

# **SOUTHWICK COMMUNITY ASSOCIATION**



## **REPORT OF THE TRUSTEES**

AND

## **FINANCIAL STATEMENTS**

FOR THE

**YEAR ENDED 31 MARCH 2023**

# **SOUTHWICK COMMUNITY ASSOCIATION**

## **REPORT AND STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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# SOUTHWICK COMMUNITY ASSOCIATION

## REPORT & ACCOUNTS for the year ended 31 March 2023

### General Information

*(current at date of this report)*

#### Trustees

Malcolm Gough	<i>(Chairman)</i>
David Comber	<i>(Vice-Chairman) *</i>
Tony Brownings	<i>(Hon Secretary)</i>
Bob Ryder	<i>(Hon Treasurer) **</i>
Simon Armes	
Maureen Cripps	
Angus Dunn	
Yvonne Fair	
John Garland	
Martin Oakley	
Raymond Richards	
Philip Simons	
Richard Woolgar	

*\*\* and acting President*

*\* and acting Vice-President*

**Registered Charity No.** 305370

**Address** Southwick Community Centre  
24 Southwick Street  
Southwick  
West Sussex BN42 4TE

**Independent Examiner** Malcolm Wood FCA

**Bankers** Barclays Bank plc, Leicester LE87 2BB

## SOUTHWICK COMMUNITY ASSOCIATION

*The Association is an unincorporated association, founded under a constitution originally adopted in January 1945 (and most recently amended in June 2012).  
We are a registered charity (registration number 305370).*

The Association's constitution reflects the requirements of modern charity legislation and recommended good practice for community associations.

### REPORT OF THE TRUSTEES for the year ended 31 March 2023

*Responsibility for the overall control of the Association's affairs rests in the board of managing trustees, elected each year by the membership at the AGM.*

#### **The Board of Trustees serving in 2022-23**

Malcolm Gough	(Chairman)
Tony Brownings	(Hon Secretary)
Bob Ryder	(Hon Treasurer)
David Comber	(Vice-Chairman)
Maxine Coomber	(President)
Michael Coomber	(Vice-President)
Simon Armes	
Maureen Cripps	
Angus Dunn	
Yvonne Fair	
John Garland	
Roger Needham	
Martin Oakley	
Raymond Richards	
Philip Simons	

The Trustees herewith present their report, together with the financial statements of the Association, for the financial year beginning on 1 April 2022 and ending on 31 March 2023.

## Charitable purposes & public benefit

*The Association works with public authorities, and with charities and other organisations, and with individual volunteers, to advance education and to provide facilities for social welfare, recreation and leisure-time occupation, for the benefit of the people of Southwick and the neighbouring communities.*

In fulfilment of its charitable objectives, the Association runs a large community centre in Southwick, West Sussex. The Centre and its facilities are an important focus for the local community, with a wide range of events, activities and participating organisations.

The Association seeks to maintain a continuous programme of renewing, developing and improving the Centre's facilities and services, for the benefit of local people.

The Trustees pay careful regard to the Charity Commission's guidance on public benefit. We apply it in our general overview of the Association's affairs and have continued to do so in our decision making during the year.

## A brief summary of the year

The two *preceding* years were a hard struggle, in the long shadow of the Covid pandemic. The recovery was difficult and uncertain, with serious doubts about being able to build back up to the levels of activity we had back at the beginning of 2020. In contrast, the progress made during *this* year actually exceeded the hopes and expectations we held at its beginning.

Our general rooms and facilities were in growing demand during the year. Although overall levels of use were not fully back to those of 2019-20 (the last 'normal' year before the pandemic) the rising trend was clear as the year progressed. Our largest facility, the Barn Hall, continued a strong recovery ever since its re-opening in autumn 2021, with usage this year at about 30% above the 2019-20 level. As well as the return of social events and functions to the Barn, the demand for theatre and music events has been high.

Unfortunately there was a further drop in the number of groups formally affiliated to the Association. From a high point of more than 60 such groups in the 1950s and 1960s, there are now fewer than 20. It's a reflection of wider changes, over the last two and three generations, in the ways people spend and organise their social and leisure time. We shall be trying to promote the benefits of affiliation in the coming year. But we are also reviewing the implications for our Constitution, which relies quite heavily on an 'affiliated' structure for the volunteer management of the Association.

At the same time, we have made good progress in efforts to widen the reach of the Community Centre, aiming to stimulate new activities and social opportunities for local people. It's an ambition that goes wider than the activities covered by individual groups, clubs and classes based at the Centre: our shorthand for this is 'community development'. For example, we have successfully drawn on grant support to introduce a range of low-cost courses, lectures and coffee afternoons; and to offer "Warm Spaces" at the Centre; and to support dementia groups to use our facilities and to access grant funding for their work.

Overall, the Association has - thankfully - come through the crises of pandemic and economic pressure in reasonably good shape. The challenge ahead is how well we adapt to the *continuing* changes that affect the needs and interests of the communities we serve.

## Financial overview of the year

*All of the Association's assets and liabilities relate to delivery of its charitable aims and objectives.  
Our direct expenses in providing charitable services are the personnel and other costs involved  
in running the Community Centre and making the facilities available for community activities.  
The management and administration expenses are mainly personnel costs.  
We determine the levels of staff pay in accordance with a policy most recently codified in 2015.*

**Our Operating Fund**, for the day-to-day running of the Community Centre, ended with a surplus of £19,800 for the year.

- **Income** (£266,000) was £42,000 (19%) higher than in the last 'normal' year before the pandemic, 2019-20.
- **Expenditure** on running costs (£246,000) was £54,000 (28%) higher than in the last 'normal' year, 2019-20. Inflation increases - and some planned increases in staffing levels - were the key factors.

**Our Development Fund**, designated for improvement and development of the Centre's facilities, equipment and community activities, was boosted by a total of £12,000 in grants and donations from a range of sources. And fundraising efforts returned to near pre-pandemic levels: the largest event, the annual Beer Festival, made a surplus of £9,500.

**Our capital expenditure** returned this year to more typical levels of annual investment to improve and renew the Centre's facilities and equipment. We spent a total of £28,000 in 2022-23, in the following areas:

- upgrading of fixtures and fittings in the buildings;
- major upgrades to the broadband and IT systems, for the administration of the Centre and for the users of the Centre;
- improvements to technical equipment in the Barn Theatre;
- replacement of kitchen and refrigeration equipment; and
- renewal of tables and chairs for users of the Centre.

Overall, the Association was in a slightly better overall financial position at the end of the financial year than at the beginning. Our net current assets increased slightly, by 2½%.

## The Association's funds and its policy on reserves

*The financial statements (p.9-15 below) set out the assets and liabilities of our funds.*

- **The Operating Fund** is concerned with the day-to-day running of the Community Centre.  
We aim to maintain an operating reserve at a level to ensure adequate resources to cope with unexpected pressures and short-term deficits. This reserve is being kept at around 50% of a normal year's operating expenditure.

- The **Development Fund** is sustained by fundraising from community and social events; by donations; by grant awards; and by reserves set aside for development and renewal purposes.

These are resources designated for renovation and improvement to the Community Centre; and for development of the facilities, equipment and services provided to the community.

- The **Establishment Fund** comprises the “book value” of improvements we have carried out to the fabric of our leasehold buildings (i.e. the Community Centre itself).

Much of this book value was created from the deployment of capital grants received in the 1990s, to carry out major works of development and improvement.

### Statement of the Trustees’ responsibilities

Under the law applicable to charities in England and Wales, the Trustees must prepare financial statements for each financial year, giving a true and fair view of the Association’s financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, giving a true and fair view, the Trustees are expected to follow best practice and to:

- select suitable accounting policies, and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed (subject to any departures disclosed and explained in the financial statements);
- prepare the financial statements on a “going-concern” basis (unless circumstances mean that assumption is no longer appropriate).

The Trustees are also responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the Association, and that enable them both to ascertain the financial position of the Association and to ensure the financial statements comply with the Charities Act 2011.

The Trustees are responsible for safeguarding the assets of the charity - and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees: [ **Malcolm Gough** ] and [ **Robert Ryder** ]

Dated: 19 December 2023

## **INDEPENDENT EXAMINER'S REPORT**

*to the Trustees of* **SOUTHWICK COMMUNITY ASSOCIATION**

I report on the accounts of the charity for the year ended 31 March 2023, which are set out on pages 9 to 14 below.

### **Respective responsibilities of trustees and independent examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 144 of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 145 of the 2011 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act);
- to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with these records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the view given by the accounts.

### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements:
- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and to comply with the requirements of the 2011 Act;
- have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

[ **Malcolm Wood** F.C.A. ]

Fellow of the Institute of Chartered Accountants in England and Wales

Dated: 19 December 2023



# SOUTHWICK COMMUNITY ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Unrestricted Funds	Restricted Funds	TOTAL FUNDS 2023	Total Funds 2022
INCOME AND EXPENDITURE	£	£	£	£
<i>Notes *</i>				
<b>INCOMING RESOURCES</b>				
<b>Charitable activities</b>				
Operation of the community centre	266,173		266,173	149,928
<b>Other activities to generate funds</b>				
Community events & fundraising	19,268		19,268	8,971
Donations, gifts and legacies	6,279		6,279	944
Grants	5,743		5,743	24,258
Interest from deposit accounts	943		943	117
<b>TOTAL incoming resources</b>	<b>298,406</b>	<b>0</b>	<b>298,406</b>	<b>184,218</b>
<b>EXPENDED RESOURCES</b>				
<b>1. Cost of generating funds</b>				
Community events & fundraising	13,356	0	13,356	4,401
<i>NET incoming resources available for charitable application</i>	<i>285,050</i>	<i>0</i>	<i>285,050</i>	<i>179,817</i>
<b>2. Charitable expenditure</b>				
Operating community facilities & services <i>3</i>	189,668	28,997	218,665	156,243
Management and administration <i>3 &amp; 4</i>	64,422		64,422	38,702
<b>TOTAL resources expended</b>	<b>267,446</b>	<b>28,997</b>	<b>296,443</b>	<b>194,945</b>
<b>Movement in Funds (2022-23)</b>	<b>30,960</b>	<b>(28,997)</b>	<b>1,963</b>	<b>(15,128)</b>
<b>Fund Transfers</b> <i>9</i>	<b>(2,684)</b>	<b>2,684</b>	<b>0</b>	<b>0</b>
<b>Net movement in Funds</b>	<b>28,276</b>	<b>(26,313)</b>	<b>1,963</b>	<b>(15,128)</b>
<i>[ B/Fwd ]</i> <b>FUND BALANCES at 31 March 2022</b>	<b>467,675</b>	<b>751,243</b>	<b>1,218,918</b>	<b>1,234,046</b>
<b>FUND BALANCES AT 31 March 2023</b>	<b>495,951</b>	<b>724,930</b>	<b>1,220,881</b>	<b>1,218,918</b>

\* The notes form part of these financial statements

# SOUTHWICK COMMUNITY ASSOCIATION

## BALANCE SHEET AS AT 31 MARCH 2023

		31 March 2023	31 March 2022
	<i>Note *</i>	£	£
<b>TANGIBLE FIXED ASSETS</b>	<b>5</b>	<b>780,750</b>	<b>789,836</b>
<b>CURRENT ASSETS</b>			
Debtors	6	31,457	17,837
Stocks		4,348	4,178
Short-term deposits		234,722	233,779
Cash at bank and in hand		185,447	193,054
		<b>455,974</b>	<b>448,848</b>
<b>LESS CREDITORS:</b> Amounts falling due within one year	<b>7</b>	<b>-15,843</b>	<b>-19,766</b>
<b>NET CURRENT ASSETS</b>		<b>440,131</b>	<b>429,082</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,220,881</b>	<b>1,218,918</b>
<b>LESS CREDITORS:</b> Amounts falling due after more than one year	<b>8</b>	<b>--</b>	<b>--</b>
<b>TOTAL NET ASSETS</b>		<b>1,220,881</b>	<b>1,218,918</b>
<b>FUNDS</b>			
Unrestricted	9	495,951	467,675
Restricted	9	724,930	751,243
<b>TOTAL FUNDS</b>		<b>1,220,881</b>	<b>1,218,918</b>

\* The notes form part of these financial statements

Approved by the board of Trustees and signed on its behalf by

[ *Malcolm Gough* ] and [ *Robert Ryder* ]

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

**1 Accounting Policies**

**Accounting Convention**

The accounts are prepared under the historical cost convention and in accordance with the Charities Act 2011, the current Statement of Recommended Practice ("Accounting and Reporting by Charities" FRS 102) and with applicable accounting standards.

**Accumulated Funds**

The accumulated funds comprise the following:

**(a) Operating Fund**

This fund is for the general management and operation of the Community Centre, and the day-to-day activities of the Association.

**(b) Development Fund**

This fund is **designated** for income raised (and resources spent) to improve the Community Centre's facilities and equipment, and to develop its future sustainability and place in the community.

**(c) Establishment Fund**

This **restricted** fund embodies the value of improvements carried out to the Community Centre's buildings (which are held on leasehold) and to the Centre's integral fixtures & fittings.

**Fixed Assets**

Fixed assets are recorded at cost or, in the case of fixed assets that have been donated to the Association, at valuation at the time of acquisition, less depreciation.

**Depreciation**

Improvements to the Community Centre's buildings, when they come into use, are amortised over the remaining period of the lease.

Other fixed assets are depreciated on a straight line basis over their useful lives, estimated to be:

Theatre equipment	10 to 20 years
Other equipment & fittings	5 to 15 years
Electronic equipment	3 to 7 years

**Stocks**

Stocks are valued at cost. They comprise consumable items which are used in the day-to-day operation of the Community Centre.

**Income from operation of the Community Centre, grants & fundraising**

These comprise amounts receivable during the year.

**Donations, gifts & legacies**

These comprise amounts received during the year.

**Investment income**

Investment income comprises interest income receivable on short-term deposits.

**Resources expended**

Resources expended are accounted for on an accruals basis.

## SOUTHWICK COMMUNITY ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 2 Charitable Expenditure

Charitable expenditure includes:	2023	2022
Wages and salaries	140,699	93,133
Depreciation	7,744	8,072

No employee earned £25,000 or more per annum.

No trustee received any remuneration, payments or benefits from the charity, other than refunds of expenses legitimately incurred on behalf of the charity.

The average number of employees (full-time equivalent, analysed by function) was:

	2023	2022
Community services	4.3	3.8
Management and administration	1.9	1.5
Fundraising and publicity	--	--
	<u>6.2</u>	<u>5.3</u>

#### 3 Resources Expended

	Personnel Costs	Depreciation	Other Costs	Total 2023	Total 2022
Front-line operation of the Community Centre	87,281	7,744	94,643	189,668	127,349
Management and administration	53,418	--	11,004	64,422	38,702
	<u>£140,699</u>	<u>£7,744</u>	<u>£105,647</u>	<u>£254,090</u>	<u>£166,051</u>

#### 4 Management and Administration

	2023	2022
Salaries and office costs	64,022	38,302
Audit fees	400	400
	<u>£64,422</u>	<u>£38,702</u>

# SOUTHWICK COMMUNITY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 5 Tangible Fixed Assets

	Leasehold improvements *	Theatre equipment **	Other fittings and equipment **	Total
	£	£	£	£
<b>COST</b>				
As at 1 April 2022	1,238,132	122,818	78,054	1,439,004
<b>ADDITIONS</b>	<b>2,684</b>	<b>6,756</b>	<b>18,214</b>	<b>27,654</b>
<b>As at 31 March 2023</b>	<b>1,240,816</b>	<b>129,574</b>	<b>96,268</b>	<b>1,466,658</b>
<b>ACCUMULATED DEPRECIATION</b>				
As at 1 April 2022	486,889	99,824	62,455	649,168
<b>CHARGE FOR YEAR</b>	<b>28,997</b>	<b>2,434</b>	<b>5,310</b>	<b>36,741</b>
<b>As at 31 March 2023</b>	<b>515,886</b>	<b>102,258</b>	<b>67,765</b>	<b>685,909</b>
<b>NET BOOK VALUE</b>				
As at 1 April 2022	751,243	22,994	15,599	789,836
<b>As at 31 March 2023</b>	<b>724,930</b>	<b>27,316</b>	<b>28,503</b>	<b>780,749</b>

All of the tangible fixed assets of the Association are used in the furtherance of its objects.

\* The value of leasehold improvement assets is included in the Establishment Fund (Restricted).

\*\* The value of all other tangible fixed assets is included in the Development Fund (Unrestricted).

### 6 Debtors

	2023	2022
Trade debtors	28,182	14,684
Prepayments	3,275	3,153
	<b>£31,457</b>	<b>£17,837</b>

# SOUTHWICK COMMUNITY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 7 Creditors (amounts falling due within one year)

	2023	2022
Trade creditors	2,116	2,857
Accruals	7,004	12,895
Other creditors	6,723	4,014
Loans	--	--
	<u>£15,843</u>	<u>£19,766</u>

### 8 Creditors (amounts falling due after more than one year)

	2023	2022
Within two to five years	£0	£0

### 9 Restricted & Unrestricted Funds

	Balance at 1 April 2022	Movement in resources			Balance at 31 March 2023
		Incoming	Outgoing	Fund transfers	
<b>UNRESTRICTED funds</b>					
Operating Fund	98,000	266,173	-246,346	0	117,827
Development Fund	369,675	32,233	-21,100	-2,684	378,124
	<u>467,675</u>	<u>298,406</u>	<u>-267,446</u>	<u>-2,684</u>	<u>495,951</u>
<b>RESTRICTED funds</b>					
Establishment Fund	751,243	0	-28,997	2,684	724,930
	<u>£1,218,918</u>	<u>£298,406</u>	<u>-£296,443</u>	<u>0</u>	<u>£1,220,881</u>

The reserve of **UNRESTRICTED** funds represents:

- in the **Operating Fund**  
the general everyday income and expenditure involved in the operation of the Community Centre.
- in the **Development Fund**  
the resources designated to improve the Community Centre's facilities and equipment;  
and to develop the Centre's future sustainability and place in the community.

The **RESTRICTED** funds of the Association represent:

- in the **Establishment Fund**  
the book value of improvements carried out to the Community Centre's buildings, and to its integral fixtures and fittings.  
  
The Association carried out a major building project (1996-98) with the help of specific grants from public bodies and donations from other contributors. To a considerable extent the Establishment Fund still comprises the value of the fixed assets created by that project. But other significant improvements to the Centre's buildings, fixtures and fittings have been carried out since - and all of those leasehold assets are also incorporated in the Establishment Fund.