

Registered number: 06802004
Charity number: 1138399

Mackworth Estate Community Association Limited

Trustees' Report and Financial Statements

For the Year Ended 31 March 2023



Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Contents

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 - 15

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 31 March 2023

Trustees	P Dean, Chair D Page, Vice Chair K Bowler (resigned 31 July 2023) L E Broughton Z F Craig (appointed 9 October 2023) J Hardy P J Pegg (resigned 10 October 2023) D Willis (appointed 10 October 2023)
Company registered number	06802004
Charity registered number	1138399
Registered office	Mackworth Estate Community Hall St Francis Church Prince Charles Avenue Derby Derbyshire DE22 4FN
Company secretary	J Hardy
Accountants	Dains Audit Limited 15 Colmore Row Birmingham B3 2BH

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 31 March 2023

The Trustees present their annual report together with the financial statements of the Charity for the year 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The objects of the charity are to promote the benefit of the inhabitants of Mackworth Estate in a common effort to advance education, to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life of the inhabitants and residents of Mackworth Estate and to establish, or secure the establishment of, a community centre and to maintain and manage the same in furtherance of the objects.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Focus has been put on improving the performance of the charity shop in addition to increasing the use of the hall to try and increase the funds available to reinvest in the community.

Achievements and performance

a. Review of activities

Mackworth Estate Community Association Limited (MECA), just like many other charities and businesses, found it very difficult to become fully operational again following the COVID-19 lockdown. However, thanks to the dedicated staff at the Charity Shop on Drayton Avenue and the hard work of the CEO in ensuring that the Mackworth Estate Community Hall was available to hire, total income from the shop and hall hire has increased by 75% during the year.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 March 2023

b. Reserves policy

The Company holds reserves in order that the levels of service provided to the community may be maintained should there be a reduction in incoming resources. Reserves in this context mean funds that are freely available for the Company's general purposes after all commitments have been met. It is the opinion of the trustees that the existing reserves are sufficient to meet any reduction in incoming resources.

c. Principal funding

Funding is primarily from hall hire and shop income but the trustees are actively pursuing any other possible funding opportunities which includes grants and other charitable funding opportunities.

Structure, governance and management

a. Constitution

Mackworth Estate Community Association Limited is registered as a charitable company limited by guarantee and was set up by a Trust deed.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Members' liability

The Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 March 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 to presume that the Charity will continue in business.

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

Approved by order of the members of the board of Trustees on 20 December 2023 and signed on their behalf by:



D Page
Trustee

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Independent Examiner's Report
For the Year Ended 31 March 2023

Independent Examiner's Report to the Trustees of Mackworth Estate Community Association Limited ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2023.

Responsibilities and Basis of Report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.


Signed:

Dated: 20 December 2023

Mark Gurney FCCA

Dains Audit Limited

Birmingham

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 March 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and legacies	3	5,111	5,111	8,400
Charitable activities	4	72,304	72,304	53,889
Other trading activities	5	34,802	34,802	17,765
Total income		112,217	112,217	80,054
Expenditure on:				
Raising funds	6	106,603	106,603	86,106
Total expenditure		106,603	106,603	86,106
Net movement in funds		5,614	5,614	(6,052)
Reconciliation of funds:				
Total funds brought forward		25,810	25,810	31,862
Net movement in funds		5,614	5,614	(6,052)
Total funds carried forward		31,424	31,424	25,810

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 8 to 15 form part of these financial statements.

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)
Registered number: 06802004

Balance Sheet
As at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	10	20,830	19,613
Current assets			
Cash at bank and in hand		12,995	8,197
Creditors: amounts falling due within one year	11	(2,401)	(2,000)
Net current assets		10,594	6,197
Total net assets		31,424	25,810
Charity funds			
Unrestricted funds	12	31,424	25,810
Total funds		31,424	25,810

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

The financial statements were approved and authorised for issue by the Trustees on 20 December 2023 and signed on their behalf by:



D Page
Trustee

The notes on pages 8 to 15 form part of these financial statements.

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

1. General information

Mackworth Estate Community Association Limited is a private company, limited by guarantee and incorporated in England and Wales. The Company's registered office is Mackworth Estate Community Hall, St Francis Church, Prince Charles Avenue, Derby DE22 4FN. The nature of the Company's operations and principal activities are given in the Trustees' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Mackworth Estate Community Association Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate, that is, whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Plant and machinery	-	25% Reducing balance
Computer equipment	-	33% Straight-line

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

3. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	3,411	3,411	-
Derby City Council grants	1,700	1,700	6,146
Coronavirus Job Retention Scheme grant	-	-	2,254
	5,111	5,111	8,400
Total 2022	8,400	8,400	

The Charity furloughed certain staff under the Coronavirus Job Retention Scheme (CJRS). The funding received of £Nil (2022 - £2,254) related to claims made in respect of the year.

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Hall hire	71,824	71,824	43,044
Other trading activities	480	480	10,845
	<u>72,304</u>	<u>72,304</u>	<u>53,889</u>
Total 2022	<u>53,889</u>	<u>53,889</u>	

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Shop income	34,802	34,802	17,765
	<u>17,765</u>	<u>17,765</u>	
Total 2022	<u>17,765</u>	<u>17,765</u>	

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

6. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Other costs	2,369	2,369	3,833
Telephone	2,139	2,139	1,943
Light, heat and water	16,088	16,088	12,696
Leisure classes	2,363	2,363	2,080
Insurance	1,644	1,644	1,714
Repairs and renewals	21,497	21,497	10,133
Postage and stationary	659	659	958
IT costs	288	288	288
Accountancy fees	2,946	2,946	1,029
Loan interest	200	200	206
Cleaning	16,453	16,453	16,697
Subsistence	1,640	1,640	1,191
Donations	5,389	5,389	4,420
Wages and salaries	25,430	25,430	22,033
Depreciation	7,498	7,498	6,885
	106,603	106,603	86,106
Total 2022	86,106	86,106	

7. Independent examiner's remuneration

	2023 £	2022 £
Fees payable to the Charity's independent examiner	2,750	2,500

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

8. Staff costs

	2023	2022
	£	£
Wages and salaries	25,430	22,033

The average number of persons employed by the Charity during the year was as follows:

	2023	2022
	No.	No.
Average employees	3	3

No employee received remuneration amounting to more than £60,000 in either year.

The total amount of employee benefits received by key management personnel for their services was £23,517 (2022 - £22,033).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

10. Tangible fixed assets

	Plant and machinery £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2022	36,252	1,870	38,122
Additions	8,715	-	8,715
At 31 March 2023	<u>44,967</u>	<u>1,870</u>	<u>46,837</u>
Depreciation			
At 1 April 2022	17,441	1,068	18,509
Charge for the year	6,881	617	7,498
At 31 March 2023	<u>24,322</u>	<u>1,685</u>	<u>26,007</u>
Net book value			
At 31 March 2023	<u>20,645</u>	<u>185</u>	<u>20,830</u>
At 31 March 2022	<u>18,811</u>	<u>802</u>	<u>19,613</u>

11. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other creditors	1,686	-
Accruals and deferred income	715	2,000
	<u>2,401</u>	<u>2,000</u>

Mackworth Estate Community Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
Unrestricted funds				
General funds	25,810	112,217	(106,603)	31,424

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Unrestricted funds				
General funds	31,862	80,054	(86,106)	25,810

13. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

14. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2023.