

MONKCHESTER COMMUNITY ASSOCIATION CIO

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2021

Charity Number 1160426

MONKCHESTER COMMUNITY ASSOCIATION CIO

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2021

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MONKCHESTER COMMUNITY ASSOCIATION CIO
TRUSTEES ANNUAL REPORT
For the year ended 31 March 2021

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ended 31 March 2021.

The financial statements comply with the Charities Act 2011, the Memorandum and Articles of Association, 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 (FRS 102) (effective 1 January 2019)

1. Objectives and Activities

Monkchester Community Association CIO provides a range of community resources for local people in its purpose-built community centre, offering a welcoming venue with facilities that include: a large meeting space, a smaller multi-purpose meeting room, two office spaces (one for the CIO the other on long-term let, a fully equipped catering kitchen, IT suite (currently under re-development), and outside areas with play facilities and seating areas.

Activities over the year included:

- Youth club
- Summer and school holiday play schemes for local children and families
- Day care and lunch services for older and vulnerable people – provided by the Greater Walker Community Trust which also has an office base in the building
- Community kitchen projects including FoodCycle
- The Wednesday morning group in association with the local Probation Service

The facilities were also hired out for a variety of activities, including ward council meetings, local councillor surgeries, as a polling station during elections, and ongoing by regular groups such as dog training classes and an independent church, plus one-off hire for children's parties and special events.

This is a well-respected and well-used community centre and the trustees have ambitions to develop the facilities and the range of activities once the Community Asset Transfer of the Centre building from Newcastle City Council/Your Homes Newcastle has been completed.

Public Benefit Statement

The trustees have paid due regard to the Charity Commission guidance on public benefit and are confident that the CIO's aims, objectives and activities are in accordance with the guidance on public benefit.

Our activities and achievements as outlined above demonstrate our commitment to ensuring that the organisation's resources and activities maximise the potential benefit to our local community and others accessing the Community Centre.

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2. Achievements and Performance

2020/21 has been a difficult year for Monkchester Community Association CIO, and it has continued to serve the needs of local people despite the effects of Covid-19 that are affecting all voluntary sector organisations.

In particular:

- The CIO has made considerable progress in strengthening its governance, policies and procedures and in future planning
- Further progress has been made in regularising arrangements with Greater Walker Community Trust, as they would be a key tenant after the transfer; however, a number of issues are still to be resolved.
- Community centre facilities have increasingly been well used in line with Covid-19 restrictions.
- The CIO recognises it will need to plan ahead to achieve and maintain optimum and appropriate usage of the facilities, to meet local need, to cover costs and generate income, and in response to any regular current users discontinuing.

3. Financial review

Review of the year

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

During the year the Charity had income of £27,933 of which £1,000 was restricted (2020: £43,768 of which £1,000 was restricted) and expenditure of £16,193 of which £1,000 was restricted (2020: £45,220 of which £1,760 was restricted). There was an operating surplus of £11,740 of which £nil was restricted (2020: deficit of £1,452 of which a deficit of £760 was restricted).

At 31 March 2021, the Charity had cash funds of £67,332 of which £240 was restricted (2020: £55,592 of which £240 was restricted).

Reserves policy

The Trustees consider the level of reserves, £67,092 (2020 £55,352), prudent for the Charity at this time taking into account potential liabilities in the event that the charity ceased. Our Reserves Policy is reviewed annually.

Part of the reserves for the year ended 31 March 2021 is designated for repairs and maintenance to the community centre at a value of £21,323.

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4. Plans for future periods

Monkchester Community Association CIO recognizes the need to continue developing its capacity, procedures and practices across a range of its activities in the coming year, to be ready for the responsibilities of taking over the building on behalf of the local community.

These include:

- Continuing to support new and incoming trustees
- Developing systems and capacity to meet the more rigorous financial and administrative requirements of being a CIO
- Updating and/or developing appropriate policies, procedures and practices suitable for a CIO following the asset transfer of the building from the Local Authority
- Developing a more strategic approach to service delivery, budgeting, fundraising, reporting and monitoring, and service development

5. Reference and administrative details of the charity, its trustees and advisors

Registered charity name	Monkchester Community Association CIO
Charity number	1160426
Registered office	204 Monkchester Road Walker Newcastle upon Tyne NE6 2LJ
Trustees and Members of the Board	M Allen S Bell C Brumwell
Independent Examiner	Doug Maltman FMAAT Connected Voice Business Services Ltd Higham House Higham Place Newcastle upon Tyne. NE1 8AF.
Bankers	Lloyds Bank

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6. Structure, governance and management

Recruitment and Appointment of the Board

Under the requirements of the Memorandum and Articles of Association, at the Annual General Meeting one-third of the Directors, who are subject to retirement by rotation, shall retire. Retiring Directors can be re-appointed at the Annual General Meeting.

Trustees are selected on the basis of specialist skills and commitment to the objectives and aims of the organisation.

Board Induction and Training

New Board Members are introduced to the work of the organisation and informed of their legal roles and responsibilities at an induction meeting. The induction and training programme for new Board Members includes:

- A briefing by the Chair.
- An explanation of roles and responsibilities as a Board Member
- Copies of the main company documents including the Memorandum and Articles of Association and the Financial Statements
- Copies of recent board papers.

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7. Statement of Trustee 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).

Charity SORP 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 charity and of incoming resources and application of resources, including the receipts and payments of the charity for that year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity. 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.

Approved by the Trustees on 07.09.2021 and signed on their behalf by:

S Bell
Trustee

MONKCHESTER COMMUNITY ASSOCIATION CIO

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2021

I report on the financial statements of Monkchester Community Association CIO for the year ended 31 March 2021, which are set out on pages 7 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities 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 Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities 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 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 the 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 material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than if the requirements that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I 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 accounts to be reached.

Doug Maltman FMAAT
Connected Voice Business Services Ltd
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date: 20.09.2021

STATEMENT OF RECEIPTS AND PAYMENTS

For the year ended 31 March 2021

	Notes	Unrestricted /Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Receipts:					
Voluntary Receipts					
Donations, gift aid and legacy	3	150	-	150	2,345
Charitable activities					
Grants and contracts	4	26,515	1,000	27,515	40,923
Other trading activities	5	268	-	268	500
Total receipts		26,933	1,000	27,933	43,768
Payments:					
Charitable activities					
Operation of the charity	6	15,193	1,000	16,193	45,220
Total payments		15,193	1,000	16,193	45,220
Surplus/(deficit) for the year and movement of funds		11,740	-	-	(1,452)
Reconciliation:					
Opening cash at bank and in hand		55,352	240	55,592	57,044
Surplus/(deficit) for the year and movement of funds		11,740	-	11,740	(1,452)
Closing cash at bank and in hand		67,092	240	67,331	55,592

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

The notes on pages 9 to 13 form an integral part of these accounts.

STATEMENT OF ASSETS AND LIABILITIES

As at 31 March 2021

	Notes	Unrestricted /Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Cash funds:					
Cash at bank and in hand	11	67,092	240	67,332	55,592
Liabilities	14			636	636

These financial statements were approved by the Board on:

07.09.2021

and are signed on its behalf by:

S Bell
Trustee

The notes on pages 9 to 13 form an integral part of these accounts.

MONKCHESTER COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

1 Accounting Policies

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

The accounts have been prepared using the receipts and payments basis. An audit is not required by the Charity's constitution and has not been requested by the Trustees.

MONKCHESTER COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Analysis of receipts

	Unrestricted /Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
3 Donations, gift aid and legacy				
Donations and gifts	150	-	150	2,345
	<u>150</u>	<u>-</u>	<u>150</u>	<u>2,345</u>
4 Charitable activities				
Activities	13,140	-	13,140	20,323
Newcastle Ward Committee Grant	-	1,000	1,000	1,000
Newcastle City Council Covid-19 Grant	10,000	-	10,000	-
Youth Club - Playscheme	3,375	-	3,375	19,600
	<u>26,515</u>	<u>1,000</u>	<u>27,515</u>	<u>40,923</u>
5 Other trading activities				
Covid-19 costs refund	268	-	268	-
Other receipts	-	-	-	500
	<u>268</u>	<u>-</u>	<u>268</u>	<u>500</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Analysis of payments on charitable activities

	Unrestricted /Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
6 Charitable activities				
<u>Direct costs</u>				
Youth Club - Playscheme	2,275	-	2,275	14,565
Trips	-	-	-	7,197
Fareshare	1,000	-	1,000	265
Licences	20	-	20	399
<u>Support costs</u>				
Office costs	1,525	-	1,525	1,008
Volunteer expenses	-	-	-	500
Professional fees	-	-	-	760
Utility costs	3,853	-	3,853	5,971
Telephone/internet	1,083	-	1,083	915
Equipment	1,000	1,000	2,000	4,605
Repairs and maintenance	1,745	-	1,745	6,932
Water	559	-	559	558
Insurance	960	-	960	831
Covid-19 costs	537	-	537	-
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	636	-	636	714
	<u>15,193</u>	<u>1,000</u>	<u>16,193</u>	<u>45,220</u>

7 Fees for examination of the accounts

	2021 £	2020 £
Independent examiner's fees for reporting on the accounts	636	714
	<u>636</u>	<u>714</u>

There were no other fees paid to the examiner (2020: £nil)

8 Analysis of staff costs and the cost of key management personnel

The key management personnel of the charity, comprise the trustees. The total employee benefits of the key management personnel of the charity were £nil (2020: £nil)

9 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

MONKCHESTER COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Trustees' expenses

No trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

10 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

11 Cash at bank and in hand

	2020 £	2019 £
Cash at bank	67,299	55,559
Cash in hand	33	33
	<u>67,332</u>	<u>55,592</u>

12 Liabilities (payable within 1 year)

	2020 £	2019 £
Accruals		
Independent examination of accounts	600	600
Other accruals	36	36
	<u>636</u>	<u>636</u>

13 Events after the end of the reporting period

Due to the COVID-19 pandemic, it has put pressure on all businesses in 2020-21. It should be noted that the liabilities are being paid when the payments are falling due. No other significant events affecting the Company since the year end.

14 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	32,284	26,933	(13,448)	-	45,769
Designated funds					
Building repairs and maintenance	23,068	-	(1,745)	-	21,323
Totals	<u>55,352</u>	<u>26,933</u>	<u>(15,193)</u>	<u>-</u>	<u>67,092</u>

MONKCHESTER COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Purpose of unrestricted funds

General unrestricted fund	The free reserves of the charity.
Designated funds:	
- Building repairs and maintenance	Funds allocated for repairs and maintenance of the premises.

Analysis of movement in restricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
Newcastle Ward Committee - Computers	-	1,000	(1,000)	-	-
Newcastle City Council - Solicitor	240	-	-	-	240
Totals	240	1,000	(1,000)	-	240

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Newcastle Ward Committee - Computers	Funds to purchase computer hardware and software.
Newcastle City Council - Solicitor	Funds for the solicitor costs for the property change of use.

15 Guarantee

there have been no guarantees given by the charity at 31 March 2021.

16 Debt

There is no debt outstanding which is owed by the charity and which is secured by an excess charge on any of the assets of the charity at 31 March 2021.

17 Governing document

The organisation is a Charitable Incorporated Organisation - Foundation registered on 11 February 2015 as a body corporate under part 11 of the Charities Act 2011.

18 Capital commitments

As at 31 March 2021, the charity had no capital commitments (2020 -£nil)