

CRANHAM COMMUNITY ASSOCIATION
FINANCIAL STATEMENTS
31 DECEMBER 2023

BROWN & CO LLP

Accountants
2 Lords Court
Cricketers Way
Basildon
Essex
SS13 1SS

CRANHAM COMMUNITY ASSOCIATION
THE REPORT OF THE MANAGEMENT COMMITTEE
YEAR ENDED 31 DECEMBER 2023

The Management Committee has pleasure in presenting its report and the unaudited financial statements of the club for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES AND OPERATIONAL REVIEW

The principal activity of the charity is the provision of a variety of educational and recreational activities to the inhabitants of Cranham Ward and its neighbourhood.

Income increased significantly once again following the "Covid years" and for 2023 total income increased by 20% to £127,257 from £105,987 for 2022.

Of the income generated in the year, Room Hire continued to be the largest income source accounting for £88,097 (69%) of the self generated income compared to £76,413 (72%) last year.

General overheads increased this year by £28,787 (31%) with the most significant increase being in light & heat costs which increased 175% to £19,086 from £6,917 due to the exceptional economic circumstances of the year. It is anticipated that these will fall for the year to December 2024. The other significant increase was in Repairs & Maintenance where costs increased by 81% to £15,620 from £8,624.

Overall, despite the cost increases detailed above, there was a surplus for the year of £5,895 compared to £13,412 for 2022. The cash and bank reserves remained healthy and at the year end and stood at £8,456 compared to £14,795 for 2022.

Registered office:
Marlborough Gardens
Cranham
Upminster
Essex
RM14 1SR

Signed on behalf of the trustees

E Beasley
Chairperson

Approved by the Management Committee on 10 May 2024

CRANHAM COMMUNITY ASSOCIATION
ACCOUNTANTS' REPORT TO THE MANAGEMENT COMMITTEE OF
CRANHAM COMMUNITY ASSOCIATION
YEAR ENDED 31 DECEMBER 2023

As described on the balance sheet, you are responsible for the preparation of the financial statements for the year ended 31 December 2023.

You consider that the club is exempt from an audit under the Co-operative and Community Benefit Societies Act 2014.

In accordance with your instructions we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

BROWN & CO LLP
Accountants

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These financial statements were approved by the Management Committee and authorised for issue on the 10 May 2024 and are signed on their behalf by:

E Beasley
Chairperson

CRANHAM COMMUNITY ASSOCIATION

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
REVENUE		127,257	105,987
Administrative expenses		121,362	92,575
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		5,895	13,412
PROFIT FOR THE FINANCIAL YEAR		5,895	13,412
Balance brought forward		18,367	4,955
Balance carried forward		24,262	18,367

CRANHAM COMMUNITY ASSOCIATION

BALANCE SHEET

31 DECEMBER 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	3	14,346	6,322
CURRENT ASSETS			
Stocks		150	70
Debtors	4	4,250	—
Cash at bank and in hand		8,456	14,795
		12,856	14,865
CREDITORS: Amounts falling due within one year	5	2,940	2,820
NET CURRENT ASSETS		9,916	12,045
TOTAL ASSETS LESS CURRENT LIABILITIES		24,262	18,367
CAPITAL AND RESERVES			
Share capital	7	—	—
Profit and loss account		24,262	18,367
MEMBERS' FUNDS		24,262	18,367

The trustees of the Management Committee acknowledge their responsibilities for:

- (i) ensuring that the club keeps proper accounting records which comply with sections 75 and 76 of the Co-operative and Community Benefit Societies Act 2014 (the Act),
- (ii) establishing and maintaining a satisfactory system of its books of accounts, its cash holdings and all its receipts and remittances in order to comply with sections 75 and 76 of the Act, and
- (iii) preparing financial statements which give a true and fair view of the state of affairs of the club as at the end of the financial year and of its profit for the financial year in accordance with the requirements of section 80, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the club.

These accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These financial statements were approved by the Management Committee and authorised for issue on the 10 May 2024 and are signed on their behalf by:

E Beasley
Chairperson

Club Registration Number: 271139

CRANHAM COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Cash flow statement

The Management Committee has taken advantage of the exemption in Financial Reporting Standard for Smaller Entities (effective April 2008) from including a Cash flow statement in the financial statements on the grounds that the club is small.

Turnover

Turnover represents monies received from various sources and activities generated by the association.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Property Improvements	25% Net Book Value
Centre Equipment	25% Net Book Value
Fixtures & Fittings	25% Net Book Value
Office Equipment	25% Net Book Value

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

CRANHAM COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the Balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the Profit and Loss Account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2023 £	2022 £
Depreciation of owned fixed assets	<u>4,783</u>	<u>2,106</u>

CRANHAM COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

3. TANGIBLE ASSETS

	Leasehold Property £	Centre Equipment £	Fixtures & Fittings £	Office Equipment £	Total £
COST					
At 1 January 2023	8,026	3,231	27,688	1,953	40,898
Additions	—	9,307	3,500	—	12,807
At 31 December 2023	8,026	12,538	31,188	1,953	53,705
DEPRECIATION					
At 1 January 2023	7,835	2,780	22,028	1,933	34,576
Charge for the year	48	2,440	2,290	5	4,783
At 31 December 2023	7,883	5,220	24,318	1,938	39,359
NET BOOK VALUE					
At 31 December 2023	143	7,318	6,870	15	14,346
At 31 December 2022	191	451	5,660	20	6,322

4. DEBTORS

	2023 £	2022 £
Prepaid Expenses	4,250	—

5. CREDITORS: Amounts falling due within one year

	2023 £	2022 £
Accrued Expenses	2,940	2,820

CRANHAM COMMUNITY ASSOCIATION

MANAGEMENT INFORMATION

YEAR ENDED 31 DECEMBER 2023

**The following pages do not form part of the statutory financial statements
which are the subject of the accountants' report on page 2.**

CRANHAM COMMUNITY ASSOCIATION

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
REVENUE			
Membership subscriptions		1,780	3,260
Scrabble, darts, keep fit, karate & games etc		5,029	2,362
Dances		7,931	4,700
Bowls subscriptions		5,006	3,265
Coffee bar		3,533	2,095
Room hire		88,097	76,413
Donations & gifts		15,202	13,870
Photocopier & telephone		47	22
Pop up		632	—
		<u>127,257</u>	<u>105,987</u>
OVERHEADS			
Wages and salaries		42,887	41,907
Rent		17,000	17,000
Rates and water		1,874	378
Light and heat		19,086	6,917
Insurance		782	739
Repairs and maintenance		15,620	8,624
Laundry & cleaning		10,780	8,650
Telephone		1,330	1,185
Printing, stationery and postage		1,473	1,264
Tutoring		1,160	—
Sundry expenses		1,647	985
Accountancy fees		2,940	2,820
Depreciation		4,783	2,106
		<u>121,362</u>	<u>92,575</u>
PROFIT ON ORDINARY ACTIVITIES		<u><u>5,895</u></u>	<u><u>13,412</u></u>