

MERSEA ISLAND COMMUNITY ASSOCIATION CIO
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	B Bolton
	W Bolton
	F Thomas
	G Petley
	J Lee
	P Tydie
	R Jenkins
	F Rodwell
Charity number	1179484
Principal address	The Mersea Centre
	38 High Street
	West Mersea
	Colchester
	Essex
	CO5 8QA
Auditor	Streets Audit LLP
	The Old Exchange
	64 West Stockwell Street
	Colchester
	Essex
	CO1 1HE

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

CONTENTS

	Page
Trustees' report	1 - 2
Statement of Trustees' responsibilities	3
Independent auditor's report	4 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 20

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their report and financial statements for the year ended 31 December 2023.

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 and squash and badminton courts. These are augmented by a number of keep fit events for all ages which include Pilates, Yoga, Keep Fit, Karate, Diddi Dance, Walking Football, Walking Cricket, Tai Chi, Table Tennis, Carpet Bowls.

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, diabetic eye clinics, Barclays Bank hub, poll facilities, public meetings, tabletop sales and bazaars.

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. Energy prices have been a concern but the grant for the new heating system meant that once the system was operational gas consumption was reduced to about half of its previous level but costs remained high as the gas price per unit increased dramatically when a new gas contract had to be negotiated at the start of 2023 amid rapidly rising prices. The minimum time that a new contract could be for was one year and new negotiations took place at the end of the year for 2024 which has resulted in a much reduced rate.

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.

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.

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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.

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

(Resigned 7 August 2023)

F Thomas

G Petley

J Lee

P Tydie

R Jenkins

F Rodwell

A Dix

(Resigned 31 March 2024)

C McNair

(Appointed 17 April 2023 and resigned 29 January 2024)

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 2023 was the responsibility of the Manager, Mr. Tim Gannon. The manager was assisted by 2 full time, five part-time staff and a team of volunteers to ensure that the Centre has operated as fully as possible in the year.

Auditor

In accordance with the company's articles, a resolution proposing that Streets Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

B Bolton

Trustee

F Thomas

Trustee

24 April 2024

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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

Opinion

We have audited the financial statements of Mersea Island Community Association CIO (the 'CIO') for the year ended 31 December 2023 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 2023 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 the provisions available for small entities, in the circumstances set out in note 20 to the financial statements, 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

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.

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;

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MERSEA ISLAND COMMUNITY ASSOCIATION CIO

- 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 they 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.

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 be 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.

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MERSEA ISLAND COMMUNITY ASSOCIATION CIO

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.

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 auditor's 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.

Daniel Insley BA ACA (Senior Statutory Auditor)
for and on behalf of Streets Audit LLP

24 April 2024

Chartered Accountants
Statutory Auditor

The Old Exchange
64 West Stockwell Street
Colchester
Essex
CO1 1HE

Streets Audit LLP 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 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	2	33,824	44,990	78,814	28,796	-	28,796
Charitable activities	3	167,120	-	167,120	133,541	-	133,541
Investments	4	326	-	326	184	-	184
Total income		201,270	44,990	246,260	162,521	-	162,521
Charitable activities	5	203,344	48,676	252,020	165,206	4,608	169,814
Net expenditure and movement in funds		(2,074)	(3,686)	(5,760)	(2,685)	(4,608)	(7,293)
Reconciliation of funds:							
Fund balances at 1 January 2023		372,026	18,431	390,457	374,711	23,039	397,750
Fund balances at 31 December 2023		369,952	14,745	384,697	372,026	18,431	390,457

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 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	10		346,392		352,708
Investments	11		4		4
			<u>346,396</u>		<u>352,712</u>
Current assets					
Debtors	12	11,223		22,789	
Cash at bank and in hand		47,348		31,488	
		<u>58,571</u>		<u>54,277</u>	
Creditors: amounts falling due within one year	13	20,270		16,532	
		<u>20,270</u>		<u>16,532</u>	
Net current assets			38,301		37,745
Total assets less current liabilities			<u>384,697</u>		<u>390,457</u>
The funds of the CIO					
Restricted income funds	15		14,745		18,431
Unrestricted funds			369,952		372,026
			<u>384,697</u>		<u>390,457</u>

The financial statements were approved by the Trustees on 24 April 2024

B Bolton
Trustee

F Thomas
Trustee

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

1.3 Charitable funds

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 or grantors 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.

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.

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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.

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).

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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.

2 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	33,824	44,990	78,814	28,796	-	28,796

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Income from donations and legacies (Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts						
Enovert Community Trust	-	44,990	44,990	-	-	-
Mersea Island Community Trading Company Limited	31,805	-	31,805	22,606	-	22,606
Other	2,019	-	2,019	1,390	-	1,390
Colchester Borough Council (COVID Business grants)	-	-	-	4,800	-	4,800
	<u>33,824</u>	<u>44,990</u>	<u>78,814</u>	<u>28,796</u>	<u>-</u>	<u>28,796</u>

3 Charitable activities

	2023 £	2022 £
Subscription and affiliation fees	16,558	10,921
Activities	42,387	30,017
Shop income	65,617	60,551
Hall hire	42,558	32,052
	<u>167,120</u>	<u>133,541</u>

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	<u>326</u>	<u>184</u>

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

5 Charitable activities

	2023 £	2022 £
Staff costs	108,705	91,207
Depreciation and impairment	6,316	7,878
Rates	5,626	3,733
Insurance	6,001	7,570
Light and heat	22,062	10,582
Repairs and general maintenance	60,430	15,392
Postage, printing and telephone	10,728	10,566
Equipment hire	5,390	5,010
Sporting costs	4,957	3,996
Event costs	3,049	2,018
Irrecoverable VAT	12,179	5,847
Bank charges	1,822	1,260
	<u>247,265</u>	<u>165,059</u>
Share of governance costs (see note 6)	4,755	4,755
	<u>252,020</u>	<u>169,814</u>
Analysis by fund		
Unrestricted funds	203,344	165,206
Restricted funds	48,676	4,608
	<u>252,020</u>	<u>169,814</u>

6 Support costs allocated to activities

	2023 £	2022 £
Governance costs	4,755	4,755
	<u>4,755</u>	<u>4,755</u>
Analysed between:		
Charitable activities	4,755	4,755
	<u>4,755</u>	<u>4,755</u>

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Support costs allocated to activities (Continued)

	2023 £	2022 £
Governance costs comprise:		
Audit fees	3,464	3,464
Accountancy	1,291	1,291
	<u>4,755</u>	<u>4,755</u>

All governance costs were payable to the Auditor for the provision of audit services and preparation of the statutory accounts.

7 Trustees

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

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	8	7
	<u>8</u>	<u>7</u>

	2023 £	2022 £
Employment costs		
Wages and salaries	106,233	89,086
Social security costs	930	776
Other pension costs	1,542	1,345
	<u>108,705</u>	<u>91,207</u>

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

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	32,325	31,409
	<u>32,325</u>	<u>31,409</u>

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

10 Tangible fixed assets

	Freehold land and buildings £	Development expenditure £	Fixtures and fittings £	Total £
Cost				
At 1 January 2023	27,630	293,815	71,749	393,194
At 31 December 2023	27,630	293,815	71,749	393,194
Depreciation and impairment				
At 1 January 2023	-	-	40,486	40,486
Depreciation charged in the year	-	-	6,316	6,316
At 31 December 2023	-	-	46,802	46,802
Carrying amount				
At 31 December 2023	27,630	293,815	24,947	346,392
At 31 December 2022	27,630	293,815	31,263	352,708

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Fixed asset investments

		Other investments
Cost or valuation		
At 1 January 2023 & 31 December 2023		4
Carrying amount		
At 31 December 2023		4
At 31 December 2022		4

		2023 £	2022 £
Other investments comprise:	Notes		
Investments in subsidiaries	19	4	4

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	4,915	1,657
Other debtors	5,215	20,040
Prepayments and accrued income	1,093	1,092
	11,223	22,789

13 Creditors: amounts falling due within one year

		2023 £	2022 £
Other taxation and social security		-	1,294
Deferred income	14	15,147	10,115
Accruals and deferred income		5,123	5,123
		20,270	16,532

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Deferred income

	2023 £	2022 £
Arising from Membership in advance and production deposits	15,147	10,115

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	15,147	10,115
Movements in the year:		
Deferred income at 1 January 2023	10,115	11,132
Released from previous periods	(10,115)	(11,132)
Resources deferred in the year	15,147	10,115
Deferred income at 31 December 2023	15,147	10,115

15 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Movement in funds			Movement in funds			
	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 1 January 2023	Incoming resources	Resources expended	Balance at 31 December 2023
	£	£	£	£	£	£	£
Centre refurbishment work and fixed assets	23,039	-	(4,608)	18,431	-	(3,686)	14,745
Enovert Community Trust - Heating fund	-	-	-	-	44,030	(44,030)	-
	23,039	-	(4,608)	18,431	44,030	(47,716)	14,745

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
General funds	372,026	201,270	(203,344)	369,952
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
General funds	374,711	162,521	(165,206)	372,026
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

17 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 December 2023 are represented by:			
Tangible assets	331,647	14,745	346,392
Investments	4	-	4
Current assets/(liabilities)	38,301	-	38,301
	<u> </u>	<u> </u>	<u> </u>
	369,952	14,745	384,697
	<u> </u>	<u> </u>	<u> </u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2022 are represented by:			
Tangible assets	334,277	18,431	352,708
Investments	4	-	4
Current assets/(liabilities)	37,745	-	37,745
	<u> </u>	<u> </u>	<u> </u>
	372,026	18,431	390,457
	<u> </u>	<u> </u>	<u> </u>

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

MERSEA ISLAND COMMUNITY ASSOCIATION CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

17 Analysis of net assets between funds (Continued)

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

18 Related party transactions

During the period Mersea Island Community Trading Company Limited, a subsidiary of the CIO, donated £31,805 (2022: £22,606) 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 £4,915 (2022: £1,657), this is unsecured and no conditions are attached.

19 Subsidiaries

Details of the CIO's subsidiaries at 31 December 2023 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	

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	31,599	2,596

20 Non-audit services provided by auditor

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