

SOUTHWICK COMMUNITY ASSOCIATION



REPORT OF THE TRUSTEES

AND

FINANCIAL STATEMENTS

FOR THE

YEAR ENDED 31 MARCH 2025

SOUTHWICK COMMUNITY ASSOCIATION

REPORT AND STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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SOUTHWICK COMMUNITY ASSOCIATION

REPORT & ACCOUNTS for the year ended 31 March 2025

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	
Robina Bayne	
Maureen Cripps	
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 2025

*Responsibility for the overall control of the Association's affairs
resides in the Board of Trustees, elected each year by the membership at the AGM.*

The Board of Trustees serving in 2024-25

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

The Trustees herewith present their report, together with the financial statements of the Association, for the financial year beginning on 1 April 2024 and ending on 31 March 2025.

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 summary of the year

This year, as we approached the 80th anniversary of the Association, it was encouraging to see definite advances in two very important 'structural' matters the Trustees have been prioritising - both intended to safeguard and strengthen the Association's future viability.

- First, in the autumn we achieved the longstanding aim of launching our own charitable trading subsidiary, Southwick Community Services Ltd. This enables an expansion in the provision of food and drink catering at the Community Centre - for example, in catering for wedding receptions and similar events - with the financial benefit coming back directly to the Association, as the parent charity. The potential increase in the charity's income is all the more important because the costs of operating the Centre (particularly staffing costs and energy costs) have come under increasing pressure in recent years - and because the pressure is a worrying trend that shows no signs of easing.
- Secondly, there is our aim of reconstituting the Association as a Charitable Incorporated Organisation (CIO) - enabling a wider and more open form of membership and governance, while modernising the powers and the practical administration of the charity. Although this project made progress during the year, it was regrettably not enough progress to meet our stated ambition - to attain CIO status in the course of the calendar year 2025. But we do now expect to make a formal application to the Charity Commission early in 2026. This is a much-needed reform and it remains a crucial issue for securing the Association's future.

Projects to upgrade parts of the Centre's buildings (in particular in the Café wing and the north wing) have not progressed quite as quickly as hoped, but they have been firmly programmed by our landlord, Adur District Council - and it's likely that work will start in Spring 2026.

A big source of encouragement this year has been further progress in the community-led activities organised or hosted by the Association. As well as a rolling programme of social and cultural events, entertainments and courses, we have initiated practical support in running basic cookery classes and operating a 'community fridge', offering food donated by local businesses. In fact, this year has seen a number of collaborations with businesses, both in terms of financial sponsorship and practical 'hands-on' help, for example with painting, decorating and materials for the Centre. And the effort and energy put into fundraising

activities this year has yielded excellent results. These are all positive signs of a charity, nearly 80 years old, that remains eager to keep working hard for the community of today.

A brief financial summary^{*}

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 deficit of £8,000 for the year. The biggest factor here was an unexpected drop in income from the hire of facilities - our chief source of operating income - compared with the previous year.

Our Development Fund, designated for improvement and development of the Centre's facilities, equipment and community activities, had a good year - with a surplus of £19,000. The biggest fundraising element was the annual Beer Festival, with a surplus of £12,000. But there were also significant contributions from other community events and from donations.

Our capital expenditure this year (£13,600) was much lower than the long-term average, but it was used very effectively across a range of minor works to replace or improve areas of flooring, heating, lighting and security.

Overall, in terms of net current assets, the Association was in a similar financial position at the end of the financial year, compared with the previous year - showing a small increase (2%) in cash terms.

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.

^{*} **NB.** These figures (and those in financial statements on pages 9-14 below) reflect the organisational change that took place from 1 October 2024, at which point all further income and expenditure for catering activity became the responsibility of our charitable trading subsidiary, Southwick Community Services Ltd.

- 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 January 2026

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 2025, 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 January 2026

SOUTHWICK COMMUNITY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025

	Unrestricted Funds	Restricted Funds	TOTAL FUNDS 2025	Total Funds 2024
	£	£	£	£
INCOME AND EXPENDITURE	<i>Notes *</i>			
INCOMING RESOURCES				
Charitable activities				
Operation of the community centre	260,389		260,389	333,365
Other activities to generate funds				
Community events & fundraising	47,309		47,309	46,056
Donations, gifts and legacies	15,578		15,578	2,784
Grants	5,850		5,850	1,000
Interest from deposit accounts	3,671		3,671	3,297
TOTAL incoming resources	332,797	0	332,797	386,502
EXPENDED RESOURCES				
1. Cost of generating funds				
Community events & fundraising	29,563	0	29,563	26,568
<i>NET incoming resources available for charitable application</i>	<i>303,234</i>	<i>0</i>	<i>303,234</i>	<i>359,934</i>
2. Charitable expenditure				
Operating community facilities & services	215,359	29,480	244,839	270,284
Management and administration	76,949		76,949	73,582
TOTAL resources expended	321,871	29,480	351,351	370,434
Movement in Funds	10,926	(29,480)	(18,554)	16,068
Fund Transfers	(7,906)	7,906	0	0
Net movement in Funds	3,019.9	(21,574)	(18,554)	16,068
[B/Fwd] FUND BALANCES at 31 March 2024	537,336	699,613	1,236,949	1,220,881
FUND BALANCES AT 31 March 2025	540,356	678,039	1,218,395	1,236,949

* The notes form part of these financial statements

SOUTHWICK COMMUNITY ASSOCIATION

BALANCE SHEET AS AT 31 MARCH 2025

		31 March 2025	31 March 2024
	<i>Notes *</i>	£	£
TANGIBLE FIXED ASSETS	5	757,841	784,788
CURRENT ASSETS			
Debtors	6	72,686	54,657
Stocks		1,576	5,416
Short-term deposits		241,690	238,019
Cash at bank and in hand		165,694	179,890
		481,646	477,982
LESS CREDITORS: Amounts falling due within one year	7	-21,092	-25,821
NET CURRENT ASSETS		460,554	452,161
TOTAL ASSETS LESS CURRENT LIABILITIES		1,218,395	1,236,949
LESS CREDITORS: Amounts falling due after more than one year	8	--	--
TOTAL NET ASSETS		1,218,395	1,236,949
FUNDS			
Unrestricted	9	540,356	537,336
Restricted	9	678,039	699,613
TOTAL FUNDS		1,218,395	1,236,949

** 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 2025**

1 Accounting Policies

Accounting Convention

The accounts are prepared under the historical cost convention and in accordance with 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 2025

2 Charitable Expenditure

Charitable expenditure includes:

	2025	2024
Wages and salaries	176,488	177,634
Depreciation	11,101	10,424

No employee earned £30,000 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:

	2025	2024
Community services	3.8	4.3
Management and administration	2.7	2.0
Fundraising and publicity	--	--
	<u>6.5</u>	<u>6.3</u>

3 Resources Expended

	Personnel Costs	Depreciation Costs	Other Costs	Total 2025	Total 2024
Front-line operation of the Community Centre	109,268	11,101	94,990	215,359	241,133
Management and administration	67,220		9,729	76,949	73,582
	<u>£176,488</u>	<u>£11,101</u>	<u>£104,719</u>	<u>£292,308</u>	<u>£314,715</u>

4 Management and Administration

	2025	2024
Salaries and office costs	76,549	73,182
Audit fees	400	400
	<u>£76,949</u>	<u>£73,582</u>

SOUTHWICK COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

5 Tangible Fixed Assets

	Leasehold improvements *	Theatre equipment **	Other fittings and equipment **	Total
	£	£	£	£
COST				
As at 1 April 2024	1,244,650	138,801	126,820	1,510,271
ADDITIONS	7,906	1,260	4,469	13,635
As at 31 March 2025	1,252,556	140,061	131,290	1,523,906
ACCUMULATED DEPRECIATION				
As at 1 April 2024	545,037	105,610	74,837	725,484
CHARGE FOR YEAR	29,480	3,552	7,549	40,581
As at 31 March 2025	574,517	109,162	82,386	766,065
NET BOOK VALUE				
As at 1 April 2024	699,613	33,191	51,983	784,787
As at 31 March 2025	678,039	30,899	48,904	757,841

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

	2025	2024
Trade debtors	27,715	50,869
Charitable trading subsidiary	13,951	0
Prepayments	31,019	3,788
	£72,686	£54,657

SOUTHWICK COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

7 Creditors (amounts falling due within one year)

	2025	2024
Trade creditors	1,801	6,959
Accruals	11,132	13,281
Other creditors	8,159	5,581
Loans	0	0
	<u>£21,092</u>	<u>£25,821</u>

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

	2025	2024
Within two to five years	£0	£0

9 Restricted & Unrestricted Funds

	Balance at 1 April 2024	Movement in resources			Balance at 31 March 2025
		Incoming	Outgoing	Fund transfers	
UNRESTRICTED funds					
Operating Fund	146,901	270,389	-278,647	0	138,643
Development Fund	390,435	62,408	-43,224	-7,906	401,713
	<u>537,336</u>	<u>332,797</u>	<u>-321,871</u>	<u>-7,906</u>	<u>540,357</u>
RESTRICTED funds					
Establishment Fund	699,613	0	-29,480	7,906	678,039
	<u>£1,236,949</u>	<u>£332,797</u>	<u>-£351,351</u>	<u>0</u>	<u>£1,218,395</u>

The **UNRESTRICTED** funds represent:

- 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.