

The Charity Registration Number is :- 1177212

Redhouse & District Community Association

Report and Accounts

31 December 2020

# **Redhouse & District Community Association**

## **Report and accounts for the year ended 31 December 2020**

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## **Redhouse & District Community Association**

### **Trustees' Annual Report for the year ended 31 December 2020**

The Trustees present their Report and Accounts for the year ended 31 December 2020.

#### **Reference and administrative details**

##### ***The charity name.***

The legal name of the charity is:- Redhouse & District Community Association.

The charity is also known by its operating name, Redhouse & District CA.

##### ***The charity's areas of operation and UK charitable registration.***

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1177212.

The charity does not operate in any overseas jurisdictions.

##### ***Legal structure of the charity***

The charity is constituted as a Charitable Incorporated Organisation (CIO) in England & Wales. The governing document of the charity is the constitution of the CIO as approved by the Charity Commission in England & Wales (CCEW) .

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

Rutherglen Road  
Sunderland,  
Tyne & Wear, SR5 5LJ  
Telephone 0191 5481593

#### **The Trustees in office on the date the report was approved were:-**

Donald Dawn  
John Dreyer  
Margaret Watson  
Miriam Chisholm  
James Collins  
John Martin  
Rita Dixon  
Marie Davidson

#### **The following persons served as Trustees during the year ended 31 December 2020 :-**

The trustees who served as a trustee in the reporting period were as shown above, and there were no changes during the year, or in the period between the year end and the approval of the accounts.

All the trustees are also members of the charity.

## **Redhouse & District Community Association**

### **Trustees' Annual Report for the year ended 31 December 2020**

#### **Objects and activities of the charity**

##### ***The purposes of the charity as set out in its governing document.***

The objects of this CIO are to establish and run a community building and to promote, for the benefit of the inhabitants of Redhouse Estate and the surrounding area, without distinction of sex, sexual orientation, age, disability, nationality, race, political, religious or other opinions, the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the conditions of life of the said inhabitants.

##### ***The main activities undertaken in relation to those purposes during the year.***

In addition to offering a wide variety of clubs and activities we have also spent time and money on refurbishing large areas of the Community Centre to help draw people in from our community.

##### ***The main activities undertaken during the year to further the charity's purpose for the public benefit.***

The charity had the pleasure of hosting the following sections during the year in addition to providing room hire for private functions etc:

Bowls Club  
Circuit Training  
Community Bowls Section  
Football  
Karate  
Labour Party  
Ladies Coffee Morning  
Oasis Fish Club  
ROAB (Jack Crawford)  
ROAB (John Crown)  
ROAB (Pride of the Wear)  
Showstoppers  
Slimming World  
Tap Dance  
Wednesday Tea Dance  
Weight Watchers  
Yoga

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

## **Redhouse & District Community Association**

### **Trustees' Annual Report for the year ended 31 December 2020**

#### **The main achievements and performance of the charity during the year.**

We believe the year 2020 was the most disappointing in the history of the community association because of the effect Covid-19 had on its activities. However on a positive note the financial year ended with a surplus for 2020. The total income for the year was £28,388 and the expenditure was £25,401 giving a surplus of £2,987. The main reason for this was the Government business grant of £10,000 and not having to pay rates other than £131 in January. Without these grants which were worth a total of £11,179 there would have been a deficit of £8,192.

The two most expensive projects that were completed during the year were the installation of a stair-lift, giving access to the stage to disabled and infirm members, at a cost of £2,111.00 and the upgrading of the disabled toilet which now includes a baby changing facility at a cost of £4,404.00. The total cost of these two projects was £6,515.00 but this was offset by a grant of £5,000 from the City Council Neighbourhood fund. We also received a grant of £450.00 from Gentoo to help set up new sections or projects to attract new members. This has not yet been used for that purpose.

There was obviously a massive drop of income from the regular sections including the Social Club. We also lost the revenue from room hire which included WW and Slimming World, both of who have said that they could not guarantee they would be opening again when the situation improves.

Unfortunately the insurance company refused to pay any compensation for the loss of earnings. Our insurance brokers have combined with some other organisations to fight this in the High Court.

Because of the disruption to members and their sections the Community Association Council members have decided not to charge membership fees until 2022. This will also apply to any new members which is hoped may encourage more people to use the centre when it re-opens. Members will still have to get their cards signed when it is safe to do so and will be informed at the time.

Although present funds are reducing by approximately £1,000.00 per month we estimate that the centre will survive for at least another three years before it becomes necessary to close it for financial reasons.

#### ***The difference the charity's performance during the year has made to the beneficiaries of the charity and wider society.***

We have continued to be a vital community hub for the Redhouse Estate and the surrounding areas of Sunderland.

## **Redhouse & District Community Association**

### **Trustees' Annual Report for the year ended 31 December 2020**

#### **Structure, governance and management of the charity**

##### ***The methods used to recruit and appoint new charity trustees.***

The members of the management committee are elected annually by way of nomination at the AGM, and normally hold office until the AGM the following year. Any co-opted non voting vacancy may be filled by way of nomination at the next meeting of the management committee. Nominations and consents must be sent to the committee within seven days of the notice calling the AGM.

New Trustees undergo an induction to brief them on their legal obligations under charity law, as well as the committee and decision making processes, the up to date business plan and recent financial performance of the CIO. During their induction the Trustees are encouraged to meet key volunteers as well as the other Trustees. New Trustees are encouraged to meet key volunteers as well as the other Trustees. New Trustees are also advised to attend appropriate external training events, where these can facilitate a greater understanding of their legal responsibilities.

Bankers	The Co-operative Bank, 5/6 Fawcett Street, Sunderland, SR1 1RF
Accountants	Laverick Walton & Co, B3 Kingfisher House, Team Valley, Gateshead, NE11 0JQ

#### **Financial review**

##### ***The charity's financial position at the end of the year ended 31 December 2020***

The financial position of the charity at 31 December 2020 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2020 £	2019 £
Net income	2,987	4,055
Unrestricted Revenue Funds available for the general purposes of the charity	33,905	30,918
Total Funds	33,905	30,918

##### ***Financial review of the position at the reporting date, 31 December 2020 .***

The trustees consider the financial performance by the charity during the year to have been satisfactory.

Specific changes in fixed assets are detailed in the notes to the accounts.

## **Redhouse & District Community Association**

### **Trustees' Annual Report for the year ended 31 December 2020**

#### ***Policies on reserves.***

The Trustees have agreed to maintain unrestricted funds at a level which will allow the Community Association to continue to operate, without any external funding, for a period in excess of twelve months. Unrestricted funds are donated to the Community Association by Redhouse CA Social Club Limited (company no 11437623), a company limited by guarantee, on a monthly basis, and the funds are used towards the day to day operation and upkeep of the Community Association premises at Rutherglen Road, Redhouse Estate, Sunderland.

#### ***Availability and adequacy of assets of each of the funds***

The board of Trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

#### **Details of The Independent Examiner**

Mr K M Thomson FCA

Member of Institute of Chartered Accountants England & Wales

B3 Kingfisher House

Team Valley

Gateshead

Tyne & Wear

NE11 0JQ

## Redhouse & District Community Association

### Trustees' Annual Report for the year ended 31 December 2020

#### Statement of Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under 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.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 25 June 2021.



Mr J Collins  
Trustee



## **Redhouse & District Community Association**

### **Report of the Independent Examiner to the Trustees of the charity on the accounts for the year ended 31 December 2020**

I report to the Trustees on my examination of the financial statements of the charity on pages 9 to 26 for the year ended 31 December 2020 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), and under the historical cost convention and the accounting policies set out on page 16.

#### **Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report**

As described on page 6, you, the charity's Trustees, are responsible for the preparation of the financial statements in accordance with the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the Governing Document for the conducting of an audit. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a) examine the financial statements of the charity under Section 145 of the Act;
- b) follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Basis of Independent Examiner's Statement and scope of work undertaken**

I report in respect of my examination of the charity's financial statements carried out under s145 of the Act. In carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charity and of the accounting systems employed by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

## Redhouse & District Community Association

### Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that:-

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and 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 charity as required by with Section 130 of The Charities Act 2011;

the financial statements do not accord with those records; or

the financial statements do 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 any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination;

have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

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.

Signed:-



Mr K M Thomson FCA - Independent Examiner

Institute of Chartered Accountants England & Wales

B3 Kingfisher House  
Team Valley  
Gateshead  
Tyne & Wear  
NE11 0JQ

This report was signed on 25 June 2021

**Redhouse & District Community Association - Statement of Financial Activities for the year ended 31 December 2020**

**Statement of Financial Activities for the year ended 31 December 2020**

	SORP Ref	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
<b>Income &amp; Endowments from:</b>					
Donations & Legacies	A1	10,712	4,657	15,369	10,314
Charitable activities	A2	13,019	-	13,019	29,349
<b>Total income</b>	<b>A</b>	<b>23,731</b>	<b>4,657</b>	<b>28,388</b>	<b>39,663</b>
<b>Expenditure on:</b>					
Charitable activities	B2	20,744	4,657	25,401	35,608
<b>Total expenditure</b>	<b>B</b>	<b>20,744</b>	<b>4,657</b>	<b>25,401</b>	<b>35,608</b>
<b>Net income for the year</b>		<b>2,987</b>	<b>-</b>	<b>2,987</b>	<b>4,055</b>
<b>Net income after transfers</b>	<b>A-B-C</b>	<b>2,987</b>	<b>-</b>	<b>2,987</b>	<b>4,055</b>
<b>Net movement in funds</b>		<b>2,987</b>	<b>-</b>	<b>2,987</b>	<b>4,055</b>
<b>Reconciliation of funds:-</b>	<b>E</b>				
<b>Total funds brought forward</b>		30,918	-	30,918	26,863
<b>Total funds carried forward</b>		<b>33,905</b>	<b>-</b>	<b>33,905</b>	<b>30,918</b>

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A Statement of Total Recognised Gains and Losses is included as a primary statement in these accounts.

All activities derive from continuing operations

The notes attached on pages 16 to 26 form an integral part of these accounts.

**Redhouse & District Community Association - Statement of Financial Activities for the year ended 31 December 2020**

**Redhouse & District Community Association - Analysis of prior year total funds, as required by paragraph 4.2 of the SORP**

	SORP Ref	Prior Year Unrestricted Funds 2019 £	Prior Year Restricted Funds 2019 £	Prior Year Total Funds 2019 £
<b>Income &amp; Endowments from:</b>				
Donations & Legacies	A1	5,829	4,485	10,314
Charitable activities	A2	29,349	-	29,349
Other trading activities	A3	-	-	-
Investments	A4	-	-	-
Other	A5	-	-	-
<b>Total income</b>	<b>A</b>	<b>35,178</b>	<b>4,485</b>	<b>39,663</b>
<b>Expenditure on:</b>				
Raising funds	B1	-	-	-
Charitable activities	B2	31,123	4,485	35,608
Other	B3	-	-	-
Tax on surplus on ordinary activities	B3	-	-	-
Other taxation	B3	-	-	-
<b>Total expenditure</b>	<b>B</b>	<b>31,123</b>	<b>4,485</b>	<b>35,608</b>
Net gains on investments	B4	-	-	-
<b>Net income for the year</b>		<b>4,055</b>	<b>-</b>	<b>4,055</b>
<b>Transfers between funds</b>	<b>C</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income after transfers</b>		<b>4,055</b>	<b>-</b>	<b>4,055</b>
<b>Net movement in funds</b>		<b>4,055</b>	<b>-</b>	<b>4,055</b>
<b>Reconciliation of funds:-</b>				
<b>Total funds brought forward</b>		<b>26,863</b>	<b>-</b>	<b>26,863</b>
<b>Total funds carried forward</b>		<b>30,918</b>	<b>-</b>	<b>30,918</b>

**All activities derive from continuing operations**

**The notes attached on pages 16 to 26 form an integral part of these accounts.**

**Redhouse & District Community Association - Statement of Financial Activities for the year ended 31 December 2020**

**Statement of Total Recognised Gains and Losses for the year ended 31 December 2020**

	2020 £	2019 £
<b>Surplus for the year :-</b>		
Net excess of income over expenditure from operations before tax	(1,670)	(430)
Realised gains on disposals of social investments which are programme related	-	-
<b><i>Income from operations before tax in the Statement of Financial Activities</i></b>	<u>(1,670)</u>	<u>(430)</u>
<b><i>Add/(deduct) non income and expenditure items:-</i></b>		
Grants for the acquisition of fixed assets	4,657	4,485
<b>Net Movement in funds before taxation</b>	<u>2,987</u>	<u>4,055</u>
<b>Funds generated in the year as shown on Statement of Financial Activities</b>	<u>2,987</u>	<u>4,055</u>

The notes attached on pages 16 to 26 form an integral part of these accounts.

**Redhouse & District Community Association - Statement of Financial Activities for the year ended 31 December 2020**

**Redhouse & District Community Association - Resources applied in the year ended 31 December 2020 towards fixed assets for Charity use:-**

	2020 £	2019 £
Funds generated in the year as detailed in the SOFA	2,987	4,055
Resources applied on functional fixed assets	(6,514)	-
Other applications of funds	-	-
<b>Net resources available to fund charitable activities</b>	<b>(3,527)</b>	<b>4,055</b>

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

The notes attached on pages 16 to 26 form an integral part of these accounts.

**Redhouse & District Community Association - Statement of Financial Activities for the year ended 31 December 2020**

**Movements in revenue and capital funds for the year ended 31 December 2020**

**Revenue accumulated funds**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Last year Total Funds 2019 £
Accumulated funds brought forward	30,918	-	30,918	26,863
Recognised gains and losses before transfers	2,987	-	2,987	4,055
	<b>33,905</b>	<b>-</b>	<b>33,905</b>	<b>30,918</b>
<b>Closing revenue funds</b>	<b>33,905</b>	<b>-</b>	<b>33,905</b>	<b>30,918</b>
<b>Summary of funds</b>	Unrestricted and Designated funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Last Year Total Funds 2019 £
Revenue accumulated funds	33,905	-	33,905	30,918

The notes attached on pages 16 to 26 form an integral part of these accounts.

**Redhouse & District Community Association - Statement of Financial Activities for the year ended 31 December 2020**

**Redhouse & District Community Association  
Income and Expenditure Account for the year ended 31 December 2020 as required by the Companies Act 2006**

	2020 £	2019 £
<b>Income</b>		
Income from operations	23,731	35,178
Investment income	-	-
<b>Gross income in the year before exceptional items</b>	<b>23,731</b>	<b>35,178</b>
<b>Gross income in the year including exceptional items</b>	<b>23,731</b>	<b>35,178</b>
<b>Expenditure</b>		
Charitable expenditure, excluding depreciation and amortisation	17,283	26,426
Depreciation and amortisation	7,158	8,222
Governance costs	960	960
Realised losses on disposals of social investments which are programme related	-	-
<b>Total expenditure in the year</b>	<b>25,401</b>	<b>35,608</b>
<b>Net (expenditure)/income before tax in the financial year</b>	<b>(1,670)</b>	<b>(430)</b>
Tax on surplus on ordinary activities	-	-
<b>Net (expenditure)/ income after tax in the financial year</b>	<b>(1,670)</b>	<b>(430)</b>
<b>Retained (deficit)/surplus for the financial year</b>	<b>(1,670)</b>	<b>(430)</b>
All activities derive from continuing operations		

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

**The notes attached on pages 16 to 26 form an integral part of these accounts.**



# **Redhouse & District Community Association - Balance Sheet as at 31 December 2020**

	SORP		2020	2019
	Note	Ref	£	£
<b>Fixed assets</b>		A		
Tangible assets	9	A2	24,019	24,663
<b>Current assets</b>		B		
Debtors	11	B2	30	30
Cash at bank and in hand		B4	24,780	21,543
<b>Total current assets</b>			24,810	21,573
<b>Creditors: amounts falling due within one year</b>	12	C1	(14,924)	(15,318)
<b>Net current assets</b>			9,886	6,255
<b>The total net assets of the charity</b>			<u>33,905</u>	<u>30,918</u>
<b>The total net assets of the charity are funded by the funds of the charity, as follows:-</b>				
<b>Restricted funds</b>			-	-
<b>Unrestricted Funds</b>				
Unrestricted Revenue Funds	18	D3	33,905	30,918
			33,905	30,918
<b>Total charity funds</b>			<u>33,905</u>	<u>30,918</u>

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 8.

The Trustees are satisfied that, although the charity is not registered under the Companies Acts, if it were so registered, it would be eligible to prepare accounts in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.



**Mr J Collins**  
**Trustee**

Approved by the board of trustees on 25 June 2021

**The notes attached on pages 16 to 26 form an integral part of these accounts.**

# Redhouse & District Community Association

## Notes to the Accounts for the year ended 31 December 2020

### 1 Accounting policies

#### *Policies relating to the production of the accounts.*

##### **Basis of preparation and accounting convention**

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), effective January 2016, and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

##### **Going Concern**

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 31 December 2020, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. The Trustees have stated in the Trustees Report that the reserves of the community association are reducing by about £1,000 per month, and some sources of income/funding may not recover after all restrictions resulting from the Covid-19 pandemic have been lifted, but other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

##### **Risks and future assumptions**

The charity is a public benefit entity.

The Trustees have a risk management strategy which comprises:

- an annual review of the risks that the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan;
- implementation of procedures to minimise any potential impact on the charity should those risks materialise.

#### *Policies relating to categories of income and income recognition.*

##### **Accounting for deferred income and income received in advance**

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

## **Redhouse & District Community Association**

### **Notes to the Accounts for the year ended 31 December 2020**

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

#### **Membership subscriptions**

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

#### ***Policies relating to expenditure on goods and services provided to the charity.***

##### **Recognition of liabilities and expenditure**

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

#### **Volunteers**

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 6.

#### ***Policies relating to assets, liabilities and provisions and other matters.***

##### ***Tangible fixed assets***

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Leasehold premises & alterations	20 % straight line
Plant and machinery	25 and 33.3 % reducing balance

A regular annual review of the likelihood of asset impairment is undertaken.

**Notes to the Accounts for the year ended 31 December 2020**

Debtors are measured at their recoverable amounts at the balance sheet date.

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

The charity does not have any designated funds.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law.

There are no endowment funds.

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

The charity does not currently have any financial instruments.

	2020	2019
	£	£

The net surplus before tax in the financial year is stated after charging:-

7,158                      8,222

# Redhouse & District Community Association

## Notes to the Accounts for the year ended 31 December 2020

### 6 The contribution of volunteers

The charity depends on the support of its volunteers, which is much appreciated. The arrangements with volunteers are difficult to value precisely in monetary terms and have not been recognised on the Statement of Financial Activities. The volunteers and the charity accept and agree that no contract of employment is created by these arrangements.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

### 7 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

### 8 Deferred income - Restricted funds

#### Current Year

	Opening Deferrals	Released from prior years	Received less released in year	Deferred at year end
	£	£	£	£
Sundry items under £1000	510	(170)	-	340
Sunderland City Council	-	-	3,750	3,750
Sunderland City Council SIB	9,647	(2,412)	-	7,235
Empower Sunderland	3,300	(825)	-	2,475
<b>Total</b>	<b>13,457</b>	<b>(3,407)</b>	<b>3,750</b>	<b>13,800</b>

These deferrals are included in creditors

2020	2019
£	£
13,800	13,457

#### Prior Year

	Opening Deferrals	Released from prior years	Received less released in year	Deferred at year end
	£	£	£	£
Sundry items under £1000	680	(170)	-	510
Sunderland City Council SIB	12,862	(3,215)	-	9,647
Empower Sunderland	4,399	(1,099)	-	3,300
<b>Total</b>	<b>17,941</b>	<b>(4,484)</b>	<b>-</b>	<b>13,457</b>

These deferrals are included in creditors

2019
£
13,457

The deferrals included in creditors relate to funding specified by the funders as relating to specific periods and represent those parts of restricted funds which relate to periods subsequent to the accounting year end and are treated as grants in advance, or, alternatively, where there are conditions which must be fulfilled prior to entitlement or use of the restricted funds by the charity.

# Redhouse & District Community Association

## Notes to the Accounts for the year ended 31 December 2020

### 9 Tangible fixed assets

<b>Current Year</b>				
	<b>Land and Buildings</b>	<b>Plant &amp; Machinery</b>	<b>Motor Vehicles</b>	<b>Total</b>
	£	£	£	£
<b>Cost</b>				
At 1 January 2020				
Additions	40,993	2,856	-	43,849
	6,514	-	-	6,514
<b>At 31 December 2020</b>	<b>47,507</b>	<b>2,856</b>	<b>-</b>	<b>50,363</b>
<b>Depreciation</b>				
At 1 January 2020				
Charge for the year	17,933	1,253	-	19,186
	6,756	402	-	7,158
<b>At 31 December 2020</b>	<b>24,689</b>	<b>1,655</b>	<b>-</b>	<b>26,344</b>
<b>Net book value</b>				
<b>At 31 December 2020</b>	<b>22,818</b>	<b>1,201</b>	<b>-</b>	<b>24,019</b>
<b>At 31 December 2019</b>	<b>23,060</b>	<b>1,603</b>	<b>-</b>	<b>24,663</b>
<b>Prior Year</b>				
	<b>Land and Buildings</b>	<b>Plant &amp; Machinery</b>	<b>Motor Vehicles</b>	<b>Total</b>
	£	£	£	£
<b>Cost</b>				
01 January 2019				
	40,993	2,856	-	43,849
<b>31 December 2019</b>	<b>40,993</b>	<b>2,856</b>	<b>-</b>	<b>43,849</b>
<b>Depreciation</b>				
01 January 2019				
Charge for the year	10,248	716	-	10,964
	7,685	537	-	8,222
<b>31 December 2019</b>	<b>17,933</b>	<b>1,253</b>	<b>-</b>	<b>19,186</b>
<b>Net book value</b>				
<b>31 December 2019</b>	<b>23,060</b>	<b>1,603</b>	<b>-</b>	<b>24,663</b>
<b>31 December 2018</b>	<b>30,745</b>	<b>2,140</b>	<b>-</b>	<b>32,885</b>

All assets are used for direct charitable purposes.

### 11 Debtors

Prepayments and accrued income

	<b>2020</b>	<b>2019</b>
	£	£
	30	30
	<b>30</b>	<b>30</b>

# Redhouse & District Community Association

## Notes to the Accounts for the year ended 31 December 2020

### 12 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	24	512
Accruals	1,100	1,349
Deferred Income - Restricted funds	13,800	13,457
	<b>14,924</b>	<b>15,318</b>

### 15 Income and Expenditure account summary

	2020	2019
	£	£
<b>At 1 January 2020</b>		
Surplus after tax for the year	26,433	26,863
	(1,670)	(430)
<b>At 31 December 2020</b>	<b>24,763</b>	<b>26,433</b>

### 16 No related party transactions

There were no transactions with related parties in the year.

### 17 Particulars of how particular funds are represented by assets and liabilities

#### At 31 December 2020

	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	24,019	-	-	24,019
Current Assets	24,810	-	-	24,810
Current Liabilities	(14,924)	-	-	(14,924)
	<b>33,905</b>	<b>-</b>	<b>-</b>	<b>33,905</b>

#### At 1 January 2020

	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	24,663	-	-	24,663
Current Assets	21,573	-	-	21,573
Current Liabilities	(15,318)	-	-	(15,318)
	<b>30,918</b>	<b>-</b>	<b>-</b>	<b>30,918</b>

# Redhouse & District Community Association

## Notes to the Accounts for the year ended 31 December 2020

### 18 Change in total funds over the year as shown in Note 17 , analysed by individual funds

	Funds brought forward from 2019	Movement in funds in 2020	Transfers between funds in 2020	Funds carried forward to 2021
	£	See Note 19 £	See Note 0 £	£
<b>Unrestricted and designated funds:-</b>				
Unrestricted Revenue Funds	30,918	2,987	-	33,905
<b>Total unrestricted and designated funds</b>	<b>30,918</b>	<b>2,987</b>	<b>-</b>	<b>33,905</b>
<b>Total charity funds</b>	<b>30,918</b>	<b>2,987</b>	<b>-</b>	<b>33,905</b>

### 19 Analysis of movements in funds over the year as shown in Note 18

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2020 £	2020 £	2020 £	2020 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted Revenue Funds	23,731	(20,744)	-	2,987
<b>Restricted funds:-</b>				
Restricted Funds	4,657	(4,657)	-	-
	<b>28,388</b>	<b>(25,401)</b>	<b>-</b>	<b>2,987</b>

### 20 The purposes for which the funds as

#### Unrestricted and designated funds:-

Unrestricted Revenue Funds

These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.

#### Restricted funds:-

Restricted Funds

These funds are held for the meeting of the conditions of capital grants.

### 21 Ultimate controlling party

The charity is under the control of its legal members.



## Redhouse & District Community Association

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

*This analysis is classified by conventional nominal descriptions and not by activity.*

### 22 Donations, Grants and Legacies

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
<b>Revenue grants from government and public bodies</b>				
Sunderland City Council	10,000	-	10,000	4,913
<b>Total public sector revenue grants</b>	<b>10,000</b>	<b>-</b>	<b>10,000</b>	<b>4,913</b>
	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
<b>Capital grants from government and public bodies</b>				
Small grants individually less than £1000	-	170	170	170
Sunderland City Council SIB	-	3,662	3,662	3,215
<b>Total public sector capital grants</b>	<b>-</b>	<b>3,832</b>	<b>3,832</b>	<b>3,385</b>

#### Capital grants from government and public bodies - Prior Year analysis

	Prior Year Unrestricted Funds 2019 £	Prior Year Restricted Funds 2019 £	Prior Year Total Funds 2019 £	
<b>Prior Year</b>	<b>-</b>	<b>3,385</b>	<b>3,385</b>	
	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
<b>Capital grants from non public bodies</b>				
Small grants individually less than £1000	-	825	825	-
Empower Sunderland	-	-	-	1,100
<b>Total private sector capital grants</b>	<b>-</b>	<b>825</b>	<b>825</b>	<b>1,100</b>

#### Capital grants from non public bodies - Prior Year analysis

	Prior Year Unrestricted Funds 2019 £	Prior Year Restricted Funds 2019 £	Prior Year Total Funds 2019 £
<b>Prior Year</b>	<b>-</b>	<b>1,100</b>	<b>1,100</b>

## Redhouse & District Community Association

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Membership subscriptions as donations	712	-	712	916

### Total Donations, Grants and Legacies

Total Donations, Grants and Legacies	A1	10,712	4,657	15,369	10,314
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All the donations and gifts in the prior year were unrestricted.

### Prior year

<b>Prior year</b>		<b>Unrestricted Funds 2019 £</b>	<b>Restricted Funds 2019 £</b>	<b>Prior Year Total Funds 2019 £</b>
<b>Total Donations, Grants and Legacies</b>	<b>A1</b>	<b>5,829</b>	<b>4,485</b>	<b>10,314</b>

## 23 Income from charitable activities - Trading Activities

### Current year

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total funds 2019 £
Primary purpose and ancillary trading				
Community groups and social club	12,179	-	12,179	27,244
Hire of halls	840	-	840	2,105
Total Primary purpose and ancillary trading	13,019	-	13,019	29,349

## 24 Total Income from charitable activities

### Current year

<i>Current year</i>		Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Total income from charitable trading		13,019	-	13,019	29,349
<b>Total from charitable activities</b>	<b>A2</b>	<b>13,019</b>	<b>-</b>	<b>13,019</b>	<b>29,349</b>

## Redhouse & District Community Association

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

### 25 Expenditure on charitable activities - Direct spending

<i>Current Year</i>	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Showstoppers	-	-	-	1,217
Ladies coffee morning	-	-	-	75
Sundry including refreshments	225	-	225	-
<b>Total direct spending B2a</b>	<b>225</b>	<b>-</b>	<b>225</b>	<b>1,292</b>

### 26 Support costs for charitable activities

<i>Current Year</i>	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
<b>Volunteer costs</b>				
Volunteers' expenses	-	-	-	185
<b>Premises Expenses</b>				
Rates and water charges	1,675	-	1,675	2,400
Light heat and power	4,310	-	4,310	9,041
Cleaning and waste management	3,691	-	3,691	5,635
Premises repairs, renewals and maintenance	3,432	-	3,432	3,612
Property insurance	1,775	-	1,775	1,940
Security guard	-	-	-	56
<b>Administrative overheads</b>				
Telephone, fax and internet	20	-	20	363
Stationery and printing	802	-	802	290
Hire of equipment	1,075	-	1,075	1,457
Licences & Permits	158	-	158	155
<b>Professional fees paid to advisors other than the auditor or examiner</b>				
Other legal and professional	120	-	120	-
<b>Financial costs</b>				
Depreciation & Amortisation in total for	2,501	4,657	7,158	8,222
<b>Support costs before reallocation</b>	<b>19,559</b>	<b>4,657</b>	<b>24,216</b>	<b>33,356</b>
<b>Total support costs - Current Year</b>	<b>19,559</b>	<b>4,657</b>	<b>24,216</b>	<b>33,356</b>

The basis of allocation of costs between activities is described under accounting policies

#### Administrative overheads

The basis of allocation of costs between activities is described under accounting policies

## Redhouse & District Community Association

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

### 27 Other Expenditure - Governance costs

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2020	2020	2020	2019
	£	£	£	£
Independent Examiner's fees	960	-	960	960
<b>Total Governance costs</b>	<b>960</b>	<b>-</b>	<b>960</b>	<b>960</b>

### 28 Total Charitable expenditure

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2020	2020	2020	2019
		£	£	£	£
Total direct spending	<b>B2a</b>	225	-	225	1,292
Total support costs	<b>B2d</b>	19,559	4,657	24,216	33,356
Total Governance costs	<b>B2e</b>	960	-	960	960
<b>Total charitable expenditure</b>	<b>B2</b>	<b>20,744</b>	<b>4,657</b>	<b>25,401</b>	<b>35,608</b>

		Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds
		2019	2019	2019
		£	£	£
Total direct spending	<b>B2a</b>	1,292	-	1,292
Total support costs	<b>B2d</b>	28,871	4,485	33,356
Total Governance costs	<b>B2e</b>	960	-	960
<b>Total charitable expenditure</b>	<b>B2</b>	<b>31,123</b>	<b>4,485</b>	<b>35,608</b>