

NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2018

**NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)
FOR THE YEAR ENDED 31ST DECEMBER 2018**

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NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)

CHARITY INFORMATION

FOR THE YEAR ENDED 31ST DECEMBER 2018

CHARITY NAME: Newtown Community Association (Exeter, Devon)

REGISTERED CHARITY NUMBER: 1173331

ADDRESS: 11 Belmont Road
Exeter
EX1 2HF

TRUSTEES: Rory McNeile (Chairman)
Stephen Palmer (Secretary)
Gareth Carey-Jones (Treasurer)
Karolina Borkowska-Knight (from 2nd July 2018)
James Cotter
Julia Crockett
James Leigh (to 19th Feb 2018)
Jackie Holdstock
Peter Montgomery
Judy Pattison (to 1st May 2019)
Ella Westland

INDEPENDENT EXAMINER: Mr M B J Cronin MAAT FCIE
Bowhill Bookkeeping Services
172 Newman Road
Exeter
EX4 1PQ

NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2018

The trustees present their report together with the financial statements for the year ended 31st December 2018. The financial statements have been prepared in accordance with the accounting policies set out on page 8 and comply with the charity's Trust Deed, the Charities Act 2011, the Statement of Recommended Practice: Accounting and Reporting by Charities Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014 and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Structure, Governance and Management

Newtown Community Association (Exeter, Devon) is a Charitable Incorporated Organisation (CIO) which is governed by an 'associated' model Constitution adopted on 28th May 2017. The charity was registered with the Charity Commission on 8th June 2017, assets being transferred from the unincorporated 'Newtown Community Association.'

Newtown Community Association is governed by a board comprising a minimum of 3 and a maximum of 12 appointed trustees. New trustees are appointed either through being elected by the members, or co-opted by the existing trustees. At each Annual General Meeting, one third of the trustees retire from office on a rotation basis.

The trustees who served during the year and up to the date the report was approved are as follows:

Rory McNeile (Chairman)
Stephen Palmer (Secretary)
Gareth Carey-Jones (Treasurer)
Karolina Borkowska-Knight (from 2nd July 2018)
James Cotter
Julia Crockett
James Leigh (to 19th Feb 2018)
Jackie Holdstock
Peter Montgomery
Judy Pattison (to 1st May 2019)
Ella Westland

Objectives

The objects of the CIO are as follows:

(a) promote the benefit of all the inhabitants of Newtown, Exeter (the area bounded by the roads of Polsloe Road, Mount Pleasant Road, Iddesleigh Road, Old Tiverton Road, Sidwell Street, Paris Street and Heavitree Road.) and the neighbourhood, without distinction of sex, sexual orientation, nationality, age, disability, race or of political, religious or other opinions by associating together the said inhabitants and the statutory authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants;

(b) establish, or to secure the establishment, of a community centre (hereinafter called "the centre") and to maintain and manage the same (whether alone or in co-operation with any statutory authority or other person or body) in furtherance of the above objects;

(c) promote such other charitable purposes as may from time to time be determined by majority vote of the management committee of the association.

NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2018

Public Benefit

The Trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011. The trustees are satisfied that the charity's activities as described in this report meet the public benefit purposes of the advancement of community development and the advancement of education.

Main activities and achievements during the year

The past year has been significant for Newtown Community Association in which work has started on the new building in Belmont Pleasure Ground. This came with some controversy, as the snow in March led to the closure of Clifton Hill Sports Centre and a decision by Exeter City Council to sell the site for housing. On the positive side, ECC allocated an extra £150K which took the funding for the new building up to the budget amount, and also allocated another £50K for renewal of the play equipment in the Park. The Association is very grateful to the city council for its vital financial support for the new building project, also to Devon county Council for their contribution alongside other sponsors The Bernard Sunley Fund, MACE Development, Coastal Recycling, and the Garfield Weston Fund. Help 'in kind' from IKEA and Newtown firm Kitchenedit have also been agreed.

An agreement was signed between NCA and ECC on 27th September for the building period; this covered details of how the building work should be undertaken and also agreed that a 35-year lease of the site will be issued by ECC to NCA once the building is handed over. There is a separate agreement for surrender of the lease on the old "Hut 15", and this includes demolition of "Hut 15" within 6 months of the new building being handed over, and restoration of the site to grass. There is a difference in the arrangements; for the old "Hut 15", ECC own the building, and the lease was for use of it on payment of a rent (for which ECC usually gave a grant); for the new building, NCA is the owner, and the lease is for the site only, at a peppercorn rent. Members will note that this means NCA will own significant assets.

There are two main contracts for the building. After tendering and negotiation, the main building contract was let to Fifields Construction. The contract for the timber frame was let to Allwood Timber Construction. Further contracts cover the doors and windows and the heating system. After much investigation and discussion, it was decided that the heating system would use air-source heat pumps to provide warm or cool air in the building, which should make it more usable in hot summers in the future. 30 solar panels are being donated by Ikea in 2019.

Work on the new building started in October. The first action was removal of the swings to enable access. Not surprisingly, many Park users were sad to see them go. A consultation already started by the NCA Friends of Belmont Park group in 2017 will become more important as the building work nears completion in 2019, and plans are put in place for reconfiguring the play area and for new equipment. The Committee is grateful for the contributions, ideas and enthusiasm of Members.



NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2018

Meeting our Purposes

NCA works to fulfill its purposes in two main ways. The first is through use of the hut by a wide variety of user groups. See below for an analysis of the bookings and groups. These cover a wide range of cultures, languages and interests, and there are very few days when there is not at least one booking, and most days have several bookings.

The second way is by acting as an umbrella for a variety of groups. Some of these are regular specific NCA activities, especially the Community Choir, Social Café and Qigong groups which have met and/or performed regularly. New in 2018 is the Newtown Roots Band, which attracts musicians (of all ages and skills) using acoustic instruments of all types. It is very inclusive and looks good fun. The Roots Band has performed at a number of events through the year, including the Respect Festival in June.

Other NCA events included June Tunes on 23rd June, which linked the Community Choir with the St Matthews School choir, and included the Toy Library; a fund-raiser for Exeter Foodbank in October and the annual Winter Warmer on 16th December which involved some of the Roots band and linked to carol singing around Newtown led by Belmont Chapel.

The Open Forum meeting on 12th May included a session with Exeter Cycling Campaign, and was followed by a community litter-pick in Belmont Park. The hut was used as a base during the Respect Festival in July (NCA had noticeboards on display with the new building plans).

Trustees and Members have represented NCA at a number of local consultations, including on plans for student housing in the area. A letter was sent by NCA to ECC concerning the proposed development of the Clifton Hill Sports Centre and the surrounding land, and emphasized the historical importance of the former Brickworks office, and the green corridor linking to Belmont Park. NCA was given a graffiti removal kit by ECC Cleansing Dept, which is available for loan; this has been used three times. NCA members are active in working with DCC on the Sandford Walk green space. A project for planting in Codrington Street and the Triangle car park is being set up, with support from an ECC Locality grant and Clifton Inn.

Reach and engagement

The new NCA website <http://newtowncommunity.org.uk/> was launched in July. This uses Wordpress on a hosting service, so is much easier to manage than the previous one; however, we really need someone to take on the website editor role to make it fully effective. A new email hosting service was set up, and is being gradually implemented, to reduce reliance on personal emails. Work was done to ensure basic compliance with GDPR rules.

Ten editions of Newtown News were produced during 2018. Ella Westland has done a great job with this; however, we now need a new person to take this over. James Cotter continues to run the social media. Jayne Leaver, the Community Builder for the Newtown area, works closely with NCA and shares information, including through Nextdoor Newtown <https://nextdoor.co.uk/>

NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2018

NCA Belmont Hut Bookings for 2018

Through the year 124 parties, special events, and one-off meetings were held.

Regular groups and classes included:

Woodcraft Folk
Pilates
Yoga (several groups)
Light painting
Music teaching and practice (mainly Violin and Piano)
German, Greek, Saudi, Bulgarian, Thai and other language/cultural groups
Bonjour Tonton (early years spoken French)
Spanish teaching
Tango and Iban Dance

NCA activities:

Qigong - two sessions per week
Community Choir
Social Café
Roots Band

Please get in touch through our email secretary@newtowncommunity.org.uk or the hut bookings number 07847 229194. It would be great to hear from you if you have ideas and we would welcome your participation.

Financial Review

The CIO made a net surplus in the year of £245,441 (2017- £2,654). The large surplus was the result of significant grant income (£255,090) received in the year, the majority of which was received for the new hut build. All of the other CIO income streams remained stable.

Total expenditure increased by 70% compared to the previous year; most of this increase being the depreciation on the new hut build. Most other costs remained stable.

The CIO carried forward balances at 31st December 2018 of £264,664, all of which was held in unrestricted funds.

Reserves Policy

Unrestricted reserves totalled £264,664 at the year-end of which £79,308 was held in net current assets and is the effective charity reserves.

Budgets for the current financial year suggest that the completion of the new hut build will leave between £15,000 and £20,000 in reserve. This will be held as a contingency for unexpected maintenance of the hut and any significant reduction in hut rental bookings.

The report was approved by the Trustees on and signed on their behalf by:

.....
Trustees

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)**

I report on the accounts of the charitable incorporated association for the year ended 31 December 2018, which are set out on pages 7 to 14.

Responsibilities and basis of report

As trustees of the CIO, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Association's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a licensed accountant of the Association of Accounting Technicians and a Fellow of the Association of Charity Independent Examiners.

Independent examiner's statement

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

1. accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
2. the accounts do not accord with those records.

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.

**Mr M Cronin MAAT FCIE
Bowhill Bookkeeping Services
172 Newman Road
Exeter
EX4 1PQ**

Date

NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31ST DECEMBER 2018

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
INCOME FROM:							
Donations	10	603	255,165	255,768	2,130	1,180	3,310
Charitable activities	11	7,936	7,553	15,489	11,293	3,265	14,558
TOTAL		8,539	262,718	271,257	13,423	4,445	17,868
EXPENDITURE ON:							
Charitable activities	12	14,241	11,575	25,816	9,887	5,327	15,214
TOTAL		14,241	11,575	25,816	9,887	5,327	15,214
NET INCOME/(EXPENDITURE)		(5,702)	251,143	245,441	3,536	(882)	2,654
TRANSFERS BETWEEN FUNDS		251,143	(251,143)	-	(882)	882	-
NET MOVEMENT IN FUNDS		245,441	-	245,441	2,654	-	2,654
RECONCILIATION OF FUNDS:							
TOTAL FUNDS BROUGHT FORWARD		19,223	-	19,223	16,569	-	16,569
TOTAL FUNDS CARRIED FORWARD		264,664	-	264,664	19,223	-	19,223

NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)

BALANCE SHEET

AS AT 31ST DECEMBER 2018

	Note	At 31 st Dec 2018 £	At 31 st Dec 2017 £
FIXED ASSETS:			
Tangible assets	2	185,356	3,206
CURRENT ASSETS:			
Debtors	3	1,059	-
Cash at bank and in hand		79,549	16,017
		<u>80,608</u>	<u>16,017</u>
LIABILITIES:			
Amounts falling due within one year	4	(1,300)	-
NET CURRENT ASSETS		79,308	16,017
TOTAL NET ASSETS		<u>264,664</u>	<u>19,223</u>
THE FUNDS OF THE CHARITY:			
Restricted Income Funds	5	-	-
Unrestricted Funds		264,664	19,223
TOTAL CHARITY FUNDS		<u>264,664</u>	<u>19,223</u>

The notes on pages 9-14 form an integral part of these accounts.

These accounts were approved by the trustees onand signed on their behalf by:

.....
Trustees

.....

NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2018

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. The financial statements have been prepared with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014 and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102). The financial statements have also been prepared with the Charities Act 2011.

Newtown Community Association (Exeter, Devon) meets the definition of a public benefit entity under FRS 102.

b) Tangible Fixed Assets: Leasehold Property: New Hut

The site of the new hut is held on a lease of 35 years from Exeter City Council. As there is no recompense for the association should it be wound up before the expiry of the lease, it was felt prudent by the trustees to depreciate the property over 25 years (4% on a straight line basis) rather than the full length of the lease.

c) Debtors

Debtors are measured on initial recognition at the settlement amount after any discounts. Prepayments are valued at the amount prepaid net of any trade discounts due.

d) Cash at bank

Cash at bank includes 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.

e) Creditors

Creditors are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

f) Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy.

Donations are recognised when received by or on behalf of the charity.

Grant income is credited in the period in which it is receivable and any amounts relating to future periods are shown under creditors.

Rental income and monies received from charity events are accounted for on a receivable basis.

g) Expenditure

Expenditure is included on an accruals basis.

Charitable activities are costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2018

1. ACCOUNTING POLICIES (continued)

h) Fund Accounting

Funds held by the charity are:

Unrestricted Income Funds

These are funds that are not subject to any restrictions regarding their use and are available for application within the charitable objects for the general purposes of the charity.

Restricted Income Funds

These are funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for particular purposes.

i) Financial Instruments

The charity only has financial assets and 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.

j) Going concern

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern.

k) Apportionment of overhead cost for Restricted Funds

Overhead costs for cleaning, utilities, rates and waste collection were apportioned to the Qi Gong/Social Café, Community Choir and Roots Band restricted funds based on the income received from the particular event.

2. TANGIBLE FIXED ASSETS

LEASEHOLD PROPERTY

	New Hut £
COST	
At 1st Jan 2018	3,340
Additions in the year	189,879

At 31st December 2018	193,219

DEPRECIATION	
At 1 st Jan 2018	134
Charge for the year	7,729

At 31st December 2018	7,863

NET BOOK VALUE	
At 31st December 2018	185,356

At 31 st December 2017	3,206

NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2018

3. DEBTORS

	2018	2017
	£	£
Other Debtors	738	-
Prepayments	321	-
	<u>1,059</u>	<u>-</u>

4. CREDITORS: Amounts falling due within one year

	2018	2017
	£	£
Other Creditors	280	-
Accruals	1,020	-
	<u>1,300</u>	<u>-</u>

5. RESTRICTED FUNDS

	Fund Balances B/Forward	Income	Expenditure	Transfers From Unrestricted Funds	Fund Balances C/Forward
	£	£	£	£	£
New Hut	-	253,190	-	(253,190)	-
Qigong/Social Cafe	-	3,811	(5,154)	1,343	-
Community Choir	-	3,774	(3,927)	153	-
Roots Band	-	1,943	(2,494)	551	-
	<u>-</u>	<u>262,718</u>	<u>(11,575)</u>	<u>(251,143)</u>	<u>-</u>

ANALYSIS OF FUNDS

	Restricted Funds	Unrestricted Funds	Total Funds
	£	£	£
Fixed Assets	-	185,356	185,356
Current Assets	-	80,608	80,608
Liabilities: Due within one year	-	(1,300)	(1,300)
	<u>-</u>	<u>264,664</u>	<u>264,664</u>

NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2018

6. TRUSTEES' REMUNERATION AND EXPENSES

Karolina Borkowska-Knight and Julia Crockett both received fees for managing the hut bookings in the year. Karolina received £525 and Julia £450. The CIO's constitution allows such payments.

No further remuneration directly or indirectly out of the funds of the CIO was paid or is payable for the year to any Trustee or to any other person or persons known to be connected to any of the Trustees.

There were no trustee expenses paid for the year ended 31st December 2018, nor for the year ended 31st December 2017.

7. OPERATING LEASES

The site of the new hut is leased from Exeter City Council on a 35 year old lease at a "peppercorn" rent of £1. The CIO currently use the old hut rent free from Exeter City Council. A 7 year lease on this hut with Exeter City Council expired on 31st March 2017. The lease on the old hut will be surrendered within 6 months of opening the new hut.

8. OUTSTANDING GUARANTEES

The trustees confirm, in accordance with the Charitable Incorporated Organisations (General) Regulations 2012, that at the period end the CIO did not have any outstanding guarantees to third parties nor any debts secured on assets of the CIO.

9. PREVIOUS YEAR'S FINANCIAL STATEMENTS

The previous year's financial statements were prepared on a receipts and payment basis. The comparative figures for 2017 have been re-worked on an accruals basis. No clearly identifiable amounts were available for debtors and creditors for 2017 so no figures have been included. The amounts were not considered to be material.

The previous year's comparatives include income and expenditure for the previous unincorporated association and the new CIO. A new bank account was created when the new CIO charity began and assets were transferred over from the unincorporated association.

NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2018

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
INCOME FROM:							
10. Donations and Legacies							
Donations		603	75	678	175	-	175
Grants		-	255,090	255,090	1,955	1,180	3,135
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		603	255,165	255,768	2,130	1,180	3,310
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
11. Charitable activities							
Hut rental		7,767	-	7,767	7,905	-	7,905
Events: Community Choir		-	2,599	2,599	3,388	-	3,388
Events: Roots Band		-	1,443	1,443	-	-	-
Events: Qi Gong/Social Café		-	3,511	3,511	-	3,265	3,265
Events: Other		169	-	169	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		7,936	7,553	15,489	11,293	3,265	14,558
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

NEWTOWN COMMUNITY ASSOCIATION (EXETER, DEVON)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2018

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
EXPENDITURE ON:							
12. Charitable activities							
Events: Community Choir		-	2,800	2,800	3,150	-	3,150
Events: Roots Band		-	1,870	1,870	-	-	-
Events: Qi Gong/Social Café		-	3,638	3,638	-	4,015	4,015
Events: Other		108	-	108	575	-	575
Cleaning Costs		1,674	1,589	3,263	2,387	689	3,076
Utilities: Electric & Water		1,530	1,452	2,982	1,885	544	2,429
Rates		106	101	207	146	42	188
Waste Collection		130	125	255	126	37	163
Insurance		289	-	289	697	-	697
Mobile Phone		185	-	185	151	-	151
Repairs & Renewals		135	-	135	383	-	383
Admin Fee: Hut Bookings		975	-	975	150	-	150
Website		237	-	237	-	-	-
Printing/Newsletter		130	-	130	-	-	-
Sundries		13	-	13	103	-	103
Independent exam fee		1,000	-	1,000	-	-	-
Depreciation		7,729	-	7,729	134	-	134
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		14,241	11,575	25,816	9,887	5,327	15,214
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