

THE STOCKWELL CENTRE (COLCHESTER) LIMITED
(A Company Limited by Guarantee)

**ANNUAL REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 SEPTEMBER 2012



Charity Number: 291433
Company Number: 1449394

THE STOCKWELL CENTRE (COLCHESTER) LIMITED
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE INFORMATION
AS AT 30 SEPTEMBER 2012

Registered Numbers: Charity 291433
Company 1449394

Members of the Council: Mrs L Vignoles
N Cornes
R Bartholomew
S Randall
J Gomm

Company Secretary: Mrs U J Richardson

Registered Office: 44 East Stockwell Street
Colchester
CO1 1SR

Reporting Accountant: Lesley Frearson
Chartered Certified Accountant
The Anchorage
81 Landermere Road
Thorpe-Le-Soken
Essex CO16 0LW

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REPORT OF THE COUNCIL OF MANAGEMENT

The Members of the Council present their twenty sixth annual report together with the unaudited financial statements for the year ended 30 September 2012 and incorporating the reference and administrative information on Page 1

Structure Governance and Management

The charity was incorporated as a company limited by guarantee on 19 September 1979 and granted charitable status by the Charity Commission on 2 May 1985. Its governing document is its Memorandum and Articles of Association, under which the Members of the Council of Management constitute the Charity's Trustees

The Members of the Council throughout the year to 30 September 2012 were as follows.-

C Basker (resigned February 2012)
Dr P A Hills Ph D (resigned February 2012)
Mrs L Vignoles
N Cornes
R Bartholomew
S Randall
J Gomm (appointed May 2012)

New Trustees would be recruited by the Members of the Council for their skills and experience relevant to the Charity's work.

Objectives, Activities and Performance

The company is concerned with the administration of The Stockwell Centre, which provides consultation and treatment for patients suffering from psychological or emotional disorders, and educational courses in psychodynamic principles and their application in professional practice. The provision of the premises has enabled some 5,551 contact hours by the professionals working through The Stockwell Centre during the year to 30 September 2012 (2011. 5,217), the group room was used as such on a semi-regular basis.

The directors confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the company's objectives and activities.

Financial Review

For the year to 30 September 2012, the charity's unrestricted income exceeded expenditure by £10,531 (2011: £2,342) Mortgage repayments during the year amounted to £5,160 (2011: £2,400). The mortgage interest element of the repayments amounted to £2,582 (2011: £1,732) along with additional lending fees of £995 and was deducted from unrestricted income leaving net incoming resources of £6,954 (2011: £610). A change in mortgage lenders was made during the year. The balance of the mortgage repayments funded a reduction in the mortgage borrowing over the year

The statement of financial activities shown on Page 5 sets out the incoming and outgoing resources for the year

The financial statements do not include an evaluation of the voluntary contribution made to the running of the Stockwell Centre by its members. The Council of Management recognise and appreciate this contribution of their time

REPORT OF THE COUNCIL OF MANAGEMENT - continued

Reserves

The balance on unrestricted funds at 30 September 2012 totals £118,190 (2011: £113,236). Included in this is the company's equity in the freehold property amounting to £96,982 (2011: £93,923) on balance sheet values. The company carries free reserves at 30 September 2012 of £21,208 (2011: £19,313), these now represent 24 weeks of unrestricted fund expenditure, including servicing the mortgage (2011: 23 weeks). The Council of Management has a policy of carrying free reserves for the purpose of funding working capital, including planned expenditure on the property, for which they regard a total of 26 weeks of unrestricted fund expenditure as a reasonable target level.

Future Developments

The long term desire remains to raise capital to enable the indebtedness of the Centre to be reduced, specifically a reduction in mortgage repayments is sought; and also to build up the funds for bursaries.

Statement of responsibilities

Company law requires the Members of the Council to prepare financial statements for each financial year which give a true and fair view of the state of the company's affairs and of the result for the year

In preparing those financial statements, the Members of the Council are required to:-

- * select suitable accounting policies and apply them consistently.
- * 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.
- * prepare the financial statements on the going concern basis unless it is inappropriate that the company will continue in business

The Members of the Council are responsible for -

- * keeping proper accounting records which 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.
- * safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Council of Management



J Gomm
12 November 2012

THE STOCKWELL CENTRE (COLCHESTER) LIMITED
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INDEPENDENT EXAMINER'S REPORT ON THE UNAUDITED ACCOUNTS

I report on the financial statements for the year ended 30 September 2012 set out on Pages 5 to 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING EXAMINER

As described on Page 3, the Council Members are responsible for the preparation of the financial statements. They consider that the Company is exempt from an audit under section 144(2) of the Charities Act 2011 (2011 Act) and that an independent examination is needed

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, 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 Commission under section 145(5)(b) of the 2011 Act and,
- to state whether particular matters have come to my attention

BASIS OF REPORT

My work was conducted in accordance with the general directions given by the Charity Commission and so my procedures consisted of comparing the financial statements with the accounting records kept by the Company and making such limited enquiries of the officers of the Company as I considered necessary for the purpose of this report. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

STATEMENT

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

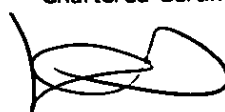
- (a) which gives me reasonable cause to believe that in any material respect the requirements:
- (i) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities.

have not been met; or

- (a) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

The Anchorage
81 Landermere Road
Thorpe-Le-Soken
Essex CO16 0LW

Lesley Frearson FCCA
Chartered Certified Accountant



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STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 30 SEPTEMBER 2012

	Note	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
INCOMING RESOURCES					
Incoming resources from charitable activities					
Consulting room rents		31,607	0	31,607	29,044
Catalyst and Bursary fund income	8	0	5,715	5,715	6,675
Contract fees		15,505	0	15,505	11,795
Film club and book sales		10	160	170	6
Courses and lectures		2,870	0	2,870	1,950
		<u>49,992</u>	<u>5,875</u>	<u>55,867</u>	<u>49,470</u>
Incoming resources from generated funds:					
Activities for generating funds		0	116	116	0
Centre members' subscriptions		690	0	690	750
Bank interest		134	1	135	103
Other incoming resources		40	0	40	0
Total incoming resources		<u>50,856</u>	<u>5,992</u>	<u>56,848</u>	<u>50,323</u>
RESOURCES EXPENDED					
Charitable activities					
Provision of consulting rooms	9	25,894	0	25,894	29,161
Catalyst and Bursary fund grants	8	0	7,210	7,210	8,970
Contract fees passed on		15,505	0	15,505	11,690
Courses and lectures		973	0	973	597
Governance costs	10	1,437	0	1,437	1,554
Other resources expended		93	0	93	35
Total resources expended		<u>43,902</u>	<u>7,210</u>	<u>51,112</u>	<u>52,007</u>
NET INCOMING/(OUTGOING) RESOURCES		6,954	-1,218	5,736	-1,684
TRANSFER BETWEEN FUNDS	8	<u>-2,000</u>	<u>2,000</u>	<u>0</u>	<u>0</u>
NET MOVEMENT IN FUNDS		4,954	782	5,736	-1,684
TOTAL FUNDS at 1 October 2011		<u>113,236</u>	<u>2,969</u>	<u>116,205</u>	<u>117,889</u>
TOTAL FUNDS at 30 September 2012		<u>£ 118,190</u>	<u>£ 3,751</u>	<u>£ 121,941</u>	<u>£ 116,205</u>

[Note 8]

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes comprises the net outgoing resources for the year and was £ 5,736 (2011: £1,684 deficit).

The notes on Pages 7 to 10 form part of these financial statements

THE STOCKWELL CENTRE (COLCHESTER) LIMITED
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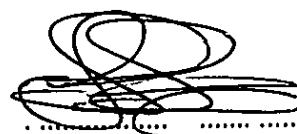
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BALANCE SHEET
AS AT 30 SEPTEMBER 2012
Company 1449394

	Note	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
FIXED ASSETS					
Tangible assets	3	<u>159,090</u>	<u>0</u>	<u>159,090</u>	<u>159,090</u>
CURRENT ASSETS					
Cash		104	0	104	56
Bank balances		26,251	3,751	30,002	25,499
Debtors and prepayments	4	<u>2,844</u>	<u>0</u>	<u>2,844</u>	<u>3,902</u>
		<u>29,199</u>	<u>3,751</u>	<u>32,950</u>	<u>29,457</u>
CREDITORS: amounts falling due within one year	5	<u>7,991</u>	<u>0</u>	<u>7,991</u>	<u>7,075</u>
NET CURRENT ASSETS		<u>21,208</u>	<u>3,751</u>	<u>24,959</u>	<u>22,382</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		180,298	3,751	184,049	181,472
CREDITORS: amounts falling due after more than one year	7	<u>62,108</u>	<u>0</u>	<u>62,108</u>	<u>65,267</u>
TOTAL NET ASSETS		<u>£ 118,190</u>	<u>£ 3,751</u>	<u>£ 121,941</u>	<u>£ 116,205</u>
THE FUNDS OF THE CHARITY					
Restricted income funds - specific reserves	8	0	3,751	3,751	2,969
Unrestricted income funds					
- income and expenditure account		<u>118,190</u>	<u>0</u>	<u>118,190</u>	<u>113,236</u>
		<u>£ 118,190</u>	<u>£ 3,751</u>	<u>£ 121,941</u>	<u>£ 116,205</u>

For the financial year ended 30 September 2011, the company was entitled to exemption from audit under Section 477 (1) of the Companies Act 2006, and no notice has been deposited under Section 476. The Council of Management acknowledge their responsibilities for complying with the Act with respect to accounting records and the preparation of accounts.

Signed on behalf of the Council of Management



Member of the Council

Approved by the Council of Management on 12 November 2012
and signed on their behalf by J Gomm

The notes on Pages 7 to 10 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2012

1 ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005), applicable accounting standards and the Companies Act 2006.

(b) Fund accounting

- * Unrestricted funds are available for use at the discretion of the Council of Management in furtherance of the general objectives of the charity.
- * Restricted funds are subjected to restrictions on their expenditure imposed by the donor, or contained in the terms of a grant.

(c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

- * Consulting room rents are included by reference to the month to which they relate. Restricted grants are recognised on receipt. Gift Aid recoveries on donations from individuals (including through fundraising) are recognised in the same period as the donation.
- * Donated services and facilities are included at their value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.
- * Investment income is included when receivable and comprises bank interest.

(d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes non-recoverable VAT, and is reported as part of the expenditure to which it relates.

- * Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- * Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company; this includes the preparation and examination of this annual report and financial statements, and any costs linked to the strategic management of the charity.

(e) Tangible fixed assets

Provision for depreciation of the freehold property is not considered by the Members of the Council to be necessary as the estimated useful life exceeds fifty years. It is the company policy to have its property maintained in good condition, which prolongs its useful life and any depreciation arising would not be material.

Depreciation is provided on furniture and office equipment at 15% per annum on cost in order to write the assets off over their anticipated lives.

(f) Taxation

As a charity, the company is exempt from tax on income and gains falling within Sec 505 of the Taxes Act 1998 or Sec 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 30 SEPTEMBER 2012

2 OPERATING SURPLUS

The operating surplus is stated after charging

	2012	2011
	£	£
Directors' remuneration	0	0
Depreciation of tangible fixed assets	0	215
Staff Costs	12,889	12,460
Reporting accountant's remuneration	575	615

3 TANGIBLE FIXED ASSETS

	Furniture and office equipment	Freehold property	Total
	£	£	£
Cost			
At 1 October 2011	14,726	159,090	173,816
Changes in year	0	0	0
At 30 September 2012	<u>14,726</u>	<u>159,090</u>	<u>173,816</u>
Depreciation			
At 1 October 2011	14,726	0	14,726
Provision for year	0	0	0
At 30 September 2012	<u>14,726</u>	<u>0</u>	<u>14,726</u>
Net book values			
At 30 September 2012	£ <u>0</u>	£ <u>159,090</u>	£ <u>159,090</u>
At 30 September 2011	£ <u>215</u>	£ <u>159,090</u>	£ <u>159,305</u>

As part of the remortgaging process a valuation of the freehold property was undertaken which was revalued under current market conditions at £135,000.

4 DEBTORS AND PREPAYMENTS

	2012	2011
	£	£
Debtors Room rentals	2,287	3,273
Contract fees	280	385
Other	75	0
Prepayments of expenses	202	244
	<u>£ 2,844</u>	<u>£ 3,902</u>

**5 CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2012	2011
	£	£
Trade creditors and accrued expenses	943	3,520
Income received in advance subscriptions, contract income and rent	2,556	1,075
Deposits held	100	80
Bank mortgage (see Note 6)	4,392	2,400
	<u>£ 7,991</u>	<u>£ 7,075</u>

6 BANK MORTGAGE

The bank mortgage is secured by a fixed charge on the company's freehold property. It is repayable by September 2032, as follows:-

	2012	2011
	£	£
Amount falling due within one year	4,392	2,400
Amount falling due after more than one year	59,608	62,767
	<u>£ 64,000</u>	<u>£ 65,167</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 30 SEPTEMBER 2012

7 CREDITORS:

AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2012	2011
	£	£
Bank mortgage (see Note 6)	59,608	62,767
Private loans that do not bear interest and for which no repayment dates are set	2,500	2,500
	<u>£ 62,108</u>	<u>£ 65,267</u>

These interest free private loans of £2,500 are the residue of monies (originally £30,000) owed to the estate of the late Dr D Paulley. Previous negotiations with Dr Paulley's family for a reduction of the loan secured by a second charge she had on the company's freehold property have been inconclusive. If not concluded satisfactorily the company could have a further contingent liability on the sale of the property (an event not currently planned for by the Members of the Council). The Members of the Council have made the Charity Commissioners aware of this matter. During the year the company entered into a new mortgage with HSBC Bank PLC to reduce mortgage outgoings

8 RESTRICTED FUNDS

Movements on restricted bursary funds over the year comprise:

	Colchester Catalyst Charity	Centre Bursary Fund	Total 2012	Total 2011
	£	£	£	£
Balance at 1 October 2011	475	2,494	2,969	5,263
Income	4,545	1,447	5,992	6,676
Transfer from unrestricted funds	0	2,000	2,000	0
Bursary applications	-4,695	-2,515	-7,210	-8,970
Balance at 30 September 2012	<u>£ 325</u>	<u>£ 3,426</u>	<u>£ 3,751</u>	<u>£ 2,969</u>

Applications are made from the Bursary Funds to assist in the funding of courses of therapy at the Centre which the client would not otherwise be able to pay for in full

The Members of the Council have resolved to transfer £1,000 each year into the Centre Bursary Fund out of their unrestricted funds £2,000 has been transferred during the year to 31 March 2012. This higher level of transfer than normal is to allow for the fact that no transfer was deemed possible in the previous year.

9 RESOURCES EXPENDED ON CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	Total 2012	Total 2011
	£	£	£	£
Provision of consulting rooms through administration of the Stockwell Centre				
property expenses	7,284	0	7,284	10,586
mortgage interest and charges	3,577	0	3,577	1,732
office salaries and staff costs	12,889	0	12,889	12,566
office expenses	1,956	0	1,956	2,121
Marketing and advertising	148	0	148	1,941
bank charges	40	0	40	0
depreciation	0	0	0	215
	<u>£ 25,894</u>	<u>£ 0</u>	<u>£ 25,894</u>	<u>£ 29,161</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 30 SEPTEMBER 2012

	Unrestricted funds	Restricted funds	Total 2012	Total 2011
	£	£	£	£
10 GOVERNANCE COSTS				
Reporting accountant's remuneration	575	0	575	615
AGM costs	0	0	0	31
Legal and professional fees	848	0	848	895
Companies House fees	14	0	14	13
	<u>£ 1,437</u>	<u>£ 0</u>	<u>£ 1,437</u>	<u>£ 1,554</u>