

Shrewsbury House Community Association Limited

Report and Accounts

Year ended
31 March 2023

Company number 2695822
Charity registration number 1011659

Shrewsbury House Community Association Limited
Report and accounts
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Shrewsbury House Community Association Limited
Financial Statements
Year ended 31 March 2023

Registered charity number	1011659
Company number	2695822
Registered office	Bushmoor Crescent Shooters Hill London SE18 3EG
Trustees	S. Macdougall - Chair (appointed Feb 2023) R. Perrott - Treasurer G Sheath - Company Secretary R. Belfield A. Brockman J. Macfarlane L. Turkina (appointed Feb 2023) H. Denford (appointed Feb 2023) D. Martin K. Halpin J. Mills (resigned Feb 2023) S. Raja (resigned Aug 2023) F. Kemp (resigned Feb 2023) A. Bralee (resigned Feb 2023)
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Accountants and Independent Examiners	Michael Adamson and Co 23 Helena Road Rayleigh Essex SS6 8LN

Trustees Report to the members of Shrewsbury House Community Association Limited

The trustees present their annual report and the financial statements for the period ended 31 March 2023.

The report of the trustees has been prepared in accordance with the Statement of Recommended Practice and Reporting by Charities (SORP FRS102)

Governing documents

The Association is governed by its Memorandum and Articles of Association and is a Charitable Company Limited by Guarantee

Structure, governance and management

The trustees (who form the management committee of the Association) are also directors as defined by the Companies act 1985.

The senior worker (Manager) for the Association during the year was Ms S Maloney.

Trustees are elected annually at the Annual General Meeting from nominations received from affiliated user groups and full members, as defined within the Memorandum and Articles of Association. All new trustees are given an induction meeting with the Manager that includes all policies, financial arrangements, staffing and a tour of the Association's premises.

The day-to-day management of the Association is by the Manager following policies and procedures agreed by the trustees.

Objects of the charity, principal activities and organisation of our work

The objects of the charity are to promote the benefit of the inhabitants of the Shrewsbury House area and the surrounding neighbourhood in the Royal Borough of Greenwich without distinction of sex, sexual orientation, race or of political, religious or other opinions, in accordance with the local authority's equal opportunities policy, by associating together the said 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.

The trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit when deciding what activities the charity should undertake.

Vision and mission

"To promote the benefit of the inhabitants of the Shrewsbury House area and the surrounding neighbourhood of the Royal Borough of Greenwich without distinction of sex, sexual orientation, race or of political, religious or other opinions in accordance with the local authority's equal opportunities policy, by associating together the said inhabitants and the local authority, 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."
(Shrewsbury House Community Association Objective)

**Trustees Report to the members of
Shrewsbury House Community Association Limited
Development and achievements this year**

Operationally, Shrewsbury House saw a solid recovery from the lingering disruption linked to the COVID pandemic. Room hire – our primary source of income and the best indicator of overall usage of the house – recovered to ~£131k, a record for the centre.

Unfortunately, surging energy prices resulted in higher expenses, with charges for electricity and gas totalling ~£36k last year, an extremely sharp increase compared to the average for the prior 4 years of ~£15k. As a result, Shrewsbury House booked an overall loss of ~£10k for fiscal 2023.

However, our prudent overall reserves policy has meant that Shrewsbury House continues to be in a position to provide services for local community, something we believe is especially important in an environment of surging inflation and high energy costs.

As ever, we are grateful for the ongoing support from our users, the loyalty and hard work of our staff, and the assistance we have received from local government.

Financial report

As a result of surging energy costs, Shrewsbury House's financial position ended the year below our targeted level, though it remains in a satisfactory state. Our primary financial goal over the near term is to return the centre to a position of financial strength, with at least 9 months of expenses being held in cash reserves, versus the 7 months held in cash as of year end.

During the COVID crisis we aimed to minimize changes to our room rate charges, reflecting the considerably difficulties faced by our users over the last two years. We review our charges annually and endeavour to minimize pricing increases where possible. However, clearly surging inflationary pressures – particularly in energy – have resulted in us adjusting our room charges rates more significantly than we have done in the recent past. Typically, the majority of income Shrewsbury House receives is from room hire charges. We have also secured grant funding from Greenwich Council (£18k per year) for the period 2023-2027 (a reduction from the £20k per year received per year from 2019-2023).

Going forward, our priority remains on working towards placing Shrewsbury House on a sustainable financial setting for the long term, which will allow the centre to continue to provide a benefit to its users, the local community and its valued employees.

Transactions and financial position

The financial position is set out in the Statement of Financial Affairs on page 6.

Tangible fixed assets for use by the charity

Details of movements in fixed assets are set out in note 9 to the accounts.

**Trustees Report to the members of
Shrewsbury House Community Association Limited
Investment policy and returns**

Under the constitution, the charity has the power to make any investment which the trustees see fit. At present, no funds have been invested by the trustees.

Reserves

The charity commission requires charities to determine and explain their policy for free reserves. This has been explained in note 12 to the accounts.

Trustees

The trustees who served during the year are shown on page 1.

Risk management

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate any significant risk.

Statement of trustees responsibilities

The trustees are required by law to prepare financial statements for each year which give a true and fair view of the financial activities of the charity and its financial position at the end of the year.

In preparing those financial statements the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. make judgements and estimates that are reasonable and prudent;
3. state whether the policies adopted are in accordance with the Charities Act 2011 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements;
4. prepare the financial statements on the going concern basis unless it is inappropriate to assume the charity will continue in operation

Independent examiner

A resolution proposing Michael Adamson and Co be re-appointed as independent examiners of the charity was put to the governing body.

The report of the trustees has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP FRS102) issued in October 2019

Approval

This report was approved by the trustees and signed on their behalf

on 11/12/2023


S. Macdougall


R. Perrott

Shrewsbury House Community Association Limited
Independent Examiners report

Report of the Independent Examiners to the Members
of Shrewsbury House Community Association Limited

We have examined the financial statements on pages 6 to 15 for the year ended 31 March 2023, which have been prepared under the accounting policies set out on page 9

Respective responsibilities of the trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is our responsibility to:

- * examine the accounts under section 145 of the Charities Act,;
- * to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- * to state whether particular matters have come to my attention.

Basis of independent examiner's report

Our examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 we do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with our examination, no matter has come to our attention which indicate that:

- 1) accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- 2) where accounts are prepared on an accruals basis, whether they fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS102)
- 3) any matter which the examiner believes should be drawn to the attention of the reader to gain a proper understanding of the accounts.

Michael Adamson and Co
Chartered Accountants

23 Helena Road
Rayleigh
Essex SS6 8LN

Date :

Shrewsbury House Community Association Limited
Statement of financial activities
for the year ended 31 March 2023

	Note	Restricted funds 2023	Unrestricted funds 2023	Total funds 2023	Total funds 2022
		£	£	£	£
Income and expenditure					
Incoming resources					
Income from use of facilities and catering	4	-	163,806	163,806	107,490
Grants and donations receivable	2	23,000	9,096	32,096	96,217
Investment income	3	-	162	162	-
Total incoming resources		<u>23,000</u>	<u>173,064</u>	<u>196,064</u>	<u>203,707</u>
Resources expended					
Cost of generating funds					
Direct charitable expenditure	5	22,295	183,344	205,639	171,044
Governance costs	6	-	800	800	750
Total expenditure		<u>22,295</u>	<u>184,144</u>	<u>206,439</u>	<u>171,794</u>
Net incoming / (outgoing) resources for the year		<u>705</u>	<u>(11,080)</u>	<u>(10,375)</u>	<u>31,913</u>
Statement of other recognised gains and losses					
Net incoming resources before other recognised gains - net movement in funds					
	7	705	(11,080)	(10,375)	31,913
Total funds brought forward		33,675	134,938	168,613	136,700
Total funds carried forward		<u>34,380</u>	<u>123,858</u>	<u>158,238</u>	<u>168,613</u>
Reconciliation of movement of funds					
Tangible assets		-	3,873	3,873	4,206
Current assets		34,380	123,374	157,754	170,448
Current liabilities		-	(3,389)	(3,389)	(6,041)
		<u>34,380</u>	<u>123,858</u>	<u>158,238</u>	<u>168,613</u>

The surplus/ (deficit) for the year represents the total recognised gains for the period.

None of the charity's activities were acquired or discontinued during the current or previous year.


The attached notes form part of these accounts.

Shrewsbury House Community Association Limited
Balance Sheet
as at 31 March 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	9	3,873	4,206
Current assets			
Debtors	10	4,247	2,899
Cash at bank and in hand		153,507	167,549
		157,754	170,448
Creditors: amounts falling due within one year	11	(3,389)	(6,041)
Net current assets		154,365	164,407
Net assets		<u>158,238</u>	<u>168,613</u>
Reserves			
Accumulated fund	12	158,238	168,613
		<u>158,238</u>	<u>168,613</u>

The management committee are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that members have not required the company to obtain an audit in accordance with section 476 of the Act. The management committee acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts. The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Approved by the management committee on
and signed on their behalf


S. Macdougall
Trustee


R. Perrott
Trustee

The attached notes form part of these accounts.

Shrewsbury House Community Association Limited
Cash Flow Statement
for the year ended 31 March 2023

		Total funds 2023 £	Total funds 2022 £
Net cash used in operating activities	15	(13,568)	30,737
Cash flows from investing activities			
Cost of fixed assets		(636)	(3,066)
Interest received	3	162	-
Change in cash and cash equivalents in the period		(14,042)	27,671
Cash and cash equivalents brought forward		167,549	139,878
Cash at bank and in hand less overdrafts at 31 March		<u>153,507</u>	<u>167,549</u>
Consisting of:			
Cash at bank and in hand		<u>153,507</u>	<u>167,549</u>

The attached notes form part of these accounts

Shrewsbury House Community Association Limited
Notes to the Accounts
for the year ended 31 March 2023

3 Investment income

	<u>Restricted</u> <u>funds</u> <u>2023</u>	<u>Unrestricted</u> <u>funds</u> <u>2023</u>	<u>Total</u> <u>2022</u>
	£	£	£
General (page 14)	-	162	-
Catering (page 15)	-	-	-
	-	162	-

4 Income from use of facilities and catering

	<u>Restricted</u> <u>funds</u> <u>2023</u>	<u>Unrestricted</u> <u>funds</u> <u>2023</u>	<u>Total</u> <u>2022</u>
	£	£	£
General (page 14)	-	135,791	87,377
Catering (page 15)	-	28,015	20,113
	-	163,806	107,490

5 Direct charitable expenditure

	<u>Restricted</u> <u>funds</u> <u>2023</u>	<u>Unrestricted</u> <u>funds</u> <u>2023</u>	<u>Total</u> <u>2022</u>
	£	£	£
General (page 14)	22,295	155,002	157,257
Catering (page 15)	-	28,342	13,787
	22,295	183,344	171,044

6 Governance costs

	<u>Restricted</u> <u>funds</u> <u>2023</u>	<u>Unrestricted</u> <u>funds</u> <u>2023</u>	<u>Total</u> <u>2022</u>
		£	£
General (page 14)	-	800	750
	-	800	750

7 Net movement in funds for the year

	<u>2023</u>	<u>2022</u>
	£	£
The net movement is after charging:		
Depreciation of tangible fixed assets	969	1,063
Independent Examiner's fee	800	750

Shrewsbury House Community Association Limited
Notes to the Accounts
for the year ended 31 March 2023

8 Staff costs

No remuneration was paid to trustees. The staff costs of the remaining staff were:

	<u>2023</u>	<u>2022</u>
	£	£
Wages and salaries	115,159	106,622
Pension costs	1,228	1,829
Social security costs	4,689	3,300
	<u>121,076</u>	<u>111,751</u>

The average weekly number of staff employed, calculated as full time equivalents during the year was as follows:

	<u>2023</u>	<u>2022</u>
	FTE	FTE
Direct charitable work	5	5
Governance costs	-	-
	<u>5</u>	<u>5</u>

No employee received remuneration of more than £60,000

Remuneration to key management personnel in the year amounted to £31,647 (2022 : £30,711)

9 Tangible fixed assets

	Equipment £	Catering Equipment £	Total £
Cost			
At 1 April 2022	25,891	6,585	32,476
Additions	-	636	636
At 31 March 2023	<u>25,891</u>	<u>7,221</u>	<u>33,112</u>
Depreciation			
At 1 April 2022	22,377	5,893	28,270
Charge for the year	703	266	969
At 31 March 2023	<u>23,080</u>	<u>6,159</u>	<u>29,239</u>
Net book value			
At 31 March 2023	<u>2,811</u>	<u>1,062</u>	<u>3,873</u>
At 31 March 2022	<u>3,514</u>	<u>692</u>	<u>4,206</u>

10 Debtors

	<u>2023</u>	<u>2022</u>
	£	£
Trade debtors	2,949	2,866
Other debtors	1,298	33
	<u>4,247</u>	<u>2,899</u>

Shrewsbury House Community Association Limited
Notes to the Accounts
for the year ended 31 March 2023

11 Creditors : amounts falling due within one year

	2023	2022
	£	£
Trade creditors	2,244	2,882
Other taxes and social security costs	-	2,035
Accruals	1,145	1,124
	3,389	6,041

12 Accumulated fund

	<u>Restricted</u> <u>funds</u> 2023	<u>Unrestricted</u> <u>funds</u> 2023	<u>Total</u> <u>funds</u> 2023
	£	£	£
At 1 April 2022	33,675	134,938	168,613
Retained surplus/ (deficit)	705	(11,080)	(10,375)
At 31 March 2023	34,380	123,858	158,238
	<u>Restricted</u> <u>funds</u> 2022	<u>Unrestricted</u> <u>funds</u> 2022	<u>Total</u> <u>funds</u> 2022
	£	£	£
At 1 April 2021	-	136,700	136,700
Retained surplus	33,675	(1,762)	31,913
At 31 March 2022	33,675	134,938	168,613

Our financial reserve policy is to hold 9 months of expenses in cash. In the opinion of the trustees, 9 months of expenses is a prudent level of reserves to hold, and corresponds to: (a) a minimum of 3 months of expenses to cover costs in the event of a forced (permanent) closure of the centre; (b) an additional 3 months expenses to cover additional unexpected costs; (c) a further buffer of 3 months expenses to cover revenue shortfalls.

Over time we expect Shrewsbury House's cost base to increase as we seek to improve the level of service to users. As this happens, we will increase our cash holdings to reflect the greater cost base. For the latest financial year, 9 months of ongoing expenses corresponded to ~£155k, above the ~£120k we had in cash at year end. Note that these expenses and cash levels are adjusted for an outstanding grant received during fiscal 2022, which was awarded to improve the accessibility of the groups and gardens, and also for some specific internal refurbishment. The outstanding balance of this grant as of end March 2023 was ~£32k, and ~£2k of the grant was spent during the year.

The main risks to us achieving our financials reserves target are:

- A very sharp reduction in our grant from Greenwich council.
- Unexpected closure of the facilities resulting in sharp fall in income.
- Existing groups leave the centre and are not replaced by new groups.
- Large and unexpected building maintenance costs.
- Large and sustained increases in the cost of utilities (electricity, gas).
- A change in our lease arrangements with Greenwich council, resulting in the Shrewsbury House Community Association taking on more responsibility for the building.

Shrewsbury House Community Association Limited
Notes to the Accounts
for the year ended 31 March 2023

13 Status

The company, which is a registered charity, is limited by guarantee and has no share capital.

14 Comparative Statement of Financial Activities

	Notes	<u>Restricted</u> <u>funds</u> 2022 £	<u>Unrestricted</u> <u>funds</u> 2022 £	Total 2022 £
Incoming resources				
Income from use of facilities and catering	4	-	107,490	107,490
Grants and donations receivable	5	58,700	37,517	96,217
Investment income	3	-	-	-
Total incoming resources		<u>58,700</u>	<u>145,007</u>	<u>203,707</u>
Resources expended				
Cost of generating funds				
Direct charitable expenditure	5	25,025	146,019	171,044
Governance costs	6	-	750	750
Total expenditure		<u>25,025</u>	<u>146,769</u>	<u>171,794</u>
Statement of other recognised gains and losses				
Net incoming resources before other recognised gains - net movement in funds	7	33,675	(1,762)	31,913
Total funds brought forward		-	136,700	136,700
Total funds carried forward		<u>33,675</u>	<u>134,938</u>	<u>168,613</u>

15 Reconciliation of net movements in funds to net cash flow from operating activities

	2023 £	2022 £
Net movement in funds	(10,375)	31,913
Add back depreciation	969	1,063
Less interest received	(162)	-
Decrease / (increase) in stock	-	-
Decrease / (increase) in debtors	(1,348)	(260)
Increase / (decrease) in creditors	(2,652)	(1,979)
Net cash used in operating activities	<u>(13,568)</u>	<u>30,737</u>

Shrewsbury House Community Association Limited
General Income and Expenditure account
for the year ended 31 March 2023

	2023 £	2022 £
Income from use of facilities and catering		
Affiliation fees	4,700	2,426
Room Hire	131,091	84,951
	<u>135,791</u>	<u>87,377</u>
Grants		
Restricted		
Royal Borough of Greenwich - core funding	20,000	20,000
Royal Borough of Greenwich	3,000	38,700
Unrestricted		
Royal Borough of Greenwich - business support grants	-	20,201
HMRC Job retention support grants	-	14,564
Other grants and donations	9,096	2,752
Investment income	-	-
Interest receivable	162	-
Catering (page 15)	(327)	6,326
Total income	<u>167,722</u>	<u>189,920</u>
EXPENSES		
Direct Charitable Expenses		
Wages, salaries and pension costs	121,076	111,751
Staff training	36	155
Water rates	907	296
Light and heat	36,079	14,917
Repairs and maintenance	5,679	17,228
Insurance	2,824	2,650
Janatorial	2,896	2,086
Telephone and fax	1,665	1,423
Stationery, postage and printing	2,330	1,822
Computer and software expenses	662	255
Bad debts	97	1,048
Bookkeeping charges	694	769
Promotion and website expenses	388	381
Sundry expenses	664	958
Bank charges	597	628
Depreciation	703	890
	<u>177,297</u>	<u>157,257</u>
Governance costs		
Independent examiners fees	800	750
	<u>800</u>	<u>750</u>
Total expenses	<u>178,097</u>	<u>158,007</u>
Surplus for the year	<u>(10,375)</u>	<u>31,913</u>

Shrewsbury House Community Association Limited
Catering Income and Expenditure account
for the year ended 31 March 2023

	2023	2022
	£	£
Income from use of facilities		
Bar and Coffee Bar	23,988	17,737
Meals and refreshments	4,027	2,376
Total income	<u>28,015</u>	<u>20,113</u>
Direct Charitable Expenses		
Cost of sales		
Purchases	27,782	13,449
Equipment repairs	294	165
Depreciation	266	173
	<u>28,342</u>	<u>13,787</u>
Surplus for year	<u>(327)</u>	<u>6,326</u>

