



Charity registration number 279955

HAROLD WOOD NEIGHBOURHOOD CENTRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

HAROLD WOOD NEIGHBOURHOOD CENTRE

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HAROLD WOOD NEIGHBOURHOOD CENTRE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 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 charity'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

Achievements and performance

Development, Activities and Achievements

To promote the benefit of the inhabitants of the Harold Wood Neighbourhood Centre and the Neighbourhood without distinction of set or of political, religious or other opinions by associating the local authorities, voluntary organisations and inhabitants in a common effort to advance education and so provide facilities in the interest of social welfare for recreational and leisure time occupations with the object of improving the conditions of life for the said inhabitants.

Financial review

The centre's income from all sources has decreased to £126,303 from £137,361 and there has been excess expenditure for the year of £36,145. However the trustees are still satisfied that the centre's financial position remains sound.

Once again the upcoming financial year will be challenging for us. We will need to keep a strict control of our expenditure and ensure best price policies are maintained for any works to be carried out.

We had disappointing news towards the end of 2022, from our landlord, that they had not notified us of historic rent rises, and an amount of £7,174.80, needed to be paid to clear the outstanding rent. We have also had to budget for a major drain repair, this is in the region of £10k.

All hirers remain confident that they will be able to continue.

Structure, governance and management

Governing Instrument

The Charity was established by Trust Deed dated 31 March 1981 and is governed by rules and regulations last approved by the Trustees/Management Committee on 17th March 2009.

The Centre was formed to benefit the local residents by the provision of facilities for social, recreational and leisure activities, without discrimination on the basis of sex or political, religious or other beliefs.

There is an Executive Committee elected by the Management Committee that meets 6 times a year. The management committee meets 6 times a year.

Management Committee

| | |
|------------------------------------|--------------|
| Chairman and Membership Secretary: | *R. Lockhart |
| Vice Chairperson: | *J. Guvenc |
| Hon. Treasurer: | *E. Tayler |
| Hon. Secretary and Lettings: | *B. Fleet |
| Officer Without Portfolio | *L. Payne |

Members:

| | | |
|------------------------------|---------------------------------|---------------------------|
| B. Fleet (School of Dance) | K. Godfrey (Alma Boxing) | J. Guvenc (Play School) |
| L. Maskell (Stralight Dance) | D. Keeble (Lodge of Friendship) | L. Payne (Over 60 Club) |
| L. Axon (Bar Club) | R. Gould (Hope & Unity Lodge) | R. Lockhart (Bridge Club) |

* Executive Committee Members

HAROLD WOOD NEIGHBOURHOOD CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Reference and Administrative details

Registered Charity number

279955

Principal address

The Old School
Gubbins Lane
Harold Wood
Romford
Essex
RM3 0RA

Trustees

R Lockhart
J Guvenc
B Fleet
L Payne
J Fair

Independent Examiner

Adam Hubbard
Azets Audit Services
Chartered Accountants
1 - 5 Nelson Street
Southend on Sea
Essex
SS1 1EG

Bankers

HSBC Plc
9 Market Place
Romford
Essex
RM1 3AF

The Trustees report was approved by the Board of Trustees.



Mr R Lockhart

Trustee

Dated: 10/10/2023

HAROLD WOOD NEIGHBOURHOOD CENTRE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HAROLD WOOD NEIGHBOURHOOD CENTRE

I report to the trustees on my examination of the financial statements of Harold Wood Neighbourhood Centre (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 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 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 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.

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.



Adam Hubbard
ICAEW
Azets Audit Services
1 Nelson Street
Southend-On-Sea
Essex
SS1 1EG
United Kingdom

Dated: 10/10/2023

HAROLD WOOD NEIGHBOURHOOD CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

| | | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|---|-------|---------------------------------|---------------------------------|
| | Notes | | |
| Income from: | | | |
| Memberships and donations | 3 | 126,238 | 137,359 |
| Investments | 4 | 65 | 2 |
| Total income | | <u>126,303</u> | <u>137,361</u> |
| Expenditure on: | | | |
| Provision of centre | | <u>162,448</u> | <u>97,069</u> |
| Net (expenditure)/income for the year/ Net movement in funds | | (36,145) | 40,292 |
| Fund balances at 1 April 2022 | | <u>113,746</u> | <u>73,454</u> |
| Fund balances at 31 March 2023 | | <u><u>77,601</u></u> | <u><u>113,746</u></u> |

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

All income and expenditure derive from continuing activities.

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HAROLD WOOD NEIGHBOURHOOD CENTRE

BALANCE SHEET

AS AT 31 MARCH 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|---|-------|-----------|--------|-----------|---------|
| Fixed assets | | | | | |
| Tangible assets | 8 | | 9,648 | | 13,777 |
| Current assets | | | | | |
| Debtors | 9 | 27,542 | | 27,220 | |
| Cash at bank and in hand | | 52,913 | | 83,447 | |
| | | 80,455 | | 110,667 | |
| Creditors: amounts falling due within one year | 10 | (12,502) | | (10,698) | |
| Net current assets | | | 67,953 | | 99,969 |
| Total assets less current liabilities | | | 77,601 | | 113,746 |
| Income funds | | | | | |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | | 70,500 | | 61,000 | |
| General unrestricted funds | | 7,101 | | 52,746 | |
| | | | 77,601 | | 113,746 |
| | | | 77,601 | | 113,746 |

The financial statements were approved by the Board of Trustees on 10/10/2023



Mr R Lockhart
Trustee

HAROLD WOOD NEIGHBOURHOOD CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting by charities.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity 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 can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes with the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements,

1.4 Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably,

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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 provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-------------------------|----------------------------------|
| Fixtures and fittings | 25% on reducing balance |
| Improvement to property | Written off in the year incurred |

HAROLD WOOD NEIGHBOURHOOD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.7 Taxation

The charity is exempt from tax on its charitable activities.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Memberships and donations

| | Unrestricted funds | Unrestricted funds |
|-----------------------------------|-----------------------|-----------------------|
| | 2023 £ | 2022 £ |
| Government/other grants | 20,000 | 38,000 |
| Membership fees | 4,117 | 4,286 |
| Rent & Deed of Covenant donations | 33,600 | 28,000 |
| Hire charges- Centre and car park | 68,521 | 67,073 |

4 Investments

| | Unrestricted funds | Unrestricted funds |
|------------------|-----------------------|-----------------------|
| | 2023 £ | 2022 £ |
| Deposit interest | 65 | 2 |

HAROLD WOOD NEIGHBOURHOOD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Support costs

| | Support costs £ | Governance costs £ | 2023 Support costs £ | Governance costs £ | 2022 £ |
|--|--------------------|-----------------------|-------------------------|-----------------------|-----------|
| Independent examination/Audit fees | - | 2,280 | 2,280 | - | 4,170 |
| | - | 2,280 | 2,280 | - | 4,170 |
| Analysed between Charitable activities | - | 2,280 | 2,280 | - | 4,170 |

Governance costs includes payments to the auditors of £nil (2022- £4,170) for audit fees.

6 Trustees

The were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Management Committees' expenses

A total of £2,740 (2022 - £2,367) was reimbursed to members of the management committee during the year.

7 Employees

The average monthly number of employees during the year was:

| | 2023 Number | 2022 Number |
|-------|----------------|----------------|
| Total | - | - |

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

HAROLD WOOD NEIGHBOURHOOD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Tangible fixed assets

| | Fixtures and fittings £ | Improvement to property £ | Total £ |
|------------------------------------|----------------------------|------------------------------|------------|
| Cost | | | |
| At 1 April 2022 | 70,576 | 583,094 | 653,670 |
| Additions | 480 | 63,350 | 63,830 |
| Disposals | (33,250) | - | (33,250) |
| At 31 March 2023 | 37,806 | 646,444 | 684,250 |
| Depreciation and impairment | | | |
| At 1 April 2022 | 56,799 | 583,094 | 639,893 |
| Depreciation charged in the year | 3,216 | 63,350 | 66,566 |
| Eliminated in respect of disposals | (31,857) | - | (31,857) |
| At 31 March 2023 | 28,158 | 646,444 | 674,602 |
| Carrying amount | | | |
| At 31 March 2023 | 9,648 | - | 9,648 |
| At 31 March 2022 | 13,777 | - | 13,777 |

9 Debtors

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Other debtors | 27,542 | 27,220 |

10 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------|-----------|-----------|
| Accruals and deferred income | 12,502 | 10,698 |

HAROLD WOOD NEIGHBOURHOOD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

| 11 Movement in funds | Balance at 1 April 2021 £ | Movement in funds | | | Transfers £ | Balance at 1 April 2022 £ | Movement in funds | | | Transfers £ | Balance at 31 March 2023 £ |
|---|---------------------------------|----------------------------|----------------------------|--|----------------|---------------------------------|----------------------------|----------------------------|--|----------------|----------------------------------|
| | | Incoming resources £ | Resources expended £ | | | | Incoming resources £ | Resources expended £ | | | |
| General fund | 31,454 | 137,361 | (79,551) | | (36,518) | 52,746 | 126,478 | (99,073) | | (73,050) | 7,101 |
| Designated fund for electrical work and emergency repairs | 42,000 | - | (17,518) | | (24,482) | - | - | - | | - | - |
| Designated fund- Upgrade to main hall and toilets | - | - | - | | 50,000 | 50,000 | - | (59,100) | | 29,600 | 20,500 |
| Designated fund- Internal work including air conditioning | - | - | - | | 11,000 | 11,000 | - | (4,450) | | 18,450 | 25,000 |
| Designated fund - External work including playground fencing | - | - | - | | - | - | - | - | | 25,000 | 25,000 |
| | 73,454 | 137,361 | (97,069) | | - | 113,746 | 126,478 | (162,623) | | - | 77,601 |

HAROLD WOOD NEIGHBOURHOOD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 MARCH 2023***

12 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).