

**MERSEA ISLAND COMMUNITY ASSOCIATION CIO**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

B Bolton  
W Bolton  
P Russell-Grant  
F Thomas  
G Petley  
J Lee  
P Tydie  
R Jenkins  
F Rodwell  
A Dix

### Charity number

1179484

### Principal address

The Mersea Centre  
38 High Street  
West Mersea  
Colchester  
Essex  
CO5 8QA

### Auditor

Whittles  
Whittle & Partners LLP  
The Old Exchange  
64 West Stockwell Street  
Colchester  
Essex  
CO1 1HE

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# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

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# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 DECEMBER 2021*

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The Trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the CIO's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### **Objectives and activities**

The original Association was founded in 1976 by a Trust deed to promote the benefit of the inhabitants of Mersea Island by the advancement of education and the provision of social welfare for recreation and leisure time occupation. The Trust Deed charity was converted to a Charitable Incorporated Organisation (CIO) in 2019.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the CIO should undertake.

#### **Achievements and performance**

During the year the Association has continued to operate the Mersea Island Community Centre to provide the following facilities for the benefit of the residents of and visitors to Mersea Island:

A central site comprising a mixture of meeting, function and sports halls that can be used by local organisations and the general public for a variety of functions.

Sports facilities that include a fitness centre, squash and badminton courts, table tennis and carpet bowls.

These are augmented by a number of keep fit events for all ages, these include Pilates, Yoga, Carumba, Karate, Hula Hoop, Diddi Dance, Walking Football, Bounce.

Theatrical facilities are available which permit rehearsal, dance training and the means to put on amateur shows and plays.

The main and small halls are available to provide regular concerts, film shows, dances, private parties, blood donor sessions, poll facilities, public meetings, tabletop sales and bazaars.

The Centre has operated as fully as possible within the limits imposed by COVID-19.

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2021*

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### **Financial review**

It is the policy of the Association that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure.

Costs are monitored, researched and advice taken to ensure that decisions are made to keep costs to a reasonable level.

The centre running costs were covered from charges made to users and from donations in money and in kind.

Donations made in kind are sold through the Association's own charity shop, which is staffed by volunteers.

This year the running costs have again been assisted through the government furlough scheme for wages and the government grants available in relation to COVID-19. The centre has reopened whenever possible in line with government restrictions. The whole situation has been reviewed on a regular basis so that revenue is maximised and costs are minimised. Decisions are taken in good time so that any changes to the Association's operations are made in a timely manner in order that the Charity remains financially sound and is able to continue to serve the community.

The Trustees has assessed the major risks to which the CIO is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees and management endeavour to ensure that the Centre is used to best advantage and that every opportunity is taken to take on long term commitments to ensure a steady income. There is a five-year plan in place to prioritise improvements that need to be made at the centre.

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2021*

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### **Structure, governance and management**

The Association is a Charitable Incorporated Organisation (CIO), subject to the provisions of its Constitution.

The Trustees who served during the year and up to the date of signature of the financial statements were:

B Bolton

W Bolton

P Russell-Grant

F Thomas

G Petley

J Lee

P Tydie

R Jenkins

F Rodwell

A Dix

Each trustee is appointed by a resolution passed at a properly convened meeting of the charity trustees. Appointments are made with regard to the skills, knowledge and experience needed for the effective administration of the CIO.

The day to day operation of the centre in 2021 was the responsibility of the Manager, Mr. Tim Gannon. The manager was assisted by one full time, four part-time staff and a team of volunteers to ensure that the Centre has operated as fully as possible in the year.

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

**B Bolton**

Trustee

Dated: 7 July 2022

**F Thomas**

Trustee

Dated: 7 July 2022

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 DECEMBER 2021*

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

The 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 the state of affairs of the CIO and of the incoming resources and application of resources of the CIO 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 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the CIO and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF MERSEA ISLAND COMMUNITY ASSOCIATION CIO

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#### Opinion

We have audited the financial statements of Mersea Island Community Association CIO (the 'CIO') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the CIO in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the CIO's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF MERSEA ISLAND COMMUNITY ASSOCIATION CIO

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the CIO's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# **MERSEA ISLAND COMMUNITY ASSOCIATION CIO**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF MERSEA ISLAND COMMUNITY ASSOCIATION CIO**

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The audit tests, including planning procedures, adopted for the audit of these financial statements are designed to assess and detect the risk of irregularities, including fraud. Our risk assessment of the likelihood of irregularities included the high degree of involvement of the experienced board members, which reduces the risk of irregularities.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

We identified the laws and regulations applicable to the CIO through discussions with trustees and other management, and from our knowledge and experience of the charity sector;

We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act, VAT legislation and data protection, employment and health and safety legislation;

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, inspecting legal correspondence, and reviewing board meeting minutes;

Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We made enquiries with management as to if they considered where there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

We considered the internal controls in place that would mitigate the risks of fraud and non-compliance with laws and regulations.

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF MERSEA ISLAND COMMUNITY ASSOCIATION CIO

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We identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and the specific procedures performed to address them are described below:

- We obtained an understanding of the revenue process and the flow of financial information to the general ledger and how this is classified as restricted and unrestricted.
- Cut-off testing was performed at the year-end date by reviewing revenue which had been accrued for and revenue that had been recognised after date to identify any transaction which had been erroneously recognised in the incorrect period. The same testing was carried out for expenditure.
- In line with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we reviewed accounting records for any unusual adjustments.

In addition to the above, our procedures to respond to the risk identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance for the year.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF MERSEA ISLAND COMMUNITY ASSOCIATION CIO

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Whittles

7 July 2022

Chartered Accountants  
Statutory Auditor

Whittle & Partners LLP  
The Old Exchange  
64 West Stockwell Street  
Colchester  
Essex  
CO1 1HE

Whittles is eligible for appointment as auditor of the CIO by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b><u>Income and endowments from:</u></b>							
Donations and grants	2	61,138	1,255	62,393	86,310	3,819	90,129
Charitable activities	3	70,779	-	70,779	69,848	-	69,848
Investments	4	189	-	189	103	-	103
Other income	5	-	-	-	140	-	140
<b>Total income</b>		<b>132,106</b>	<b>1,255</b>	<b>133,361</b>	<b>156,401</b>	<b>3,819</b>	<b>160,220</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	6	137,642	7,015	144,657	147,749	7,450	155,199
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(5,536)</b>	<b>(5,760)</b>	<b>(11,296)</b>	<b>8,652</b>	<b>(3,631)</b>	<b>5,021</b>
Fund balances at 1 January 2021		380,247	28,799	409,046	371,595	32,430	404,025
<b>Fund balances at 31 December 2021</b>		<b>374,711</b>	<b>23,039</b>	<b>397,750</b>	<b>380,247</b>	<b>28,799</b>	<b>409,046</b>

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

All income and expenditure derive from continuing activities.

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	10		359,694		369,397
Investments	11		4		4
			<u>359,698</u>		<u>369,401</u>
<b>Current assets</b>					
Debtors	12	8,394		8,408	
Cash at bank and in hand		47,485		40,297	
		<u>55,879</u>		<u>48,705</u>	
<b>Creditors: amounts falling due within one year</b>	13	(17,827)		(9,060)	
		<u></u>		<u></u>	
Net current assets			38,052		39,645
<b>Total assets less current liabilities</b>			<u>397,750</u>		<u>409,046</u>
<b>Income funds</b>					
Restricted funds	15		23,039		28,799
Unrestricted funds			374,711		380,247
			<u>397,750</u>		<u>409,046</u>

The financial statements were approved by the Trustees on 7 July 2022

B Bolton  
Trustee

F Thomas  
Trustee

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 DECEMBER 2021*

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### **1 Accounting policies**

#### **Charity information**

Mersea Island Community Association CIO is a Charitable Incorporated Organisation, registered with the Charities Commission.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the CIO's Constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The CIO is a Public Benefit Entity as defined by FRS 102.

The CIO has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The Charity was fortunate to be able to use the government furlough scheme and to benefit from government grants throughout the Covid 19 restrictions. The trustees ensured that the Centre opened gradually as restrictions lifted and that all necessary precautions were taken. It is now their expectation that the Charity will continue as a going concern as it has been able to meet outgoings whilst maintaining the savings account.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### **1.4 Income**

Income is recognised when the CIO is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the CIO has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Membership subscriptions are released to the Statement of Financial Activities over the period of the membership term.

Income from grants is included in incoming resources when these are receivable, except as follows:

- when donors specify that grants given to the charity must be used in future accounting periods;
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the preconditions have been met;
- when donors specify that grants are for restricted purposes which do not amount to preconditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

#### 1.5 Expenditure

Resources expended are recognised in the period in which they are incurred. Resources expended include VAT which cannot be recovered. Governance comprises costs for the running of the charity itself as an organisation.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	No depreciation provided
Development expenditure	No depreciation provided
Fixtures and fittings	20% Reducing Balance / 25% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/ (expenditure) for the year.

A subsidiary is an entity controlled by the CIO. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.



# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

#### 1.8 Impairment of fixed assets

At each reporting end date, the CIO reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Financial instruments

The CIO has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the CIO's balance sheet when the CIO 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 instruments are initially recognised at transaction value and subsequently measured at amortised cost.

Financial assets comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Investments, including those in subsidiary undertakings are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes, deferred income and provisions.

#### 1.10 Employee benefits

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

Termination benefits are recognised immediately as an expense when the CIO is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 2 Donations and grants

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	34,729	1,255	35,984	42,170	3,819	45,989
Coronavirus job retention scheme	26,409	-	26,409	44,140	-	44,140
	<u>61,138</u>	<u>1,255</u>	<u>62,393</u>	<u>86,310</u>	<u>3,819</u>	<u>90,129</u>
<b>Donations and gifts</b>						
Essex Community Grant	-	1,155	1,155	-	-	-
Enovert Community Trust	-	-	-	-	3,569	3,569
CO-OP	-	100	100	-	-	-
MIPS	-	-	-	-	250	250
Mersea Island Community Trading Company Limited	3,000	-	3,000	-	-	-
Other	5,585	-	5,585	3,170	-	3,170
Essex Lottery	315	-	315	-	-	-
Colchester Borough Council (COVID Business grants)	25,329	-	25,329	38,500	-	38,500
West Mersea Town Council (COVID Business grants)	-	-	-	500	-	500
Lloyds LB Foundation	500	-	500	-	-	-
	<u>34,729</u>	<u>1,255</u>	<u>35,984</u>	<u>42,170</u>	<u>3,819</u>	<u>45,989</u>

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 3 Charitable activities

	2021 £	2020 £
Subscription and affiliation fees	5,482	6,338
Activities	12,166	9,527
Shop income	41,056	33,892
Hall hire	12,075	20,091
	<u>70,779</u>	<u>69,848</u>

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	<u>189</u>	<u>103</u>

### 5 Other income

	Total	Unrestricted funds
	2021 £	2020 £
Net gain on disposal of tangible fixed assets	-	105
Other income	-	35
	<u>-</u>	<u>140</u>

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 6 Charitable activities

	2021 £	2020 £
Staff costs	73,448	82,211
Depreciation and impairment	9,704	12,177
Rates	2,597	2,160
Insurance	7,565	7,441
Light and heat	8,128	8,633
Repairs and general maintenance	13,587	7,747
Postage, printing and telephone	7,545	7,432
Equipment hire	7,656	7,656
Sporting costs	2,424	1,608
Event costs	1,703	9,229
Irrecoverable VAT	4,868	4,475
Bank charges	702	680
	<u>139,927</u>	<u>151,449</u>
Share of governance costs (see note 7)	4,730	3,750
	<u>144,657</u>	<u>155,199</u>
<b>Analysis by fund</b>		
Unrestricted funds	137,642	147,749
Restricted funds	7,015	7,450
	<u>144,657</u>	<u>155,199</u>

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 7 Support costs

	Support costs £	Governance costs £	2021 Support costs £	Governance costs £	2020 £
Audit fees	-	3,940	3,940	-	3,000
Accountancy	-	790	790	-	750
	-	4,730	4,730	-	3,750
Analysed between					
Charitable activities	-	4,730	4,730	-	3,750

Governance costs includes audit fees of £3,940 (2020: £3,000) and non-audit fees of £790 (2020: £750). Both these amounts are due to the auditor.

### 8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the CIO during the year.

### 9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	5	6
<b>Employment costs</b>	<b>2021 £</b>	<b>2020 £</b>
Wages and salaries	71,792	79,177
Social security costs	492	1,611
Other pension costs	1,164	1,423
	73,448	82,211

The number of the employees receiving remuneration and benefits of over £60,000 was nil.

There were no employees whose annual remuneration was more than £60,000.

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 10 Tangible fixed assets

	Freehold land and buildings £	Development expenditure £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 January 2021	27,630	293,815	70,858	392,303
At 31 December 2021	27,630	293,815	70,858	392,303
<b>Depreciation and impairment</b>				
At 1 January 2021	-	-	22,905	22,905
Depreciation charged in the year	-	-	9,704	9,704
At 31 December 2021	-	-	32,609	32,609
<b>Carrying amount</b>				
At 31 December 2021	27,630	293,815	38,249	359,694
At 31 December 2020	27,630	293,815	47,952	369,397

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 11 Fixed asset investments

		Other investments
<b>Cost or valuation</b>		
At 1 January 2021 & 31 December 2021		4
		<hr/>
<b>Carrying amount</b>		
At 31 December 2021		4
		<hr/>
At 31 December 2020		4
		<hr/>

		2021 £	2020 £
Other investments comprise:	<b>Notes</b>		
Investments in subsidiaries	<b>19</b>	4	4
		<hr/>	<hr/>

### 12 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Amounts owed by subsidiary undertakings	1,075	34
Other debtors	5,922	6,858
Prepayments and accrued income	1,397	1,516
	<hr/>	<hr/>
	8,394	8,408
	<hr/>	<hr/>

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

		2021 £	2020 £
Other taxation and social security		1,039	699
Deferred income	<b>14</b>	11,132	4,611
Accruals and deferred income		5,656	3,750
		<hr/>	<hr/>
		17,827	9,060
		<hr/>	<hr/>

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 14 Deferred income

	2021 £	2020 £
Arising from Membership in advance and production deposits	11,132	4,611
	<u>11,132</u>	<u>4,611</u>

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Deferred income is included within:		
Current liabilities	11,132	4,611
	<u>11,132</u>	<u>4,611</u>
Movements in the year:		
Deferred income at 1 January 2021	4,611	4,960
Released from previous periods	(4,611)	(4,960)
Resources deferred in the year	11,132	4,611
	<u>11,132</u>	<u>4,611</u>
Deferred income at 31 December 2021	11,132	4,611
	<u>11,132</u>	<u>4,611</u>

### 15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£
Centre refurbishment work and fixed assets	32,430	3,819	(7,450)	28,799	1,255	(7,015)	23,039
	<u>32,430</u>	<u>3,819</u>	<u>(7,450)</u>	<u>28,799</u>	<u>1,255</u>	<u>(7,015)</u>	<u>23,039</u>



# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Tangible assets	336,655	23,039	359,694	340,598	28,799	369,397
Investments	4	-	4	4	-	4
Current assets/ (liabilities)	38,052	-	38,052	39,645	-	39,645
	<u>374,711</u>	<u>23,039</u>	<u>397,750</u>	<u>380,247</u>	<u>28,799</u>	<u>409,046</u>

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects of the CIO.

Restricted funds are funds given by grants for specific refurbishment works or fixed assets.

### 17 Operating lease commitments

At the reporting end date the CIO had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	4,704	7,056
Between two and five years	-	4,704
	<u>4,704</u>	<u>11,760</u>

# MERSEA ISLAND COMMUNITY ASSOCIATION CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 18 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	26,306	41,136

During the period Mersea Island Community Trading Company Limited, a subsidiary of the CIO, donated £3,000 (2020: £nil) to the CIO from whose premises it runs a bar. No conditions are attached to these donations.

At the end of the period, the CIO was owed by the company £1,075 (2020: owed the company £34), this is unsecured and no conditions are attached.

#### 19 Subsidiaries

Details of the CIO's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Mersea Island Community Trading Company Limited	England and Wales	Hospitality	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Mersea Island Community Trading Company Limited	2,451	2,424

#### 20 Non-audit services provided by the auditor

In common with many charities of our size and nature we use our auditor to assist with the preparation of the financial statements.