

Charity registration number: 301794

The Crofton Community Association

Annual Report and Financial Statements

for the Year Ended 28 February 2022

The Crofton Community Association

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The Crofton Community Association

Reference and Administrative Details

Trustees

Mrs M Lawton, Honorary President

Mr M Lewis, Chairman

Mrs J Holden, Hon Secretary

Ms A Hayes

Mr A Lewis

Cllr S Dugan, FBC Representative

The Crofton Community Association

Reference and Administrative Details

Full Council

Mrs S Coleman

Mr M Harrison

Ms A Hayes

Mrs J Holden, Honorary Secretary

Mrs M Lawton, Honorary President

Mr A Lewis

Mr M Lewis, Chairman

Mrs V Melville

Mrs V Pugh

Mr M Williams

Mrs J Wingate

Cllr S Dugan, FBC Representative (re-appointed May 2020)

Mr A Hathaway

Cllr P Hayre

Principal Office

Crofton Community Centre
Stubbington Lane
Stubbington
Fareham
PO14 2PP

Charity Registration Number

301794

The Crofton Community Association

Reference and Administrative Details

Bankers

United Trust Bank
1 Ropemaker Street
London
EC2Y 9AW

Hampshire Trust Bank
131 Finsbury Pavement
London
EC2A 1NT

Barclays Bank Plc
Fareham
67-69 West Street
Fareham
Hampshire
PO16 0AW

Unity Trust Bank Plc
9 Brindley Place
Birmingham
B1 2HB

Cambridge & Counties Bank Limited
Charnwood Court
New Walk
Leicester
LE1 6TE

Accountant/Bookkeeper

J Humphry Associates Limited
11a Stubbington Green
Fareham
Hampshire
PO14 2JG

Auditor

MMO Limited
Chartered Accountants and Statutory Auditors
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

Solicitors

Churchers
12 High Street
Fareham
PO16 7BL

The Crofton Community Association

Trustees' Report

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The Full council present their report and accounts for the year ended 28 February 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document and applicable law and the requirements of the Statements of Recommended Practice, "Accounting and Reporting by Charities" 2015 and has had due regard to guidance published by the Charity Commission on public benefit.

Constitution

Crofton Community Association (CCA) is constituted under the terms of its governing document adopted on 22 January 1964 as amended 23 May 2001 and 14 May 2007 and 17 May 2010.

Objectives of the charity

The charity's objectives are to promote for the benefit of the inhabitants of Stubbington and Hill Head Wards of the Fareham Borough Council (FBC), in association with the local authorities and other organisations, in a common effort to advance education and to provide recreation and leisure facilities within a community centre. There have been no changes in these objectives during the year.

The charity is administered by its Full Council and Management Committee who meet on a regular basis and no less than 4 times a year. A Centre Manager is appointed by the Management Committee to manage the day-to-day operations of the charity.

Trustees

On enquiry, potential new trustees are given a welcome pack containing information about the organisation and being a trustee. Trustees are appointed annually, Local Authority Trustees at the FBC Annual General Meeting and all others at the Association's Annual General Meeting unless co-opted during the year.

Public benefit

The Full Council consider that the objectives of the charity have been fulfilled and everything done has been for the benefit of the inhabitants of Stubbington and Hill Head Wards of the Borough of Fareham.

Review of activities

The challenges continued throughout this past year as we grappled to keep on top of ever changing Covid related Government guidance and rules, whilst making every effort to open the Centre back to operational normality. The staff have shown extraordinary flexibility in accommodating these changes and for providing support to various groups as they re-established their drumbeat of activities. The Trustees are very grateful for their commitment and hard work in achieving this. It is pleasing to see so many members and groups back using the facilities and whilst some groups did not return after the lockdown, new groups and users have started up in their place. We estimate we are currently about 10% down on our hiring level compared to pre pandemic levels, but this continues to improve.

The Crofton Community Association

Trustees' Report

At the end of January 2022 Nicky Rayner, our Centre Manager for the past 20 years retired and her successor, Nicholas Scott, was appointed into the role. We are indebted to Nicky for her dedication in serving the community over these many years and for a job well done. We wish her the very best in her well-deserved retirement. Two months into the job Nick is settling in well and has some exciting ideas for the future. We look forward to working with Nick to support and encourage improvements for the centre which will benefit our members and users.

The Management Committee and Full Council extend their grateful thanks to the Centre Managers (past and present) and all the staff for their exceptional efforts this year in what has once again been a very disruptive and challenging period for the Association.

Future Developments

The priorities for the next 12 months will be to continue to get the Centre back to full operation, grow the membership and to modernise and improve the facilities. Incorporated in that will be a project to upgrade our website and booking system.

The association continues to have an ambition to acquire an additional ground floor room to meet the demand for such hiring. We have set up a joint working group with Fareham Borough Council representatives to develop a project proposal for improving the sports changing facilities, toilet, and shower areas and to provide a garden room with kitchen space for CCA use. The project is in its early scoping phase and more details will be provided once we have made further progress. This is an exciting joint project which has the potential to replace and improve some tired facilities for the use of the local community.

Full Council

The Full Council is elected annually and the last election was on 26 April 2021. In accordance with the Association's constitution, all the above (excluding the FBC Representative), will retire at the next Annual General Meeting on 16 May 2022.

The Association's leases are held in the names of the Holding Trustees: Mr A Burton and Mr P EJ Barber.

Review of Financial Position

The impact of the pandemic lockdown and related Centre closure has continued to be reflected in our financial revenues throughout the year. As previously reported, many of the running costs and overheads have been mitigated through maximising the use of the Government's furlough scheme and claiming leisure grants from Central Government via FBC. These grants and revenues have been hugely important in keeping our finances in a healthy state and for that we are grateful. Given the financial instability we have experienced in the last two years and the fact that we have a newly appointed Centre Manager, the Trustees felt it was appropriate to have a full independent audit of our finances conducted by our designated accountants. We are confident that this will show that we are in a strong financial position and in good governance order as we enter this new financial year. This will allow us to meet some significant increases in our overheads (gas and electricity charges in particular) and hopefully implement some much-needed modernisation and improvements.

The Financial Statements show a surplus of income over expenditure of £35,098. Expenses in relation to the sports hall are recharged to FBC which amount to £6,569 (2021: £6,349).

The Committee has reviewed the requirements over the next twelve months and are satisfied that there are sufficient resources bearing in mind future income and expenditure.

The Crofton Community Association

Trustees' Report

Reserve Policy

As agreed by the Management Committee on 22 November 2021, £104,000 is set aside in general funds that will cover:

- Staff contractual obligations (to include redundancy and pension)
- Fluctuations of income and expenditure
- Fulfil any contractual obligations, such as creditors
- Unforeseen building works required due to damage

The Crofton Community Association (CCA) also has designated funds for specific purposes.

The values of General and Designated funds are reviewed at least once a year but should never be less than three months expenditure in total.

Risk factors

The Management Committee reviews on a regular basis the major risks to which the charity is exposed to ensure that systems are in place to mitigate these risks.

Asset Cover for Funds

Note 19 sets out an analysis of the assets attributable to the various funds and the description of them. These assets are sufficient to meet the charity's obligations on a fund-by-fund basis.

The annual report was approved by the trustees of the charity on and signed on its behalf by:

.....
Mr M Lewis
Trustee

The Crofton Community Association

Statement of Responsibilities

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

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity for that period. 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 business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on and signed on its behalf by:

.....
Mr M Lewis
Trustee

The Crofton Community Association

Independent Auditor's Report to the Members of The Crofton Community Association

Opinion

We have audited the financial statements of The Crofton Community Association (the 'charity') for the year ended 28 February 2022, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 28 February 2022 and of its incoming resources and application of resources, including its income and expenditure, 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

The Crofton Community Association

Independent Auditor's Report to the Members of The Crofton Community Association

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the (set out on page), 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 charity'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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Crofton Community Association

Independent Auditor's Report to the Members of The Crofton Community Association

Auditor Responsibilities for the audit of the financial statements

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:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

The Crofton Community Association

Independent Auditor's Report to the Members of The Crofton Community Association

Use of our report

This report is made solely to the charity trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
MMO Limited, Statutory Auditor

Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

Date:.....

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

The Crofton Community Association

Statement of Financial Activities for the Year Ended 28 February 2022

	Note	Unrestricted £	Total 2022 £
Income and Endowments from:			
Charitable activities	2	158,309	158,309
Investment income	3	2,228	2,228
Other income	4	63,605	63,605
Total Income		<u>224,142</u>	<u>224,142</u>
Expenditure on:			
Charitable activities	5	(189,044)	(189,044)
Total Expenditure		<u>(189,044)</u>	<u>(189,044)</u>
Net movement in funds		35,098	35,098
Reconciliation of funds			
Total funds brought forward		461,275	461,275
Total funds carried forward	18	<u>496,373</u>	<u>496,373</u>
		Unrestricted £	Total 2021 £
Income and Endowments from:			
Charitable activities	2	60,176	60,176
Investment income	3	3,565	3,565
Other income	4	158,868	158,868
Total Income		<u>222,609</u>	<u>222,609</u>
Expenditure on:			
Charitable activities	5	(208,282)	(208,282)
Total Expenditure		<u>(208,282)</u>	<u>(208,282)</u>
Net movement in funds		14,327	14,327
Reconciliation of funds			
Total funds brought forward		446,948	446,948
Total funds carried forward	18	<u>461,275</u>	<u>461,275</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 18.

The notes on pages 14 to 23 form an integral part of these financial statements.

The Crofton Community Association

(Registration number: 301794) Balance Sheet as at 28 February 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	61,429	64,480
Current assets			
Stocks	14	-	25
Debtors	15	6,770	2,125
Cash at bank and in hand	16	436,029	404,245
		442,799	406,395
Creditors: Amounts falling due within one year	17	(7,855)	(9,600)
Net current assets		434,944	396,795
Net assets		496,373	461,275
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		496,373	461,275
Total funds	18	496,373	461,275

The financial statements on pages 12 to 23 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....

Mr M Lewis
Trustee

The Crofton Community Association

Notes to the Financial Statements for the Year Ended 28 February 2022

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Crofton Community Association meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Investment income

Investment income is recognised on a receivable basis.

Charitable activities

Income from charitable activities includes income recognised as earned (as the related goods or services) under contract.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including preparation and examination of the accounts, bank charges and the cost of any legal advice to trustees' on governance or constitutional matters.

The Crofton Community Association

Notes to the Financial Statements for the Year Ended 28 February 2022

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £45.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computer equipment	33% straight line
Fixtures and fittings	25% straight line
Equipment	20% straight line
Leasehold improvements	5% straight line
Property works	10% straight line

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business and are measured at cost, reviewed annually for impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade and other creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities unless there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

They are recognised initially at the transaction price.

The Crofton Community Association

Notes to the Financial Statements for the Year Ended 28 February 2022

Fund structure

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

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Pensions and other post retirement obligations

The costs arising on the charity's defined contribution schemes are recognised in the SOFA in the period in which the related service is provided.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

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 charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

The Crofton Community Association

Notes to the Financial Statements for the Year Ended 28 February 2022

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

The Crofton Community Association

Notes to the Financial Statements for the Year Ended 28 February 2022

2 Income from charitable activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Hammond Wing	65,879	65,879	36,171
Sports Hall Wing	39,043	39,043	10,538
Crofton Hall Link Wing	35,210	35,210	12,497
Subscriptions	18,177	18,177	970
	<u>158,309</u>	<u>158,309</u>	<u>60,176</u>
			Total 2022 £

3 Investment income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Interest receivable and similar income; Interest receivable on bank deposits	<u>2,228</u>	<u>2,228</u>	<u>3,565</u>

4 Other income

	Unrestricted General £	Total 2022 £	Total 2021 £
Other income	105	105	21,519
Government Grant	56,931	56,931	131,000
Fareham Borough Council recharges	<u>6,569</u>	<u>6,569</u>	<u>6,349</u>
	<u>63,605</u>	<u>63,605</u>	<u>158,868</u>

The Crofton Community Association

Notes to the Financial Statements for the Year Ended 28 February 2022

5 Expenditure on charitable activities

		Unrestricted	Total	Total
	Note	General	2022	2021
		£	£	£
Direct costs of charitable activities		39,196	39,196	40,744
Depreciation, amortisation and other similar costs		4,468	4,468	13,266
Staff costs		142,978	142,978	151,822
Governance costs including examiners fees		2,402	2,402	2,450
		<u>189,044</u>	<u>189,044</u>	<u>208,282</u>

The Crofton Community Association

Notes to the Financial Statements for the Year Ended 28 February 2022

6 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Audit fees			
Audit of the financial statements	1,174	1,174	1,910
Legal fees	50	50	-
Other governance costs	1,178	1,178	540
	<u>2,402</u>	<u>2,402</u>	<u>2,450</u>

7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Audit fees	1,174	1,910
Depreciation of fixed assets	<u>4,468</u>	<u>13,266</u>

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

The Crofton Community Association

Notes to the Financial Statements for the Year Ended 28 February 2022

9 Staff costs

The aggregate payroll costs were as follows:

	2022	2021
	£	£
Staff costs during the year were:		
Wages and salaries	134,562	139,889
Social security costs	6,004	9,561
Pension costs	2,412	2,372
	<u>142,978</u>	<u>151,822</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022	2021
	No	No
Charitable activities - Full time staff	4	4
Charitable activities - Part time staff	4	5
	<u>8</u>	<u>9</u>

No employee received emoluments of more than £60,000 during the year

10 Independent examiner's remuneration

11 Auditors' remuneration

	2022	2021
	£	£
Audit of the financial statements	<u>1,174</u>	<u>1,910</u>

The Crofton Community Association

Notes to the Financial Statements for the Year Ended 28 February 2022

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 March 2021	72,331	128,814	201,145
Additions	<u>1,417</u>	<u>-</u>	<u>1,417</u>
At 28 February 2022	<u>73,748</u>	<u>128,814</u>	<u>202,562</u>
Depreciation			
At 1 March 2021	40,188	96,477	136,665
Charge for the year	<u>3,335</u>	<u>1,133</u>	<u>4,468</u>
At 28 February 2022	<u>43,523</u>	<u>97,610</u>	<u>141,133</u>
Net book value			
At 28 February 2022	<u>30,225</u>	<u>31,204</u>	<u>61,429</u>
At 28 February 2021	<u>32,143</u>	<u>32,337</u>	<u>64,480</u>

14 Stock

	2022 £	2021 £
Stocks	<u>-</u>	<u>25</u>

15 Debtors

	2022 £	2021 £
Trade debtors	4,184	(319)
Prepayments	<u>2,586</u>	<u>2,444</u>
	<u>6,770</u>	<u>2,125</u>

16 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	<u>436,029</u>	<u>404,245</u>

The Crofton Community Association

Notes to the Financial Statements for the Year Ended 28 February 2022

17 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,103	2,760
Accruals	6,752	6,840
	<u>7,855</u>	<u>9,600</u>

18 Funds

	Balance at 1 March 2021 £	Incoming resources £	Resources expended £	Balance at 28 February 2022 £
Unrestricted funds				
<i>General</i>				
General Funds	182,075	224,142	(189,044)	217,173
<i>Designated</i>				
Designated Funds	165,500	-	-	165,500
Reserved Funds	<u>113,700</u>	<u>-</u>	<u>-</u>	<u>113,700</u>
	<u>279,200</u>	<u>-</u>	<u>-</u>	<u>279,200</u>
Total funds	<u>461,275</u>	<u>224,142</u>	<u>(189,044)</u>	<u>496,373</u>

	Balance at 1 March 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 28 February 2021 £
Unrestricted funds					
<i>General</i>					
General Funds	120,748	222,609	(208,282)	47,000	182,075
<i>Designated</i>					
Designated Funds	215,500	-	-	(50,000)	165,500
Reserved Funds	<u>110,700</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>113,700</u>
	<u>326,200</u>	<u>-</u>	<u>-</u>	<u>(47,000)</u>	<u>279,200</u>
Total funds	<u>446,948</u>	<u>222,609</u>	<u>(208,282)</u>	<u>-</u>	<u>461,275</u>