Creditors: amounts falling due within one year		2023	2022
		£	£
Bank loan		-	1,321
Other loans		1,379	6,771
Accruals and deferred income		550	550
		1,929	8,642

Llanfwrog Community Association CIO

Notes to financial statements for the year ended 31 March 2023

8. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Charity Bank loan	97,301	95,980

The Charity Bank loan is secured on the Charity's assets.

9. Analysis of net assets between funds

	Unrestricted funds £	Total funds £
Fund balances at 31 March 2023 as represented by:		
Tangible fixed assets	785,451	785,451
Current assets	3,896	3,896
Current liabilities	(1,929)	(1,929)
Long-term liabilities	(97,301)	(97,301)
	690,117	690,117

10. Unrestricted funds

	At 1st April 2022 2022 £	Incoming resources £	Outgoing resources £	At 1st April 2022 2023 £
Unrestricted Fund	686,835	32,506	(29,224)	690,117

11. General commitments

There have been guarantees given by the charity at 31st March 2023.

12. Governing document

The organisation is a Charitable Incorporated Organisation - registered on 26th November 2013. The organisation continued the activities of Llanfwrog Community Association (charity number 1109074) on 1st April 2022 and Llanfwrog Community Association was removed from the charity register on 22nd February 2023. The Charities Statement of Recommended Practice (SORP)(FRS102) states these changes in legal form should be treated as mergers and therefore comparatives have been restated in this respect.

Llanfwrog Community Association CIO

The following pages do not form part of the statutory accounts.

Llanfwrog Community Association CIO

Detailed statement of financial activities

For the year ended 31 March 2023

	2023	2022
	£	£
Incoming resources		
Incoming resources from generating funds:		
<i>Voluntary income</i>		
Donations	4,500	4,400
Grants receivable	2,500	8,000
Sponsorship	150	-
Subscriptions	101	195
	<hr/> 7,251	<hr/> 12,595
<i>Activities for generating funds</i>		
Room hire	8,197	5,746
Sports facilities (rugby/football)	12,038	7,565
Sports facilities (tennis)	3,069	1,018
Misc income	1,951	786
	<hr/> 25,255	<hr/> 15,115
Total incoming resources from generating funds	<hr/> 32,506	<hr/> 27,710
Total incoming resources	<hr/> <hr/> 32,506	<hr/> <hr/> 27,710
Resources expended		
Costs of generating funds:		
Fundraising trading:		
cost of goods sold and other costs		

Llanfwrog Community Association CIO

Detailed statement of financial activities

For the year ended 31 March 2023

	2023 £	2022 £
Charitable activities		
Activity 1		
<i>Activities undertaken directly</i>		
Rates & water	2,004	1,030
Light & heat	200	1,100
Rep. & maint.	10,383	9,525
Insurance	3,447	3,162
	<hr/>	<hr/>
	16,034	14,817
<i>Support costs</i>		
Independent examiners fees	575	550
Legal fees	1,920	8,386
Other costs	230	751
Bank charges	-	16
	<hr/>	<hr/>
	2,725	9,703
Activity 1 total expenditure	<hr/>	<hr/>
	18,759	24,520
Total charitable activity expenditure	<hr/>	<hr/>
	18,759	24,520
Governance costs		
<i>Activities undertaken directly</i>		
Finance charges - Finance lease & HP	288	288
	<hr/>	<hr/>
	288	288
<i>Support costs</i>		
Interest - Bank loans & overdrafts	68	-
Interest - Other loans	6,188	4,841
Depreciation & impairment	3,921	3,204
	<hr/>	<hr/>
	10,177	8,045
Total governance costs	<hr/>	<hr/>
	10,465	8,333
Net incoming/(outgoing) resources for the year	<hr/>	<hr/>
	3,282	(5,143)