

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

(COMPANY LIMITED BY GUARANTEE)

COMPANY REGISTRATION NUMBER: 05626422

CHARITY REGISTRATION NUMBER: 1114637

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

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COMPANIES HOUSE



Employment Standards

Langworthy Cornerstone Association is a Registered Charity & Co Ltd by
Guarantee Registered in England and Wales Company No.05626422
Charity Registration No.1114637

Vat Registration Number: 164 0748 09

'Working to improve the health and wellbeing of the people of Salford and
especially those of Seedley & Langworthy'



LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

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LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31st March 2015.

Structure, governance and management

Status – governing document

The Charity is a company limited by guarantee and has no share capital. The charitable company was established under a memorandum and articles, available on request to the company secretary. All members (the trustees under the governing documents) have agreed to contribute a sum of up to £1 in the event of the company winding up.

Charity registration no. 1114637 (registered 13th June 2006)

Company registration no. 05626422 (incorporated 17th November 2005)

Directors

Directors who held office during the year (who are also the Trustees of the Charity) were

Gordon Wilson
Beverley Fletcher
Ruth Abou Rached
Geraldine Stone
Rod Lindsey
Peter Shepherd

Company Secretary
John Phillips

Senior Management Team

John Phillips Chief Officer

Bankers

Co-operative Bank plc, PO Box 101, 1 Balloon Street, Manchester M60 4EP

Accountants

Community Accountancy Service Limited, The Grange, Pilgrim Drive, Beswick, Manchester M11 3TQ

Solicitors

Chadwick's Solicitors, Tudor House, 9-11 Towngate, Leyland, Lancashire PR25 2EN

Organisational structure – appointment of new trustees

The company operates on a non-profit making basis and is a registered charity. The directors are responsible for the overall management and control of the charity. Under the memorandum and articles, new trustees are appointed as required by the trustees. In appointing new trustees the trustees have regard to a balance of skills, age and gender; this is reviewed at least annually. There is procedure for approval of proposed new trustees.

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

Trustee induction and training

New trustees will be familiar with the work of the charity. New trustees will receive/be directed to:

- the memorandum and articles; minutes of previous meetings; the last annual accounts (with advice on their content);
- Charity Commission and Companies House advice and regulations and The Charity Commission pack for new trustees. Additionally new trustees are given one to one advice on relevant aspects depending on their knowledge.

Our Aims and Objectives

Purposes and Aims

Under the memorandum and articles the objects of the charity are "the promotion and preservation of good health of persons in the area of benefit; the promotion and advancement of education and training in general and in such a way as to reflect the personal, family, social and community needs of those living in the area of benefit, with due regard to gender, disability, race or culture".

Achievements and Performance

During this financial year activities have included the following:

This was another year of substantial delivery for LCA enabled largely by the Way to Wellbeing contract with Salford NHS.

The contract has been renewed until December 2017, providing LCA with considerable financial stability.

However, we are not resting on our Laurels, and the latter part of the period saw the development of a Sustainability Plan aimed at reducing our reliance on the NHS contract by using some of our accumulated surplus to test out ideas for new services through pilots such as Langworthy Business School and Langworthy Men's Health Project. It is hoped that if these projects can prove a good degree of success, they will attract further funding allowing the charity to increase the number of income streams overall.

~~Our Being-Well Coach & our Smoking Cessation/Volunteering worker have continued to allow us to~~ provide more one to one support for participants, and have also greatly increased our capacity for outreach work and promotion of other services at the centre

More Children are benefitting from the centre with Children's Zumba, Street Dance & Stage School in partnership with the J Star Academy.

We conduct regular research on our participants and get very positive feedback in terms of the difference we make in people's lives: 92% of whom report an improvement in their health & wellbeing as a result of attending activities at the centre.

We continued to provide a wide range of classes and activities with our partners (Salford NHS, Salford College, Salford 3rd Sector Consortium, Salford City Council among others), and freelancers, which included;

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

Basic Literacy, Numeracy, Active Seniors, Computers, Spanish, French, ESOL Conversation, Zumba (for all ages), Karate, Salsa, Reiki, Tai Chi, Art Class, Job Club, CAB advice, Jobcentre Plus Advice, Parent Craft, Illness in Recovery, Snap Shots, Card Making, Jewellery Making, Knitting Club, and of course our healthy cookery classes.

We also held and participated in a number of community events as well as raising our profile by developing our own website (www.langworthycornerstone.co.uk) and Facebook page.

The Cornerstone continued to accommodate a number of other organisations including a GP surgery (Salford Care Centres), Surestart Children's Centre, Health Visitors, Family Support Services, Little Explorers and a Toy Library.

The Centre also provides a range of hourly rental space including the auditorium, computer suite, plus arts & crafts workshop and others.

It is of great credit to the hard work of all the staff, the board, partners and volunteers that such a lot was achieved during the period and that the prospects for the centre were so greatly improved.

How Our Activities Have Delivered Public Benefit

Our overall aim is to "Improve the Health and Wellbeing of the People of Salford and especially those of Seedley and Langworthy". We work in partnership with a range of other organisations to provide a varied programme of classes, services and activities to improve health and wellbeing, education and employability, as well as attracting further resources to expand and improve our offer.

We carry out our regular research and collect feedback to ensure that there is a good match between what is on offer and what the needs of the area are.

Services and activities are generally free and centre users come from a wide range of backgrounds and age groups, though we would like to do more for teenagers than we do at present.

All the activities and services outlined above deliver public benefit to the residents of Salford; and more specifically 75% of our participants are residents of Seedley and Langworthy, one of the most deprived wards in Salford.

Future plans

- * To continue working towards achieving the aspirations outlined in the Sustainability Plan.
 - * To continue to develop volunteering at the centre.
 - * To identify further sources of funding, contracts and partners to further expand the range of services we are able to provide for local people.
 - * To continue raising the profile of the centre and gain recognition for the tremendous work that goes on.
 - * To continue to apply pressure to the NHS (building owners) to gain a lease on the building. 2016 will be our 10th year managing the centre, & we still don't have a lease, or even a management agreement.
-

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

The contribution of supporters

The assistance of volunteer supporters is gratefully acknowledged. Various supporters are closely involved with the trustees in all of the Charity's work and without such participation the achievements so far would not have been possible. It is the Trustees policy to involve supporters as much as possible.

Major risks

The trustees/directors have reviewed the major risks to which the charity/company is exposed and have established systems to mitigate those risks.

Financial review

Thanks to the funding sources mentioned below, the charity has funds for its work as noted in the accounts. The charity anticipates using reserves where needed to fund future developments.

Principle funding sources

The main sources are rental charges to building users and Salford NHS Way to Wellbeing contract.

Investment policy

To minimise the risk to our finances, we have opened two interest bearing deposit accounts, one with CAF Bank and one with the Ecology Building Society, to spread the risk, and take advantage of the protection provided by the Financial Services Compensation Scheme.

Reserves

The Trustees have considered the need to hold sufficient reserves to maintain the financial security of the organisation, and have decided to allocate amounts from our unrestricted funds carried forward as follows:

Funds to allow for an orderly wind up of the organisation if necessary, & to cover contractual obligations, especially redundancy costs: £47,000

Funds to take account of our uncertain relationship with the building owners (the NHS), our lack of a lease, and possible variations in our service charge: £50,000

~~Funds to cover any funding gaps & to allow time to source new finance, or slim down provision in a~~
timely fashion: £50,000

Leaving £92,498 as a Development Fund to be used to pilot new provision such as the Business School & Men's Health Project, and provide match funding for bids.

We also hold £8,672 in restricted funds to cover Stamp Duty, should we be offered (& decide to sign) a Lease.

This Policy will be reviewed and updated annually by the Trustees in light of changing circumstances.

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED**Trustees' Responsibilities**

The trustees (who are also directors of Langworthy Cornerstone Association Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 Charitable Company, and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy, at any time, the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Registered office: 451 Liverpool Street, Salford, Manchester M6 5QQ

John Phillips

Company Secretary

Date: 17th November 2015

Registered Office

451-Liverpool-Street

Salford

M6 5QQ

Independent examiner's report to the trustees of LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

I report on the accounts of the company for the year ended 31st March 2015, which are set out on pages 7 to 13.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.

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(b) of the 2011 Act; and
- 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 Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking 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 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.

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - 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
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

AM King FCCA *A.M. King*
 Community Accountancy Service Ltd
 The Grange, Pilgrim Drive, Beswick, Manchester, M11 3TQ

Date: 17th November 2015

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Year Ended 31st March 2015 £	Year Ended 31st March 2014 £
INCOMING RESOURCES					
INCOMING RESOURCES FROM GENERATED FUNDS:					
Activities for generating funds:					
Room and Facilities Rental		117,652	-	117,652	140,790
Recovered VAT		-	-	-	597
Café Income		24,640	-	24,640	25,810
Fundraising		213	-	213	72
Bank Interest		1,305	-	1,305	459
Incoming resources from charitable activities:					
Grants & Contract Income:					
Big Life Centres		32,579	-	32,579	28,169
Lloyds TSB		-	-	-	10,000
NHS Salford		154,336	-	154,336	154,336
TOTAL INCOMING RESOURCES		330,725	-	330,725	360,233
RESOURCES EXPENDED					
Charitable activities		222,098	4,526	226,624	239,218
Support costs		71,702	-	71,702	96,279
Governance costs		2,177	450	2,627	4,777
TOTAL RESOURCES EXPENDED	3	295,977	4,976	300,953	340,274
NET MOVEMENT IN FUNDS		34,748	(4,976)	29,772	19,959
Reconciliation of funds					
Total Funds B/Fwd		205,200	13,198	218,398	198,439
Total Funds C/Fwd		239,948	8,222	248,170	218,398

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 10 to 14 form part of these accounts.

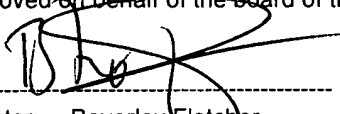
LANGWORTHY CORNERSTONE ASSOCIATION LIMITED
BALANCE SHEET AS AT 31 MARCH 2015

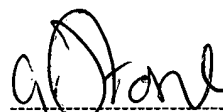
	NOTES	2015 £	2014 £
FIXED ASSETS			
Tangible Fixed Assets	5	2,417	5,989
CURRENT ASSETS			
Debtors & Prepayments	6	22,082	19,165
Cash at Bank		<u>242,574</u>	<u>229,163</u>
		<u>264,656</u>	<u>248,328</u>
CREDITORS:			
Amounts falling due within one year	7	<u>(18,903)</u>	<u>(35,919)</u>
		<u>(18,903)</u>	<u>(35,919)</u>
NET CURRENT ASSETS		245,753	212,409
TOTAL NET ASSETS		<u>248,170</u>	<u>218,398</u>
ACCUMULATED RESERVES			
Unrestricted Reserves	10	92,948	205,200
Designated Reserves	10	147,000	-
Restricted Reserves	10	<u>8,222</u>	<u>13,198</u>
		<u>248,170</u>	<u>218,398</u>

For the year in question the company was entitled to the exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

- The members have not required The company to obtain an audit of its accounts for the year in question in accordance with section 476.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved on behalf of the board of trustees/directors:


 Director: Beverley Fletcher


 Director: Geraldine Stone

Date: 17th November 2015

The notes on pages 10 to 14 form part of these accounts.

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

1 ACCOUNTING POLICIES

a) Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and with the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005 and with the Charities Act 1993.

b) Fund accounting

- Unrestricted Funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

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:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment Income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Income resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- 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 include those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fee and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on the basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in note 5.

e) Fixed assets

Fixed Assets are included in the accounts at cost less accumulated depreciation. Additions of a single item or a group of similar assets exceeding £500, are capitalised at cost.

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful lives.

Computers & Equipment	33.33%
Fixtures & Fittings	25.00%

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

2 NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	Year Ended 31.03.15 £	Year Ended 31.03.14 £
Depreciation	4,155	4,568
Accountancy Fees	925	1,110

3 TOTAL RESOURCES EXPENDED

		Activities £	Year Ended 31.03.15 £	Year Ended 31.03.14 £
Charitable activities				
Employment & Agency Costs	Direct	175,868	175,868	174,539
Café Food	Direct	11,927	11,927	14,742
Activities	Direct	28,269	28,269	39,061
Projects	Direct	-	-	422
Training	Direct	1,431	1,431	1,765
CRB Checks	Direct	21	21	450
Travel Expenses	Direct	974	974	484
Community Advice	Direct	5,971	5,971	7,188
Bad & Doubtful Debts	Direct	96	96	-
Donations	Direct	500	500	-
Advertising	Direct	1,329	1,329	467
Subscriptions	Direct	238	238	100
		<u>226,624</u>	<u>226,624</u>	<u>239,218</u>
Support Costs				
Printing, Post & Stationery	Direct	2,780	2,780	2,963
NHS Recharges	Direct	42,021	42,021	61,949
Telephone	Direct	424	424	339
Insurance	Direct	1,420	1,420	1,038
Minor Equipment	Direct	3,716	3,716	2,955
Payroll Bureau Charges	Direct	822	822	702
Software & IT	Direct	2,423	2,423	2,803
Repairs & Maintenance	Direct	769	769	1,973
Depreciation	Direct	4,155	4,155	4,568
Heat & Light	Direct	-	-	70
Rates	Direct	11,966	11,966	15,699
Website	Direct	-	-	1,000
Irrecoverable VAT	Direct	1,042	1,042	-
Bank Charges	Direct	-	-	(50)
Miscellaneous	Direct	164	164	270
		<u>71,702</u>	<u>71,702</u>	<u>96,279</u>
Governance costs				
Accountancy	Direct	925	925	1,110
Professional Fees & Advice	Direct	250	250	2,184
VAT Penalty	Direct	502	502	856
Legal Fees	Direct	950	950	627
		<u>2,627</u>	<u>2,627</u>	<u>4,777</u>
TOTAL RESOURCES EXPENDED		<u>300,953</u>	<u>300,953</u>	<u>340,274</u>

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

3 STAFF COSTS AND NUMBERS

Staff costs were as follows:

	Year Ended 31.03.15	Year Ended 31.03.14
	£	£
Wages and Salaries	156,346	150,506
Agency Costs	4,289	4,610
Pension Costs	7,190	9,438
Social Security Costs	8,043	9,985
	<u>175,868</u>	<u>174,539</u>

No employee earned £60,000 per annum or more.

The organisation operates a contracted in money purchase pension scheme.

The average number of employees, calculated on the basis of full time equivalents, was as follows:

Management & Administration	2	2
Project Delivery Staff	4	4
Reception & Caretaking	2	2
	<u>8</u>	<u>8</u>

4 TRUSTEES' REMUNERATION AND EXPENSES

Other than listed below, no members of the Management Committee received any remuneration during the year.

No trustee or other person related to the charity had any personal interest in or any contract or transaction entered into by the charity during the year.

	£	£
Beverley Fletcher	-	<u>119</u>

5 FIXED ASSETS

	Computers	Fixtures & Fittings	Total
	£	£	£
COST			
As at 01.04.14	10,459	20,736	31,195
Additions	583	-	583
C/fwd as at 31.03.15	<u>11,042</u>	<u>20,736</u>	<u>31,778</u>
DEPRECIATION			
As at 01.04.14	9,953	15,253	25,206
Charge for the period	700	3,455	4,155
C/fwd as at 31.03.15	<u>10,653</u>	<u>18,708</u>	<u>29,361</u>
NET BOOK VALUE AS AT 31.03.15	<u>389</u>	<u>2,028</u>	<u>2,417</u>
NET BOOK VALUE AS AT 31.03.14	<u>506</u>	<u>5,483</u>	<u>5,989</u>

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

6 DEBTORS & PREPAYMENTS

	2015	2014
	£	£
Debtors	21,198	18,861
Prepayments	884	304
	<u>22,082</u>	<u>19,165</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£	£
Creditors	4,753	24,372
Deferred Income	2,120	-
Other Taxes	10,333	9,634
Accruals	1,697	1,913
	<u>18,903</u>	<u>35,919</u>

8 CAPITAL COMMITMENTS

	£	£
Contracted but not provided for	nil	nil

9 TAXATION

An application has been granted for an exemption from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 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.
The company is not registered for Value Added Tax (VAT).

10 MOVEMENT IN FUNDS

	Balance at 01.04.14 £	Incoming £	Outgoing £	Transfer £	Balance at 31.03.15 £
Restricted:					
NHS Salford	8,672	-	(450)	-	8,222
Lloyds TSB	4,526	-	(4,526)	-	-
	<u>13,198</u>	<u>-</u>	<u>(4,976)</u>	<u>-</u>	<u>8,222</u>
Designated Funds	-	-	-	147,000	147,000
Unrestricted	205,200	330,725	(295,977)	(147,000)	92,948
	<u>218,398</u>	<u>330,725</u>	<u>(300,953)</u>	<u>-</u>	<u>248,170</u>

Purpose of Designated Funds:

For future closure costs, redundancy provision and contractual obligations

Purpose of Restricted Funds:

NHS Salford

for stamp duty and legal fees

Lloyds TSB

for Volunteering Project

LANGWORTHY CORNERSTONE ASSOCIATION LIMITED

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds £	Restricted Funds £	Total 2015 £
Tangible Fixed Assets	2,417	-	2,417
Current Assets	256,434	8,222	264,656
Current Liabilities	(18,903)	-	(18,903)
Net Assets at 31 March 2015	<u>92,948</u>	<u>8,222</u>	<u>248,170</u>

12 STATUS

In the event of a winding up all members (the trustees under the governing documents) have agreed to contribute an amount not exceeding £1.

13 GOING CONCERN

The company's main source of income is room and facilities rental and grants. The company is reliant on the continuation of adequate funding. The directors consider that it is appropriate to prepare accounts on a going concern basis and, consequently the accounts do not include any adjustments that would be necessary if these sources of income should cease or be inadequate.