

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 2020**

# **CROYDON COMMITMENT LIMITED**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Directors</b>	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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<b>Charity number</b>	1122878
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<b>Company number</b>	06269709
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<b>Principal address</b>	c/o Croydon Commitment Mott Macdonald House 8-10 Sydenham Road Croydon Surrey CR0 2EE
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<b>Registered office</b>	Kings Parade Lower Coombe Street Croydon Surrey CR0 1AA
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<b>Independent examiner</b>	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 2020***

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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).

### **COVID-19 NOTE**

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. In the UK this began on 23rd March 2020. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic condition.

The charity is likely to be affected in the form of loss of income, however it will benefit from savings in costs and therefore this will not significantly impact the charity's financial position. The charity has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the charity for future periods.

### **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 2020***

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#### **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 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 Commitments' thematic programme addresses five key areas; Education, Employment, Environment, Health & 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 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 December 2020, the charity was successfully awarded a sum of £82,000 from the John Lewis Partnership to run an employability programme over the next two years. This income will be recognised as received in the following financial period.

2020's first and second pandemic wave meant that we and our partners were unable to deliver any face-to-face volunteering. However, we were able to deliver 100 VE Day goodie bags to local veterans to celebrate the 75th Anniversary of VE Day. We also supported residents and voluntary groups by signposting and connecting to relevant organisations via social media, emails and telephone calls.

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 the Grassroots Awards programme. 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 2020. 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 2020***

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#### **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 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: 22 September 2021

## **CROYDON COMMITMENT LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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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**

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I report on the financial statements of the charitable company for the year ended 31 December 2020, which are set out on pages 6 to 12.

#### **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: 23 September 2021



# CROYDON COMMITMENT LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Unrestricted funds 2019 £
	Notes		
<b><u>Income and endowments from:</u></b>			
Voluntary income	2	29,103	57,671
Investments	3	4	13
Other income	4	-	10,040
<b>Total income</b>		<u>29,107</u>	<u>67,724</u>
<b><u>Expenditure on:</u></b>			
Raising funds		<u>7,644</u>	<u>14,410</u>
Charitable activities	5	<u>24,255</u>	<u>34,559</u>
<b>Total resources expended</b>		<u>31,899</u>	<u>48,969</u>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(2,792)	18,755
Fund balances at 1 January 2020		<u>34,543</u>	<u>15,788</u>
<b>Fund balances at 31 December 2020</b>		<u><u>31,751</u></u>	<u><u>34,543</u></u>

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

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Investments	8		100		100
<b>Current assets</b>					
Trade and other receivables	9	6,944		2,865	
Cash at bank and in hand		27,179		33,806	
		<u>34,123</u>		<u>36,671</u>	
<b>Current liabilities</b>	10	(2,472)		(2,228)	
Net current assets			31,651		34,443
<b>Total assets less current liabilities</b>			<u>31,751</u>		<u>34,543</u>
<b>Income funds</b>					
Unrestricted funds			31,751		34,543
			<u>31,751</u>		<u>34,543</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 2020.

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 22 September 2021

Mr S Dorman  
Trustee

Company Registration No. 06269709

# **CROYDON COMMITMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **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) (effective 1 January 2019)". 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.

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.

Revenue 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 2020

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### 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 Non-current 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 trade and other receivables 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 2020

### 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 Voluntary income

	Unrestricted funds	Total
	2020	2019
	£	£
Donations and gifts	2,234	25,777
Veterans Lunch Grant and Furlough Grant	9,869	-
Membership fees	17,000	31,894
	<u>29,103</u>	<u>57,671</u>

### 3 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	4	13
	<u>4</u>	<u>13</u>

### 4 Other income

	Total	Unrestricted funds
	2020	2019
	£	£
Other income	-	10,040
	<u>-</u>	<u>10,040</u>

# CROYDON COMMITMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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**4 Other income** (Continued)

**5 Charitable activities**

	Charitable Expenditure 2020 £	Charitable Expenditure 2019 £
Staff costs	24,255	34,559
	<u>24,255</u>	<u>34,559</u>

**6 Directors**

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

**7 Employees**

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	2	2
	<u>2</u>	<u>2</u>
<b>Employment costs</b>	<b>2020 £</b>	<b>2019 £</b>
Wages and salaries	22,624	33,208
Social security costs	1,185	802
Other pension costs	446	549
	<u>24,255</u>	<u>34,559</u>

# CROYDON COMMITMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 January 2020 & 31 December 2020	100
<b>Carrying amount</b>	
At 31 December 2020	100
At 31 December 2019	100

### 9 Trade and other receivables

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade receivables	6,250	2,865
Other receivables	694	-
	<u>6,944</u>	<u>2,865</u>

### 10 Current liabilities

	2020 £	2019 £
Other taxation and social security	624	173
Amounts due to group undertakings	100	100
Other payables	68	82
Accruals and deferred income	1,680	1,873
	<u>2,472</u>	<u>2,228</u>

### 11 Related party transactions

Included in creditors is an amount of £100 (2019: £100) owed to Croydon Commitment Events Ltd a subsidiary of the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.