

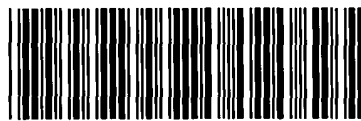
Company No. 02898308
Charity No. 1035200

Custom House and Canning Town Community Renewal Project

Report & Financial Statements

30 June 2017

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Custom House and Canning Town Community Renewal Project

Report and accounts Contents

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Custom House and Canning Town Community Renewal Project

Report of the management committee

For the year ended 30 June 2017

The management committee presents its report and the financial statements for the year ended 30 June 2017, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (FRS102) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to smaller entities.

Structure, Governance and Management

The Charity is registered as a charitable company limited by guarantee and governed by its Memorandum and Articles of Association.

The control and direction of the Charity is the responsibility of the Management Committee and its members are elected and co-opted to it under the terms of the Memorandum and Articles of Association. Elections are held at the Charity's Annual General Meeting and the Committee can co-opt members during the year. Attendance is good and in an open environment people are able to take up the reins of governance. At any given time the majority of members are well aware of their duty and the systems in place to do their duty.

The Committee members serving during the year, and those currently serving, are shown above. The Charity has no issued share capital or debentures; hence no directors' interests require disclosure.

The Committee delegates its power to run the Charity from day to day to the General Manager who acts on employment matters, exercises routine financial control, ensures that the essential landlord functions are properly maintained and organises specific project development and management. The General Manager ensures that the Committee remains informed by issuing reports on all aspects of the organisation to every Committee meeting. These reports give Directors regular opportunity to minuted their views, set and adapt policy and make binding decisions which create a clear line of accountability.

The Management Committee has assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and is satisfied that systems are in place to mitigate its exposure to the major risks. In 2015 the Trustees undertook a review of the Charity's financial standing orders.

Objects and activities

The Charity is established for the promotion of any charitable purposes for the benefit of the residents of the Custom House and Canning Town areas of London. There have been no changes to the objects since the Charity's inception.

The principal policies of the Charity to further its objects are as follows:

- Develop and maintain local buildings and infrastructure for the benefit of the community
- Play a role in the area's overall regeneration by participation in and contribution to local forums
- Provide appropriate training facilities for local young people
- Operate and assist in the operation of projects for the benefit of the community and
- Assist local community groups and projects from surpluses from rents from the Charity's property.

The Charity continues to properly manage its assets in the interests of the local area and continues to work to improve efficiency. St Luke's and Abrahams constitute some 25,000 square feet of space put to good social purpose. The Charity's policy is let to a range of socially useful tenants to provide unrestricted funds which cover the Charity's core costs and a modest surplus to apply for good purposes.

Custom House and Canning Town Community Renewal Project

Reference & administrative information

For the year ended 30 June 2017

Status The organisation is a charitable company limited by guarantee, incorporated on 15 February 1994 and registered as a charity on 21 March 1994. .

Governing document The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The Memorandum and Articles of Association were amended to reflect the new name of organisation.

Management Committee	Sarah Ruiz	Chair
	Amala Corera	Treasurer
	Janet Moffatt	
	Lorraine Starke	
	Frank Rosillo-Calle	
	Freda Ayres	
	Rosie Saunders	

Website www.chctcrp.org.uk

General Manager John McNeill

Company number 02898308

Charity number 1035200

Registered office and operational address The St Luke's Community Centre
89 Tarling Road
Canning Town
London
E16 1HN

Independent Examiner Patrick J Gray
Chartered Accountant
56 Bracken Drive
Chigwell
Essex IG7 5RD

Bankers National Westminster Bank
East Ham Branch
37 High Street North
London
E6 1HS

Custom House and Canning Town Community Renewal Project

Report of the management committee

For the year ended 30 June 2017

St. Luke's houses a double doctor's surgery, a community café, a community hall and offices for charities and small businesses. The only space remaining to be developed is the Apse (the historic altar area at the north end of the building) where long term plans exist to convert that space into a modern meeting space.

Activities and Achievements

How our activities deliver public benefit

The charity carries out a wide range of activities in pursuance of its charitable aims. The Trustees consider that these activities detailed below, provide benefit to the public, especially those who live in Custom House and Canning Town and the wider community of Newham and beyond.

16 years of financial stability

Since 2000 St. Luke's has been tenanted making the Charity a secure long term self-sustaining scheme in this poor part of London. The Charity plans for its contingencies, reserves, building fund and other risks. The Charity's landlord duties are managed by a general manager supported by a financial administrator and a building manager. With secure finances the Charity is able to work on projects that benefit the community and the greater the surpluses generated the greater the resources that can be dedicated to charitable activities.

Recently some office spaces became available and in September the 4th floor was vacated by Skillshop meaning that a significant improvement in rental income was possible if these spaces were to be let. The Management Committee agreed that from 2018 lettings at St. Luke's would be managed by a commercial estate agent.

In the 2016/2017 financial year the Charity was unjustly cornered into paying the London Borough of Newham £50,000 because paradoxically it would have cost more to win its case in court. While this setback limited the Charity's ability to help the vulnerable it but did not seriously harm the Charity's ability to function. The £50,000 was effectively taken from the Charity's building reserve fund which will have to be replenished. This serious loss will be recouped over two years through reorganisation of administrative staffing and other cost savings.

The Apse

The apse of the old St. Luke's Church contains 18 square meters of fine art mosaics which constitute what is perhaps Newham's most important work of art. The mosaics are the core reason why St. Luke's is a listed building. The Charity, in line with local aspiration, wants to restore them but no work has been done since 2006 when a new floor and scaffolding was installed to clean the stonework and monitor the mosaics. Since then the apse became a storage space. However in 2017 the decision was made to install a container in the grounds so the apse can be cleared into it. This work should be completed in the current financial year to enable the apse to become a bespoke venue for the arts.

The Community Hall

The community hall is used by a variety of groups and for private hire by the local community. The Charity helps small local groups that serve the community by offering the hall for a minimal charge. Children, the elderly and disabled groups benefit from this policy. In 2008 for example, the Tuesday afternoon "over 60s club" was established and meets every week. The subsidised letting currently in place provides £15,000 worth of subsidy over a year. After a 18 year bashing the hall floor had deteriorated and it was decided that new floor and associated facilities be installed. These works were largely undertaken in 2015/16 and all users have welcomed the improvement.

The Café

Early in 2013 a new proprietor was chosen who began operating under the name of EAT16. Since then the new business has grown into a popular local venue for good food at a reasonable price and as a vibrant place for casual community meetings and events.

Abrahams

The Charity built and let a new nursery by 2000 and obtained a 20 year lease for the property from Newham Council after which the Charity has a right to purchase outright for a peppercorn. The building is now let to a Lithuanian community organisation who use the whole building for childcare activities.

Parkside

In 2007 the Trustees agreed to assist the Parkside Gardening Project which continues to assist people suffering mental health difficulties into horticultural work experience. The project attracts funds irregularly and has survived at a basic level with financial and corporate support from the Charity. In 2013 Parkside's long standing and dependable all-rounder Sara Watson left, but before going helped find Jamie Smith and Jane Scott, who are carrying on the good work. In January 2015 Parkside boosted its workload by taking on an education function with a special school.

Powerhouse

Powerhouse is a charity that caters exclusively for mature women with disabilities and was one of the longest standing tenants at St. Luke's. In recent times funding support has grown tighter for all small charities and Powerhouse was no exception. In 2015/16 the decision was taken to allow Powerhouse to share the CH&CTCRP staff office at St. Luke's in order to help Powerhouse make ends meet and lessen the fundraising burden on it. The arrangement has worked well. Powerhouse also benefits from a cheap rate for its regular use of the hall.

Custom House and Canning Town: Community Renewal Project

Report of the management committee

For the year ended 30 June 2017

PEACH

In 2012 money became available from Big Local for Custom House Ward to run a £1,000,000 ten year scheme along community priorities. The Charity participated in the inaugural meetings and argued for the focussing of resources on the development of "community organising" and community initiatives. The People's Empowerment Alliance of Custom House (PEACH) was formed and from September 2013 the CH&CTCRP became the "Trusted Local Organisation" (LTO) responsible for the initiative's finances (held as a restricted fund) and the employment of its staff. PEACH has grown in strength and is developing the biggest community run participation and development project the area has ever seen.

In February 2017 PEACH choose the CH&CTCRP as its LTO for a further three years and its operation within the corporate structure of the Charity has progressed well.

Community Facilities

Letting the hall for a minimal charge to groups that serve the local community is an important part of the Charity's work. The subsidised use of the hall is equivalent to financial support of some £15,000.

The youth club meeting every Monday night is entering its 10th year. The Club is very popular and is in constant need of support. Powerhouse, a specialist group working with adult women with learning difficulties, regularly use it. The "Over 60's" continues to meet every Tuesday.

Community activities also take place outside in the grounds of St. Luke's which, given its protection, provides good outdoor space. The site has had annual Summer Fêtes organised by staff and volunteers. In 2010 a group of students greatly improved the northern strip of land (fenced off by the Charity since 1996) creating a special seat around a listed tree and other features. After 17 years of stewardship this plot was given over to developers as part of a plot for 50 housing units. The land was used for a path, insisted upon by Council Planners, but for which there was absolutely no demand.

The Charity's long partnership with the local Royal British Legion led to regular co-operation in organising events and in particular Remembrance Sunday. Whilst the Legion branch has closed the Charity continues to organise the Remembrance service which was again well attended last November.

Café EAT16 has become an unofficial community hub with several groups regularly meeting there.

The area's regeneration – a tale of class cleansing

The Charity's area of operation remains in one of the poorest areas of East London. There was 11 years of Single Regeneration Budget activity up to 2007 but despite spending 10s of £millions; unemployment remained high, educational achievement remained low and health did not improve.

After the opening of the Jubilee Line station at Canning Town in 1999 the area's property value rose. The Council developed plans to demolish 2000 council built homes, remove the population who were dubbed as being "not normal" and replace them with some 10,000 high density predominately market housing. To date over 1,000 homes have been demolished and many others emptied, rendered uninhabitable and, because of the lack of cash for the new build, passed to a private landlord who charges over double the council rent, the difference chargeable to the national taxpayer via housing benefit. Apart from making a profit the private landlord, Mears (who took over from Omega who took over from Tando), is able to evict its tenants at short notice whenever the land is required without a duty on the Council to rehouse those families.

The credit crunch stalled the programme but the pace of new build again quickened with blocks mushrooming near the station. The Charity agreed to help local tenants who approached the Charity's General Manager who helped in his own time. The residents made some gains but in 2007 their organisation was de-recognised. Subsequently, the Charity's Trustees learned that LBN had determined that the Charity's General Manager shall not be spoken to. Clarification was not forthcoming. The Charity's Trustees have learned to live with this.

The housing question has not gone away and has been spurred on by the new Cross-rail station at Freemasons Road. PEACH has taken on the issue of housing rights under its own direction and recently efforts have been made to silence that effort. Around St. Luke's hundreds of homes have been built with precious few of them going social rent. One whole development of 300 units was sold off plan in China without UK advertising.

A punishment beating from the London Borough of Newham (LBN) and the destruction of the Charity's manual training activities

In 1994 the Charity opened its Pitstop motor vehicle training project in the green shed it had built on Lambert Road. The project ran with great success educating Newham schoolchildren until its sudden demise (engineered by LBN) in 2010. In 1998 LBN encouraged Pitstop to move to Hallsville Road to expand its provision and to share LBN's cost of providing Newham Community Transport (NCT) a site for free. The CH&CTCRP was forced into a joint and several lease with NCT in the belief that it would always be fairly treated by LBN a 100% Labour authority. The Charity raised £200,000 and built new buildings on the site and a couple of years later the Charity established Skillshop (for basic construction training) in the old green shed Pitstop had moved from.

Custom House and Canning Town Community Renewal Project

Report of the management committee

For the year ended 30 June 2017

In 2007 LBN became belligerent. It tried to impose a £30,000 back rent on Skillshop having forgotten that it was not an LBN building and that the land had been let at a peppercorn. LBN also announced a 6 year backdated rent increase on the Hallsville site for which the CH&CTCRP had agreed to pay its agreed 40% share. Even though LBN paid almost 100% of NCT's bills it forced the NCT Committee of user representatives into liquidation so that it was able to load 100% of the backdated rent for Hallsville on to the CH&CTCRP. The CH&CTCRP contested the backdating but despite an agreement to the contrary and a rushed road widening scheme LBN evicted Pitstop in 2010. Despite the eviction LBN continued to claim an astonishing £110,000 from the CH&CTCRP. This was resisted in court but in the end the two track legal process involving Pitstop and Skillshop (which was supposed to guarantee protection) was too complicated and expensive to proceed with and so it was agreed in 2016 that the Charity would pay £50,000 to end the saga because it would have cost more to win in court.

When LBN took the Hallsville site it broke the 2 year contract for training services it had with the Charity and destroyed its viable garage business. Immediately after forfeiture LBN connived with Pitstop's ex-manager to establish and fund a project with the same name. In 2013 the Charity heard that its valuable garage machinery (unmovable because of the road widening scheme) had been included in a lease to another tenant.

Apart from destroying a valuable and well run project, LBN made a considerable income from forfeited equipment and buildings built with £200,000 of charitable funds

Skillshop kept operating at the green shed (which remains empty to date) but was finally forced out by LBN in October 2015. It then moved into the 4th floor at St. Luke's having tried and failed to find a more suitable alternative. After two years of trying it was realised that the project could not operate at St. Luke's and the project was closed in July 2017 and its long standing and successful manager, Malachi Bakas, was made redundant and thereby ending 23 years of manual training for young people by this Charity.

Staff

At the time of writing this report the Charity had 13 individual members of staff on its payroll including 2 with Parkside and 7 with PEACH. Staff are headed by the General Manager who is responsible to the Management Committee and is supported by a financial administrator and caretaker for St. Luke's.

Custom House and Canning Town Community Renewal Project

Report of the management committee

For the year ended 30 June 2017

Financial review

The Committee receives a quarterly review of the Charity's financial position so that all trends can be regularly examined. The Charity reviewed its financial standing orders in 2015.

Income for the year increased by £59,756 to £447,440 (15%). Expenditure decreased by £23,179 to £417,787 (-5%). The surplus for the year was £29,653 (53,282) (2015/16 : deficit). Of this, £46,786 arises annually as depreciation on the St Luke's building. The original building cost is the basis of the depreciation calculation which is required for accounting purposes and this constitutes a large (paper) part of the loss. In practice the Committee believes that it is possible to keep its assets in good repair indefinitely and aims to set aside £50,000 into the Sinking Fund (see Note 13 to the accounts). The built assets, being developed with grant funding meant there was no continuing restriction as to use and hence the asset is not held in a restricted fund..

Reserves Policy

The Charity's ability to meet its objectives rests on the proper management of its assets. In addition the Committee, guided by professional advice, annually sets aside a specified sum to a building fund for future repairs and improvements. In June 2017 the Charity increased its secure investment deposits to over £150,000. It also assures that there is a minimum 3 months of turnover in net current assets, for the staff and other liabilities.

Volunteer Activity

The Charity's Management Committee is totally voluntary. The Committee properly oversees the Charity. Committee members work in the office, the treasurer oversees all payments and the Chair regularly monitors the General Manager. None of the meetings of the Management Committee have been inquorate and if such governance and direction were to be purchased it would cost a considerable sum of money.

The Charity's main functions are performed by paid staff. As the Charity does not directly organise charitable activities other than where professionals are required, there is no need for volunteers to help the Charity's main effort. However, the charity's workers and trustees are linked to a web of people who bring charitable effort to St. Luke's. The Charity makes an effort to encourage volunteers to set up and run their independent activities such as the youth club and the elders' afternoons. By offering free use of the community hall and by assisting small local organisations the Charity assists volunteering such as with the youth club for whom it organises CRB checks and inducts volunteers but not directly for the Charity itself.

Paradoxically the voluntary sector is better developed in richer areas and to counter this, the Charity works to improve and enlarge of the area's voluntary sector. This way the Charity has helped to create a long term environment for more volunteering.

Custom House and Canning Town Community Renewal Project

Report of the management committee

For the year ended 30 June 2017

Responsibilities of the management committee

Company law requires the management committee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements which give a true and fair view, the management committee should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice 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 assume that the company will continue on that basis

The management committee is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The management committee members are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The management committee is 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.

Each member of the management committee confirms that to the best of their knowledge there is no information relevant to the independent examination of which the independent examiner are unaware. Members of the management committee also confirms that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the independent examiner.

Members of the management committee, who are also trustees under charity law, who served during the year and up to the date of this report are listed on page 1.

Public Benefit Statement

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefits'.

A resolution to appoint Conways Chartered Accountants as the company's independent examiner will be proposed at the annual general meeting. This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

This report was approved by the Board on 16 February 2018 and signed on its behalf.

SARAH RUIZ
Chair



**INDEPENDENT EXAMINER'S REPORT
TO THE MEMBERS OF CUSTOM HOUSE AND CANNING TOWN COMMUNITY RENEWAL PROJECT**

I report on the accounts of Custom House and Canning Town Community Renewal Project for the 12 months ended 30 June 2017 set out on pages 11 to 23.

Respective responsibilities of trustees and independent examiner

The charity's trustees who are also the directors of Imkaan 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's gross income exceeded £250,000 and I am qualified to undertake the examination being a CA.

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 accounts 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 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:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met, or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Patrick J Gray
Chartered Accountant
56 Bracken Drive
Chigwell
Essex IG7 5RD

Signed Patrick J. Gray

Date 23 February 2018

Custom House and Canning Town Community Renewal Project

Statement of Financial Activities (Incorporating an Income and Expenditure account)

For the year ended 30 June 2017

		Unrestricted	Restricted	2017 Total	2016 Total
	Notes	£	£	£	£
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income				-	-
Investment income		2,321		2,321	5,500
<i>Incoming resources from charitable activities</i>					
Peach		0	179,606	179,606	56,180
Skill shop : Teaching hours		21,158		21,158	56,416
Parkside Gardening Project		33,816	3,502	37,318	35,473
St Luke's and Abraham's					
Nursery rent and recharges		204,690		204,690	225,625
Other Community Projects		170	2,177	2,347	8,489
Total incoming resources	2	<u>262,155</u>	<u>185,285</u>	<u>447,440</u>	<u>387,684</u>
Resources expended					
<i>Cost of generating funds</i>					
Fundraising and publicity					
<i>Charitable activities</i>					
Peach			162,478	162,478	79,825
Skill shop : Teaching hours		13,933		13,933	53,404
Parkside Gardening Project		27,683	3,502	31,185	29,295
St Luke's and Abraham's		196,070	9,299	205,369	271,367
Nursery rent and recharges				-	-
Other Community Projects		596	752	1,348	3,624
<i>Governance costs</i>		<u>3,475</u>	<u>-</u>	<u>3,475</u>	<u>3,450</u>
Total resources expended	3	<u>241,757</u>	<u>176,030</u>	<u>417,787</u>	<u>440,966</u>
Net (Expenditure)/Income for the year		20,398	9,255	29,653	(53,282)
Transfers between funds	11	-	-	-	-
Net movement in funds for the year		20,398	9,255	29,653	(53,282)
Total funds brought forward		1,883,893	446,867	2,330,760	2,384,042
Funds carried forward	13	<u>1,904,291</u>	<u>456,122</u>	<u>2,360,413</u>	<u>2,330,760</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 12 to the financial statements.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Custom House and Canring Town Community Renewal Project (Limited by Guarantee)

Balance sheet

As at 30 June 2017

	Note	£	2017 £	2016 £
Tangible fixed assets	7		1,915,966	1,975,564
Investments	8		75,000	75,000
			1,990,966	2,050,564
Current assets				
Debtors	10	69,479		137,288
Cash at bank and in hand		335,094		212,464
		404,573		349,751
Creditors:				
Amounts falling due within one year	11	(35,126)		(69,555)
Net current assets			369,446	280,196
Total Assets less current liabilities			2,360,413	2,330,760
The funds of the charity:				
Unrestricted funds				
General funds			183,384	162,687
Designated funds			1,720,908	1,721,206
Restricted funds			456,121	446,867
Total funds	13		2,360,413	2,330,760

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

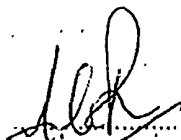
The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources 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.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The accounts were approved by the Board on 16th February 2018



Sarah Ruiz
Chair



Amala Corera
Treasurer

Custom House and Canning Town Community Renewal Project

Cash Flow Statement

For the year ended 30 June 2017

	2017	2016
	£	£
Operating Surplus/(Deficit)	27,332	(58,781)
Reconciliation of Cash generated from Operations		
Depreciation of Tangible fixed Assets	59,597	60,101
Purchase of Tangible Assets	0	(657)
Loss on disposal of assets		
Decrease/(Increase) in debtors	67,809	(41,669)
Decrease/(Increase) in creditors	(34,429)	(70,435)
Cash generated from Operations	120,309	(111,441)
Cash from Other sources		
Interest Received	2,321	5,500
Change in cash and cash equivalents in the year	122,630	(105,941)
Cash and cash equivalents at the beginning of year	212,464	318,405
Cash and cash equivalents at the end of year	335,094	212,464
Consisting of :		
Cash at bank and in hand	335,094	212,464

Custom House and Canning Town Community Renewal Project

Notes to the financial statements

For the year ended 30 June 2017

1. Accounting policies

Custom House and Canning Town Community Renewal Project Limited is a private company limited by guarantee incorporated in England and Wales. The registered address is The St Luke's Community Centre, 89 Tarling Road, Canning Town, London E16 1HN.

The following are the more important policies adopted by the charity.

- a) The financial statements have been prepared under the historical cost convention and in accordance with the company's constitution and applicable accounting standards. They follow the recommendations in the 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) and the Companies Act 2006. The company is a Public Benefit Entity as defined by FRS 102.
- b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when received or receivable, whichever is earlier.
- c) Revenue grants are credited to the statement of financial activities when received or receivable whichever is earlier, unless they relate to a specific future period, in which case they are deferred.
- d) Contractual income is recognised as an incoming resource to the extent that the charity has provided the services. If incoming resources are received in advance of the services being provided, they are deferred until the charity is entitled to them.
- e) Rental income is recognised net of voids.
- f) Gifts in kind represent assets or services donated for distribution or use by the charity. Assets given for distribution are recognised as incoming resources only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.
- g) Grants for the purchase of fixed assets are recognised in full in the statement of financial activities in the year in which they are receivable.
- h) Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.
- i) Unrestricted funds are donations and other income received or generated for the charitable purposes.
- j) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Custom House and Canning Town Community Renewal Project

Notes to the financial statements

For the year ended 30 June 2017

1. Accounting policies (continued)

- k) Tangible fixed assets are stated at costs less depreciation. Equipment costing less than £500 is written off in the year of purchase. Depreciation is provided on all fixed assets at rates calculated to write off the cost of each asset over its estimated useful life. The depreciation rates in use are as follows:

Freehold land	indefinite (no depreciation charged)
Freehold buildings	50 years straight line (2.00%)
Leasehold property	period of the lease
Office Equipment	5 years straight line basis (20.00%)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

At each reporting date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss(if any).

- l) All leases of equipment are operating leases, and rentals are charged to the statement of financial activities on a straight line basis over the length of the lease. No assets are held under hire purchase agreements.
- m) Governance costs include the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements. Cost of raising funds relates to the costs incurred by the charitable company in raising funds for the charitable work.
- n) The accounts are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.
- o) **Subsidiary**
- The Charity has a subsidiary but group accounts are not prepared because its results, assets and liabilities are not material to the Charity.
- p) These accounts for the year ended 31 March 2017 are the first accounts of the charity prepared in accordance with FRS 102. The date of transition to FRS102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS102.

Custom House and Canning Town Community Renewal Project

Notes to the financial statements

For the year ended 30 June 2017

1. Accounting policies (continued)

q) The financial statements have been prepared on the going concern basis. The management committee members have considered a period of one year from the date of approval of the accounts.

r) 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.

s) The charity 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.

t) 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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

v) In the application of the charity's accounting policies, the Trustees 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.

1.2 Accumulated funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are allocated out of unrestricted funds by the trustees for specific purposes. The use of such funds is at the trustees' discretion.

Restricted funds are subject to restrictions on their expenditure imposed by the donor.

Custom House and Canning Town Community Renewal Project
Notes to the financial statements
For the year ended 30 June 2017

2. Incoming Resources

	Skillshop	St Luke's and Abraham's	Parkside Gardening	Peach	Legion	Youth Club	General Fund	2017 Total	2016 Total
Restricted Funds									
Big Lottery Fund				179,606				179,606	56,149
Training Services			-					-	0
Small Grants			3,502			2,177		5,679	0
Other Sales Income					-			-	31
Sub Total	-	-	3,502	179,606	-	2,177	-	185,285	56,180
Unrestricted Funds									
Training Services	21,158		33,216					54,374	89,333
Investment income	-	-					2,321	2,321	5,500
Small Grants								0	800
Rental Income		191,117						191,117	212,746
Utility recharges		4,713						4,713	3,585
Summer Scheme								-	-
Donations								0	30
Other Incoming resources			600	-			170	770	11,110
Other Sales Income		48						48	183
Telephone Income		8,813						8,813	8,216
Sub Total	21,158	204,690	33,816	-	-	-	2,491	262,155	331,503
Total Incoming Resources	21,158	204,690	37,318	179,606	-	2,177	2,491	447,440	387,684

Custom House and Canning Town Community Renewal Project
Notes to the accounts
For the year ended 30 June 2017

3. Resources Expended

	Basis of allocation	Skillshop	St Luke's and Abraham's	Parkside Gardening	Peach	Legion	Youth Club	General Fund	Governance	2017 Total	2016 Total
Cost directly allocated to activities											
Staff costs	Staff time	10,443	69,931	28,200	102,704		0	0		211,329	196,222
Depreciation	Direct		59,527							59,527	60,101
Materials	Direct	245	0	881						1,126	2,599
Accreditation	Direct	110								110	770
Office Costs	Direct	0	60	104	1,494					1,658	1,952
Refreshments/Subsistence	Direct	27	86	261	1,987	723	29	233		3,345	2,185
Insurance	Usage	550	11,326	550	617					13,043	13,452
Internet	Usage		782							782	1,291
Legal and professional fees	Usage									0	14,505
Other Costs	Direct		419		1,972					2,391	1,980
Publicity	Direct		150	14	1,914			0		2,078	533
Social	Direct				7,915			364		8,279	6,366
Rent and Rates	Direct	381	1,135	0	3,500			0		5,116	65,814
Heat & Light	Usage	0	14,332							14,332	14,800
Telephone	Usage	0	2,262	0	70					2,332	2,209
Cleaning	Usage	9	1,141	19	87					1,256	687
Equipment & Maintenance	Direct	93	26,071	1,050	1,127		0	0	0	28,341	18,067
Grant Repayment	Direct				37,080					37,080	11,129
Independent Examination Fees	Direct								3,475	3,475	3,450
Support costs allocated to activities											
Printing, Postage and Stationery	Usage	0	160	2	1,163					1,325	1,053
Professional Fees	Usage	240	163	0	657					1,060	0
Bank Charges	Usage	0	561	0	40					601	758
Sundry Expenses	Usage	0	638	105	49					792	891
Staff Costs	Staff time	1,835	16,514	0	0					18,349	20,151
Total resources expended		13,933	205,369	31,185	162,478	723	29	596	3,475	417,787	440,966

Custom House and Canning Town Community Renewal Project

Notes to the financial statements

For the year ended 30 June 2017

4. Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, nor was anyone reimbursed for travelling and subsistence (Nil- 2016).

5. Staff costs and numbers

Staff costs were as follows:

	2017 £	2016 £
Salaries and wages	208,798	196,703
Social security costs	20,880	19,670
	<u>229,678</u>	<u>216,373</u>

No employee earned more than £60,000 during the year.

The Charity does not operate any pension scheme for its employees or contribute to any stakeholder pensions for staff

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2017 No.	2016 No.
Parkside gardening project	1.1	1.0
St Luke's and Abraham's	2.5	2.8
Skill Shop	0.6	1.5
Peach	3.4	1.8
Support	-	-
	<u>7.4</u>	<u>7.1</u>

6. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes, under S 466 to 493 CTA 2010

Custom House and Canning Town Community Renewal Project

Notes to the financial statements

For the year ended 30 June 2017

7. Tangible fixed assets

	Freehold land and buildings £	Leasehold properties £	Furniture and equipment £	Total £
Cost				
At the start of the year	2,339,293	597,994	186,169	3,123,456
Additions in year	-	-	-	-
At the end of the year	<u>2,339,293</u>	<u>597,994</u>	<u>186,169</u>	<u>3,123,456</u>
Depreciation				
At the start of the year	787,534	179,556	180,802	1,147,892
Charge for the year	46,786	9,299	3,512	59,597
At the end of the year	<u>834,320</u>	<u>188,855</u>	<u>184,315</u>	<u>1,207,490</u>
Net Book Value				
At the end of the year	<u>1,504,973</u>	<u>409,139</u>	<u>1,854</u>	<u>1,915,966</u>
At the start of the year	<u>1,551,759</u>	<u>418,438</u>	<u>5,367</u>	<u>1,975,564</u>

On 19 February 1996 the Charity was given the freehold land and buildings comprising the old Church of St Luke, Victoria Docks by its owner, the Church commissioners for England, for development as a community resource. The land was valued on 1 May 1995 by Bernard Williams Associated Chartered Surveyors, at £200,000 and was taken into the accounts at this sum. The balance of the cost/valuation shown above represents the cost of developing the site into the St Luke's community centre: this is the costs of depreciable assets which at 30 June 2017 amounted to £2,339,293 (2016:£2,339,293)

8. Fixed Asset Investment

	2017 £	2016 £
Investment in subsidiary	100	100
Deposits	75,000	75,000
	<u>75,100</u>	<u>75,100</u>

In December 1995 the charity formed a subsidiary company, St Luke's Project Limited, to undertake the development of the St Luke's Church site. The company has issued 100 £1 shares, all to the Charity. Following completion of the development work, the Company's activities have ceased. The Company has never made a profit or loss and its net assets are £100, equivalent to the issued share capital. Total income and total expenditure for the year were £Nil (2016 £Nil). Since the company's results, assets and liabilities are not material to the Charity's accounts they are not consolidated. Copies of the Company's account are available from the Charity's registered office.

Custom House and Canning Town Community Renewal Project

Notes to the financial statements

For the year ended 30 June 2017

9. Financial instruments	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>69,478</u>	<u>125,872</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>28,881</u>	<u>64,011</u>
10. Debtors	2017 £	2016 £
Grants Receivable	-	-
Trade Debtors	69,478	110,169
Other debtors	-	15,703
Prepayments	<u>1</u>	<u>11,415</u>
	<u>69,479</u>	<u>137,288</u>
11. Creditors : amounts falling due within one year	2017 £	2016 £
Trade creditors	4,879	19,836
Taxation and social security	6,246	5,544
Other creditors (incl taxation and social security)	1,455	10,378
Accruals	565	-
Rent Deposit from tenants	1,050	3,905
Peach	<u>20,932</u>	<u>29,893</u>
	<u>35,126</u>	<u>69,555</u>

12. Retirement benefit schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to income and expenditure account in respect of defined contribution schemes was £1,014 (2016 - £Nil)

Custom House and Canning Town Community Renewal Project

Notes to the financial statements

For the year ended 30 June 2017

13. Movements in funds

	At 1 July 2016 £	Incoming resources £	Outgoing resources £	Transfers In/(Out) £	At 30 June 2017 £
Restricted funds:					
Peach	20,932	179,606	162,478		38,060
Abrahams Point	423,910	-	9,299		414,611
Pensioners Club	443	-	-		443
British royal legion	1,200	-	723		477
Parkside gardening	-	3,502	3,502		0
Youth Club	-	2,177	29		2,148
Victory	381	-	-		381
Total restricted funds	446,867	185,285	176,030	-	456,121
Designated funds :					
Fixed assets fund	1,531,890		50,298		1,481,592
Sinking Fund	189,316			50,000	239,316
	<u>1,721,206</u>	<u>0</u>	<u>50,298</u>	<u>50,000</u>	<u>1,720,908</u>
General Funds	162,687	262,155	191,458	(50,000)	183,384
Total funds	2,330,760	447,440	417,787	-	2,360,413

The Fixed assets fund represents the unrestricted funds tied up in fixed assets.

The committee has established a sinking fund to finance the cost of future major repairs at St Luke's Centre and Abraham's Nursery. The Chariry's Surveyors have advised the amount to be set aside.

Transfers from general funds to restricted funds relate to the replacement of restricted funds previously utilised for core activities

14. Movements in funds (continued)

Grants from Big Local/Local Trust (National Lottery) for the Peoples Empowerment Alliance for Custom House (PEACH) will be held in trust as a restricted fund

Custom House and Canning Town Community Renewal Project

Notes to the financial statements

For the year ended 30 June 2017

15. Analysis of net assets between funds

	Restricted funds £	General funds £	Total funds £
Tangible fixed assets	414,611	1,576,355	1,990,966
Current assets	52,674	351,899	404,573
Creditors: amounts falling due within one year	(11,164)	(23,962)	(35,126)
Net assets at 30 June 2017	456,121	1,904,292	2,360,413

16. Management committee members' remuneration and expenses

The management committee members are the trustees under charity law and received no remuneration. (2016 - Nil)

17. Related Party Transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows :

	2017 £	2016 £
Aggregate compensation	<u>35,774</u>	<u>35,606</u>

In May 2013, the chair agreed with the charity a license agreement for £3,000 per annum for the rental of the Café