

Charity Registration No. 1122878

Company Registration No. 06269709 (England and Wales)

CROYDON COMMITMENT LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

CROYDON COMMITMENT LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Mrs K Glass Mr S Dorman Mrs K D Chillman Mr C E Humphreys Mr I J Palmer	(Appointed 26 May 2020) (Appointed 26 May 2020)
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Charity number	1122878
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Company number	06269709
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Principal address	c/o Croydon Commitment Mott Macdonald House 8-10 Sydenham Road Croydon Surrey CR0 2EE
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Registered office	Kings Parade Lower Coombe Street Croydon Surrey CR0 1AA
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Independent examiner	DSK Partners LLP, Chartered Accountants 306 High Street Croydon Surrey CR0 1NG
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CROYDON COMMITMENT LIMITED

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CROYDON COMMITMENT LIMITED

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors present their report on the affairs of the charitable company together with the accounts for the above year.

The following report is prepared in accordance with the small company regime (Section 419(2) of the Companies Act 2006).

Objectives and activities

The objects of the charity are to promote the voluntary sector for the benefit of the public in Croydon and the surrounding area. The voluntary sector refers to charities and voluntary organisations and does not refer to local government or other statutory authorities.

The main activities undertaken in relation to those objectives are fundraising activities staged for the benefit of other charities including charity balls, comedy benefits, competitions etc and local community involvement projects with staff from local companies in Croydon and local charities.

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

CROYDON COMMITMENT LIMITED

DIRECTORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2019

Achievements and performance

The Directors feel that the overall standing of the charity has reflected the economic pressures that have continued to impact on our broader operational environment. Performance was in line with our expectations.

As we move into 2020 and 2021, we expect that both direct and indirect impacts of Covid-19 will reduce our ability to generate income and will also change how we interact with our volunteer groups. Our continued careful monitoring and management of the financial resources available, together with our health and safety appraisals will ensure that the Charity continues to operate within the acceptable parameters whilst supporting our stakeholders.

We feel that the report and accounts are a true reflection of the charity's receipts for the financial year and the income generated has met with our previous cautious financial forecasts.

Following a review in 2017, the Directors and CEO worked together with local stakeholders to create a new three-year Strategic Business Plan 2018-20 for the organisation. Croydon's Commitment thematic programme addresses five key thematic areas; Education, Employment, Environment, Health and Wellbeing and Social Inclusion and offers a range of practical ways businesses can work together to address the issues of deprivation and inequality in Croydon.

As a result of Covid-19 and its growing impact on our economy, we will throughout 2020/2021 shift greater attention towards employment, delivering projects that will ultimately help people that have been adversely impacted by Covid-19 get back into the workplace.

In 2019, our business partners gave 4,027 hours of employee volunteering hours, with over one thousand volunteers engaged in our programme across our five pillars, working with over 100 organisations from charities to businesses. Working collaboratively with our business partners, our programme continues to transform Croydon, helping local residents, especially the most vulnerable in our community. For example, under our Education pillar, we delivered 54 Lunchtime Literacy sessions, providing 1-to-1 reading support to struggling primary school children, as well as running Mock Interview Days and Confidence and Employability workshops at underprivileged secondary schools to prepare students for the working world.

We recently implemented a brand refresh, including launching a new website which details all upcoming Corporate Social Responsibility opportunities, both from Croydon Commitment and other organisations. The refreshed communications have enabled the charity to more effectively advertise its work and to attract new members. Our full impact report for 2019 can also be found on our website.

Croydon Commitment continues to support and implement the Grassroots Awards programme, awarding funding to up to 15 small local charities. The charity will continue to work alongside local stakeholders to meet its charitable objectives and realise its vision of establishing Croydon as a centre of excellence in sustainable development.

Financial review

Croydon Commitment has a policy regarding the level of reserves held at any one time in the bank, and this is that the amount of money held on reserve is a minimum of six months of the charity's running costs. This in real terms currently amounts to £20,000 being held in the bank account and guarantees that the charity may still operate for at least that period if financial difficulties ensue. This requirement was satisfied as at the 31 December 2019. We feel this is a responsible action on our part and is in accordance with guidelines laid down by the charities commission.

The Directors have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The Directors have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

CROYDON COMMITMENT LIMITED

DIRECTORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2019

Structure, governance and management

The charitable company is a company limited by guarantee.

The governing document is the memorandum and articles of association.

The methods adopted for the recruitment and appointment of new directors is by invitation only in full agreement of the board.

The Directors who served during the year and up to the date of signature of the financial statements were:

Ms J Dakin	(Resigned 26 May 2020)
Mrs K Glass	
Mr S Dorman	
Mrs R Farrar	(Resigned 30 June 2019)
Miss J Payne	(Resigned 30 June 2019)
Mrs K D Chillman	
Mr C E Humphreys	(Appointed 26 May 2020)
Mr I J Palmer	(Appointed 26 May 2020)

None of the Directors has any beneficial interest in the company. All of the Directors are members of the company and guarantee to contribute £1 in the event of a winding up.

The Directors' report was approved by the Board of Directors.

Mr S Dorman

Director

Dated: 13 October 2020

CROYDON COMMITMENT LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors, who also act as trustees for the charitable activities of Croydon Commitment Limited, are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Directors to prepare accounts 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 year.

In preparing these accounts, the Directors are required to:

- select suitable accounting policies and then 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate 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.

CROYDON COMMITMENT LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE DIRECTORS OF CROYDON COMMITMENT LIMITED

I report on the financial statements of the charitable company for the year ended 31 December 2019, which are set out on pages 6 to 13.

Respective responsibilities of Directors and examiner

The directors, who also act as trustees for the charitable activities of Croydon Commitment Limited, are responsible for the preparation of the accounts. The Directors 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.

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:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) 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
- (iii) 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's 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 financial statements 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:
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Dhirajlal Shah
DSK Partners LLP, Chartered Accountants
Chartered Accountants
306 High Street
Croydon
Surrey
CR0 1NG

Dated: 13 October 2020

CROYDON COMMITMENT LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

		Unrestricted funds 2019 £	Total 2018 £
	Notes		
<u>Income and endowments from:</u>			
Voluntary income	3	57,671	40,548
Investments	4	13	10
Other income	5	10,040	3,117
Total income		67,724	43,675
<u>Expenditure on:</u>			
Raising funds		14,410	5,693
Charitable activities	6	34,559	49,817
Total resources expended		48,969	55,510
Net income/(expenditure) for the year/ Net movement in funds		18,755	(11,835)
Fund balances at 1 January 2019		15,788	27,623
Fund balances at 31 December 2019		34,543	15,788

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CROYDON COMMITMENT LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Investments	9		100		100
Current assets					
Debtors	10	2,865		3,876	
Cash at bank and in hand		33,806		14,884	
		<u>36,671</u>		<u>18,760</u>	
Creditors: amounts falling due within one year	11	<u>(2,228)</u>		<u>(3,072)</u>	
Net current assets			34,443		15,688
Total assets less current liabilities			<u>34,543</u>		<u>15,788</u>
Income funds					
Unrestricted funds			34,543		15,788
			<u>34,543</u>		<u>15,788</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2019.

The Directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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.

The financial statements were approved by the Directors on 13 October 2020

Mr S Dorman
Trustee

Company Registration No. 06269709

CROYDON COMMITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Charity information

Croydon Commitment Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Kings Parade, Lower Coombe Street, Croydon, Surrey, CR0 1AA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the Directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.3 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts and other sales related taxes.

CROYDON COMMITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.4 Resources expended

Expenditure is recognised on an accruals basis.

The cost of generating funds is fundraising expenditure incurred by the charity in respect of voluntary income and income from fundraising activities. The expenditure includes direct staff costs and support costs.

Charitable activities expenditure includes activities identifiable as wholly or mainly in support of the objectives of the Charity. Grants are recognised as committed.

Governance costs are those costs relating to compliance with constitutional and statutory requirements and the structure and governance review.

1.5 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.6 Cash and cash equivalents

Cash and cash equivalents 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.

1.7 Financial instruments

The charitable 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 charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

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.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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.

1.8 Employee benefits

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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

CROYDON COMMITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.10 Status

Croydon Commitment Limited is a registered charity, No. 1122878, and is exempt from income and capital gains tax under the provisions of Section 505 of the Income and Corporation Taxes Act 1988 and Section 145(1) of the Capital Gains Tax Act 1979.

1.11 Fund accounting

Restricted funds comprise unexpended balances of donations and grants held on trust to be applied for specific purposes.

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes.

General funds comprise the accumulated net movement in funds on income and expenditure. They are available for use at the discretion of the directors in furtherance of the general objectives of the charity.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Voluntary income

	Unrestricted funds	Restricted funds	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Donations and gifts	25,777	-	25,777	14,794
Veterans Lunch Grant	-	-	-	9,380
Membership fees	31,894	-	31,894	16,374
	<u>57,671</u>	<u>-</u>	<u>57,671</u>	<u>40,548</u>
For the year ended 31 December 2018	<u><u>31,168</u></u>	<u><u>9,380</u></u>		<u><u>40,548</u></u>

CROYDON COMMITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

4 Investments

	Unrestricted funds	Total
	2019 £	2018 £
Interest receivable	13	10
	<u>13</u>	<u>10</u>

5 Other income

	Unrestricted funds	Total
	2019 £	2018 £
Other income	10,040	3,117
	<u>10,040</u>	<u>3,117</u>

6 Charitable activities

	Charitable Expenditure 2019 £	Charitable Expenditure 2018 £
Staff costs	34,559	45,313
De Vere Veterans Lunch	-	4,504
	<u>34,559</u>	<u>49,817</u>
	<u>34,559</u>	<u>49,817</u>
Analysis by fund		
Unrestricted funds	34,559	45,313
Restricted funds	-	4,504
	<u>34,559</u>	<u>4,504</u>
For the year ended 31 December 2018		
Unrestricted funds	45,313	
Restricted funds	4,504	
	<u>49,817</u>	

CROYDON COMMITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

7 Directors

None of the Directors (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
	2	2
	<u>2</u>	<u>2</u>
Employment costs	2019	2018
	£	£
Wages and salaries	33,208	44,400
Social security costs	802	346
Other pension costs	549	567
	<u>34,559</u>	<u>45,313</u>
	<u>34,559</u>	<u>45,313</u>

CROYDON COMMITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2019 & 31 December 2019	100
Carrying amount	
At 31 December 2019	100
At 31 December 2018	100

10 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	2,865	325
Other debtors	-	3,551
	<u>2,865</u>	<u>3,876</u>

11 Creditors: amounts falling due within one year

	2019 £	2018 £
Other taxation and social security	173	620
Amounts due to group undertakings	100	100
Other creditors	82	119
Accruals and deferred income	1,873	2,233
	<u>2,228</u>	<u>3,072</u>

12 Related party transactions

Included in creditors is an amount of £100 (2018: £100) owed to Croydon Commitment Events Ltd.

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