

**STEWARTSTOWN DEVELOPMENT
ASSOCIATION LTD**

**ANNUAL REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

COMPANY INFORMATION

Directors	Mr P Smith Mr W Armstrong Mr P Park Mr K Gilmour Ms N McReynolds
Secretary	Mr W Armstrong
Company number	26673
Charity number	106293
Registered office	The Crieve Centre 4 Hillhead Stewartstown Co Tyrone BT71 5HY
Accountants	David Lyttle + Co Ltd Station House 46 Molesworth Street Cookstown Co Tyrone BT80 8PA
Business address	The Crieve Centre 4 Hillhead Stewartstown Co Tyrone BT71 5HY
Bankers	Ulster Bank Limited 27 The Square Stewartstown County Tyrone BT71 5HX

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

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STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2018

The directors present their annual report and financial statements for the year ended 30 June 2018.

Principal activities

The company is limited by guarantee and does not have a share capital.

The company is funded as a Local Development Association. The directors' aim is to continue to broaden the range of services offered to include those offered by other Local Development Associations. The company obtained charitable status on 15 February 2017. All income and expenses in the accounts is unrestricted.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr P Smith

Mr W Armstrong

Mr P Park

Mr K Gilmour

Ms N McReynolds

Ms P Smith

(Resigned 30 September 2017)

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr W Armstrong

Director

1 November 2018

Mr P Park

Director

1 November 2018

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD FOR THE YEAR ENDED 30 JUNE 2018

Independent Examiners Report to the Directors of Stewartstown Development Association Ltd

I report on the accounts of the charity for the year ended 30 June 2018, which are set out on pages 3 to 13.

Respective responsibilities of directors and examiner

As the charity's Directors, you are responsible for the preparation of the accounts in accordance with the Charities Act (Northern Ireland) 2008.

It is my responsibility to:

- examine the accounts under section 65 of the Charities Act
- follow the procedures laid down in the general directions given by the Commission under section 65 (9) (b) of the Charities Act
- state whether particular matters have come to my attention.

Basis of independent examiner's report

I have examined your charity accounts as required under section 65 of the Charities Act and my examination was carried out in accordance with the general directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act.

My examination included a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also included consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as charity Trustees concerning any such matters.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. That accounting records were not kept in accordance with section 63 of the Charities Act.
2. That the accounts do not accord with those accounting records.
3. That the accounts do not comply with the accounting requirements of the Charities Act.
4. That there is further information needed for a proper understanding of the accounts to be reached.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission for Northern Ireland, I have found no matters that require drawing to your attention.

David Lyttle
for and on behalf of David Lyttle + Co Ltd

1 November 2018

**Chartered Accountants
& Registered Auditors**

Station House
46 Molesworth Street
Cookstown
Co Tyrone
BT80 8PA

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
Turnover		22,928	18,710
Administrative expenses		(19,263)	(18,988)
Other operating income		5,715	4,462
		<hr/>	<hr/>
Operating surplus/(deficit)		9,380	4,184
Interest receivable and similar income		-	1
		<hr/>	<hr/>
Surplus/(deficit) on ordinary activities before taxation		9,380	4,185
Tax on surplus/(deficit) on ordinary activities		-	-
		<hr/>	<hr/>
Surplus/(deficit) for the year		<u>9,380</u>	<u>4,185</u>

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

BALANCE SHEET

AS AT 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3		26,743		31,063
Current assets					
Debtors	4	455		2,214	
Cash at bank and in hand		9,156		9,061	
		<u>9,611</u>		<u>11,275</u>	
Creditors: amounts falling due within one year	5	<u>(8,244)</u>		<u>(15,564)</u>	
Net current assets/(liabilities)			1,367		(4,289)
Total assets less current liabilities			<u>28,110</u>		<u>26,774</u>
Creditors: amounts falling due after more than one year	6		(8,341)		(11,770)
Deferred income - capital grant			(22,002)		(26,617)
Net liabilities			<u>(2,233)</u>		<u>(11,613)</u>
Capital and reserves					
Own shares			1,200		1,200
Profit and loss reserves			(3,433)		(12,813)
Total equity			<u>(2,233)</u>		<u>(11,613)</u>

For the financial year ended 30 June 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2018

The financial statements were approved by the board of directors and authorised for issue on 1 November 2018 and are signed on its behalf by:

Mr W Armstrong
Director

Mr P Park
Director

Company Registration No. 26673

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Own shares	Profit and loss reserves	Total
	£	£	£
Balance at 1 July 2016	1,200	(16,998)	(15,798)
Year ended 30 June 2017:			
Profit and total comprehensive income for the year	-	4,185	4,185
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2017	1,200	(12,813)	(11,613)
Year ended 30 June 2018:			
Profit and total comprehensive income for the year	-	9,380	9,380
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2018	<u>1,200</u>	<u>(3,433)</u>	<u>(2,233)</u>

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

Company information

Stewartstown Development Association Ltd is a private company limited by shares incorporated in Northern Ireland. The registered office is The Crieve Centre, 4 Hillhead, Stewartstown, Co Tyrone, BT71 5HY.

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents amounts receivable for rent and related services net of VAT and trade discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 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 recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Fixtures, fittings & equipment	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 company after deducting all of its liabilities.

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 0 (2017 - 2).

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 July 2017	353,476	21,296	374,772
Additions	-	3,279	3,279
	<u>353,476</u>	<u>24,575</u>	<u>378,051</u>
At 30 June 2018	353,476	24,575	378,051
Depreciation and impairment			
At 1 July 2017	323,987	19,722	343,709
Depreciation charged in the year	7,069	530	7,599
	<u>331,056</u>	<u>20,252</u>	<u>351,308</u>
At 30 June 2018	331,056	20,252	351,308
Carrying amount			
At 30 June 2018	<u>22,420</u>	<u>4,323</u>	<u>26,743</u>
At 30 June 2017	<u>29,489</u>	<u>1,574</u>	<u>31,063</u>

4 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	(300)	648
Other debtors	755	1,566
	<u>455</u>	<u>2,214</u>

5 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	3,600	3,600
Trade creditors	2,125	7,568
Other taxation and social security	581	104
Other creditors	1,938	4,292
	<u>8,244</u>	<u>15,564</u>

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

6 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
UCIT loan	<u>8,341</u>	<u>11,770</u>

7 Charitable Status

The company was granted charitable status with effect from 15 February 2017

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 30 JUNE 2018

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2018

		2018		2017
	£	£	£	£
Turnover				
Rent receivable		19,386		16,849
Donations		150		655
Other income		3,392		1,206
		<u>22,928</u>		<u>18,710</u>
Other operating income				
Government grants received		5,715		4,462
Administrative expenses		<u>(19,263)</u>		<u>(18,988)</u>
Operating surplus/(deficit)		9,380		4,184
Other interest receivable and similar income				
Bank interest	-		1	
	<u>-</u>		<u>1</u>	
		-		1
Surplus/(deficit) before taxation	40.91%	<u>9,380</u>	22.37%	<u>4,185</u>

STEWARTSTOWN DEVELOPMENT ASSOCIATION LTD

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	£	£
Administrative expenses		
Wages and salaries	-	1,133
Management services	3,572	3,600
Rates	185	2,285
Light and heat	4,605	2,936
Property repairs and maintenance	3,853	1,936
Insurance	1,556	2,229
Accountancy	875	850
Bank charges	208	216
Interest on UCIT loan	167	194
Advertising	450	-
Telephone	189	235
Sundry expenses	619	811
Capital grant amortisation	(4,615)	(4,615)
Depreciation	7,599	7,178
	<hr/>	<hr/>
	19,263	18,988
	<hr/>	<hr/>