

Registered company number: 04722577 (England and Wales)
Registered charity number: 1112342

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2019
for
Worcester Community Trust



RD Accounting Limited
Chartered Certified Accountants
109a Windmill Hill
Halesowen
West Midlands
B63 2BY

**Worcester Community Trust
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For the Year Ended 31 March 2019**

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**Worcester Community Trust
Independent Examiners Report
Year Ended 31 March 2019**

Charity registration number	1112342
Company registration number	04722577
Trustees	Adam Cedric Hudson Scott Robert Ian Sykes George William Davidge Claire Louise Thompson Richard Alfred Soper – Chair Josephine Constance Hodges David John Pickering Bridget Lee Brickley Heather Mary Beer – appointed 17.05.18 Bronislava Mansellova – appointed 21.09.18
Registered office	The Green Centre Gresham Road Dines Green Worcester Worcestershire WR2 5QS
Independent examiner	RD Accounting Limited 109a Windmill Hill Halesowen West Midlands B63 2BY
Management personnel	CEO - Faith Sanderson Director of Business Development – Ruth Heywood Operations Manager – Mark Steadman
Bankers	Lloyds PLC 4 The Cross Worcester Worcestershire WR1 3PY

**Worcester Community Trust
Independent Examiners Report
Year Ended 31 March 2019**

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report and the audited financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The charity is constituted as a company limited by guarantee and is, therefore, governed by a memorandum and articles of association (incorporated 3 April 2003). The Articles were amended in March 2010 to define the "area of benefit" as Worcester City.

Objectives and activities

As defined in the Trust's Memorandum and Articles the objects of the charity are:

- i. To promote the benefit of the inhabitants of Worcester City ("The area of Benefit") in line with The Equality Act 2010, without distinction of age, sex, sexual orientation, disability, marriage and civil partnership, gender reassignment, religion or belief, maternity and pregnancy, by associating together with the inhabitants and the local authorities, voluntary or other organisation in a common effort to advance education, relieve poverty and sickness and to provide facilities in the interest of social welfare for recreation and other leisure time occupation with the object of improving the conditions of life for the inhabitants in the area of benefit.
- ii. To establish or secure the establishment of community facilities and to maintain and manage the same whether alone or in cooperation with any local authority or other person or body. Ensuring our work delivers our aims The Trust will be locally driven, owned and controlled thus encouraging a community voice, ownership and democratic participation.

Social Strategy

The Trusts aim is to support the wellbeing of the communities that surround our community centres. Our particular expertise is with young people (for example holiday play scheme, youth clubs, etc.), older people (for example snack and chat), women (JOY and DAWN projects), employment support (skills training in our 'Building Block' facility and job coaches) and support for the socially isolated. The Trust supports the Worcester City Plan 2016-2021, in particular the "Stronger and Connected Communities" plan, the employment and training aspects of the "Prosperous City" plan and the "Healthy and Active City" plan.

Financial Strategy

The Trusts new business plan for 2018-2022 sets out the financial strategy for the Trust which involves raising the level of lettings income to £315,000 pa over the life of the plan; increasing the net income associated with project work by £40,000 and make savings on operation costs, mainly energy costs of £20,000. This will be achieved whilst containing expenditure to the minimum level consistent with the efficient delivery of our social objectives.

How our activities deliver public benefit

Worcester Community Trust manage 6 community centres in Worcester and run a range of community projects, which aim to change the lives of people every day. The community centres are in the areas which face greatest inequality but offer great facilities for social, leisure and sporting activity for the local community. The community projects we run include youth services, holiday play schemes, lunch clubs and services for older people and those that feel socially isolated, support to those experiencing domestic abuse and skills and training development, including construction skills. Community work is the core of all centres, providing an outlet and 'safe haven' for residents nearby, operated by people they trust and who understand their problems and needs.

Strategic Report

Measurement of achievements and performance

We measure our achievement and performance by the number of people we reach and those who are involved in activities within their communities. We also use qualitative outcome measurement tools such as Outcome Stars to understand the impact we have on the lives of individuals. Projects also have their own set outcomes as defined with funders, which are assessed on an ongoing basis to ensure projects are on track and delivering.

Community hub use

The 6 community hubs and facilities were used throughout the year by numerous local organisations and clubs providing a valuable focal point and resource for the local community. The hubs are let out to a range of customers who run social activities, fitness activities, preschool nurseries, adult education classes, local churches, after school groups and football training at KGV. These activities are mainly for the local communities, but the hubs are also let out as meeting and training venues to local businesses. Lettings income in 2018/19 was £258,416 (2017/18: £249,036).

Community Projects

Youth work - The WCT youth team deliver open access youth sessions, offering arts, sports and cooking activities to engage with young people who are most in need of positive interaction. The young people may be facing family, peer, school and social issues and the support and guidance provided enables them to make positive choices for their future.

457 youth sessions were delivered in the year with 6617 attendances at these sessions. In 2018 / 19 the youth sessions provided an extended and engaging summer program supporting young people, with joined up working across the City with other groups and providers.

KidzPlay - provides structured play activities for children aged 5-12 years in the school holidays from the community hubs. This year, 35 days of play provision reached over 499 children, most in receipt of pupil premium and many with additional needs. The scheme this year provided 1140 packed lunches to young people attending Kidzplay. The scheme continues to provide support and opportunities to young people across Worcester who may not otherwise get a chance to take part in Summer activities. This year Kidzplay had a positive Ofsted inspection with the Horizon inspected club receiving Ofsted compliant, the project has had positive Ofsted visits to all the hubs the scheme delivers from.

After School clubs for 5-10-year olds started in September 2018 at all our hubs which have been very popular, some at capacity as soon as they started. The clubs are funded through Children in Need and are targeted within areas of highest need in Worcester. The sessions are structured, and young people have been on an 'around the World and sports' theme this year, with children getting a healthy snack within the sessions. This year we have delivered 107 after school clubs, supporting 180 young people – resulting in 1720 attendances.

DAWN - the DAWN project supports women who have experienced or who are experiencing domestic abuse, providing individual support to enable women to make informed decisions and changes. 111 women left their abusive relationship as a result of being involved with the DAWN project in the year and 153 children at risk are leading safer lives. The number of referrals for DAWN has increased by nearly 40% and this number is growing. This year has seen additional funding which has enabled targeted projects for the BAME community and the formation of a survivor's support network for those who have experienced domestic abuse.

JOY - the JOY project supports women to build their confidence and support them into training, volunteering and employment. The JOY project has successfully completed its first phase of delivery this year securing additional funding from the Lottery Community Fund for an additional 3 years to support women. During the first phase of JOY, which has now completed, 205 women improved and sustained their self-confidence, 437 women took part in training where they gained a certificate for completing courses, 78 became volunteers and 59 went into accredited training or gained employment.

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Community Connectors - is a project connecting people who are socially isolated to professional services and to each other, most of these clients have low level mental health or long-term physical health conditions. The project is funded through the National Lottery Community Fund, which has enabled sessions to run from each of the community hubs in Worcester, this year enabling 1754 people to attend groups, activities and events, with 368 people reporting they feel less isolated with a 174 people feeling more confident to access health and other services. The project has also enabled 41 people to take on volunteering roles within connectors and taking a more active role in the community.

Older people and wider community projects - 1890 'snack and chat' healthy lunches were served to older people in the year and 19 trips were successfully organised. Together with Age UK we have reconnected socially isolated and lonely older people to the social activities that they enjoy. The reconnections project workers supported 79 people in this way during the year. 78% of service users scored their satisfaction levels of the service between 8 -10 out of 10, with almost 47% scoring their satisfaction level at 10/10.

The Building Block - During the year, our construction skills training centre delivered the construction skills (CSCS) card training course, giving accredited training to 55 people, 9 of whom gained employment as a result. The funding for CSCS came to an end in December 2018 so the skills centre has taken on additional accreditations this year. A further 444 people gained additional skills through attending courses at the Building Block in woodwork, bricklaying, plumbing and electrical training, that is double the amount compared to the previous year. This year the Building Block gained centre approval from LOGIC and City and Guilds to start delivering accredited training courses, helping to offer a wider range of courses on offer from the skills centre. The Building Block has grown significantly in the last year, with the great support and help from its volunteers and centre manager.

Worcester Community Trust continues to deliver the **BBO Job Coaches** from its centres, with 2 job coaches supporting people to go into employment or training. This project is joint funded by ESF and the Big Lottery Community Fund and is administered across Worcestershire by Vestia. The scheme has a specific focus on those who are out of work, including those that may be claiming JSA, ESA, Universal Credit or Income Support. This year saw 83 new clients, 16 into education and training, 11 into job search and 21 into employment.

Volunteers

We could not achieve any of our work without the support of over 60 volunteers giving us an average of 600 hours of their time every month. The financial value of this contribution was at least £55,000 for the year, but the main value is the love and support given by the volunteers to those who use the Trust's facilities.

Financial Review

Lettings income remains the main contributor to unrestricted funds to support the ebb and flow of project activity and overhead costs. This year's lettings income increased 3.8% to £258,416. This is below our aspirations, but the trust continues to seek ways to maximise future lettings income.

General unrestricted reserves had a deficit of £24,171. This is mainly due to accrued maintenance charges of £30,000 we expect to receive from Worcester City Council, which had not been budgeted for. As a result, our unrestricted funds have fallen to £121,632. The present climate for third sector organisations is very tight due to the reduction in local authority funding and the economic situation affecting grant giving trusts.

Investment policy and objectives

The current investment policy is to raise cash reserves to the equivalent of 3 months running costs. Once this has been achieved the Trust will consider what mix of cash and near-cash investments would most appropriately meet the Trust's needs, whilst offering an improved return.

Reserves policy

The Trustees aim to raise free reserves in unrestricted funds to a level that equates to a minimum of three months total annual expenditure. The Trustees consider that this level will provide enough funds available to cover variations in staffing and overhead costs in the medium term but may wish to raise the target to 6 months total expenditure in the longer term. At the end of March 2019, the balance held as unrestricted cash funds was £120,648 compared to three months expenditure of £206,000.

**Worcester Community Trust
Independent Examiners Report
Year Ended 31 March 2019**

Going Concern

At the date of approving these financial statements the Trustees believe the charity to be a going concern and management accounts are being prepared on a monthly basis to monitor the charities reserves position to ensure this is appropriate. The Trustees are acutely aware of the challenges that the current level of reserves poses.

Plans for the future

We will continue to manage the community hubs for the benefit of the local community and we will continue to provide services for children and families, young people, older people, the socially isolated and those needing support to access services, employment or through their experience of domestic abuse.

We will continue to be an umbrella for projects identified by our community members that will improve their health and wellbeing in general terms and where we can offer support that helps them to do more. We will be focusing on Mental Health support in this coming year, continuing our work addressing social isolation in Worcester and importantly – bringing people together.

Our Business Plan for 2018-2022 builds on the strength of our community hubs to develop strong partnerships to maximise the use of the hubs, including developing city-wide specialisms for 3 of them. It also plans to strengthen the senior team and the Trustee base.

WCT board of trustees will be recruiting for additional trustees to join the board to fill skills gaps around fundraising, facility management and business development. The CEO will lead development a number of key projects that will be commissioned by 1st April 2020, to include Positive Activities and Social Isolation and Loneliness. The CEO will also ensure that opportunities surrounding business development and other funding opportunities are explored to ensure our strategic vision for Plan 2022 is on target. Development plans will be implemented to build opportunities and capacity to deliver additional Skills and Construction qualifications at the Building Block to supply demand and create a diversified income stream to support community delivery.

Structure, Governance and Management

Recruitment and appointment of new trustees

The trustee recruitment process is carried out by existing trustees on behalf of the members of the Trust. The minimum number of trustees is 3; there is no maximum number of trustees that can be appointed but current practice is to limit the maximum number to 12. Trustees may serve for 3 years after which they may put themselves forward for re-appointment.

Governance

All Trustees give their time freely and no Trustee remuneration was paid within the year. Trustees have provided details of all relevant interests and registered them with the Chief Executive Officer. At the start of each Trustee Board meeting any possible conflicts of interest have been requested and noted. Where a conflict of interest has existed, that Trustee has withdrawn from the discussion or decision. At the Board meetings, Trustees agree the broad strategy and areas for activity for the Trust, including consideration for reserves, risk management, policies and performance. Day to day administration is delegated to the Chief Executive Officer or, in her absence, any other staff member or members as deemed appropriate by the Trustees. Trustees are offered training opportunities as appropriate and have an annual strategy away days.

Induction and training of new trustees

On appointment a new trustee signs a disqualification form to ensure their eligibility to be a trustee. The induction process involves meetings with the Chair and the trustees, Chief Executive Officer, Senior Management Team and other staff members as deemed appropriate by the Trustees. An information pack provides a copy of the Memorandum and Articles, the most recent set of approved accounts, a copy of Charities Commission "Essential Trustee" and copies of any other documents deemed necessary.

**Worcester Community Trust
Independent Examiners Report
Year Ended 31 March 2019**

Management Structure

Ruth Heywood will become CEO from Summer 2019. The CEO will be supported by the management team, consisting of Operations Manager, Mark Steadman, Tracey Chance, Finance Officer and Christine Heywood, Hub Team Manager. There will be a vacancy for Director of Business Development.

Board Meetings are hosted bi-monthly and regular sub-committees for finance are hosted.

The (Remuneration) committee has delegated authority to ensure that remuneration arrangements support the strategic aims of the Trust so that remuneration packages are financially viable, encourage good performance and motivate and retain staff. The committee takes external advice when recruiting senior staff and in benchmarking pay, which was last done in 2015.

There is an aspiration to host regular business development sub-committees to ensure progress towards plan 2022.

Trustees' responsibilities

The trustees, who are also directors of the charity for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors, on 3 September 2019. and signed on the board's behalf by:

Richard Alfred Soper, Trustee



**Worcester Community Trust
Independent Examiners Report
Year Ended 31 March 2019**

Independent examiners report to the Trustees of Worcester Community Trust ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2019.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Association of Chartered Certified Accountants (ACCA), which is one of the listed bodies

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

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

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

Richard Dunkley FCCA, CTA
RD Accounting Limited
Chartered Certified Accountants
109a Windmill Hill
Halesowen
West Midlands
B63 2BY

Date: 3 September 2019

Worcester Community Trust
Statement of Financial Activities (Including Income & Expenditure Account)
Year Ended 31 March 2019

	Note	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
Income and endowments from:					
Donations and legacies	3	7,407	2,364	9,771	5,180
Charitable activities	4	281,203	341,645	622,848	531,928
Other trading activities	5	325,195	5,311	330,506	310,064
Total		<u>613,805</u>	<u>349,320</u>	<u>963,125</u>	<u>847,172</u>
Expenditure on:					
Charitable activities	6	(631,960)	(347,802)	(979,762)	825,517
Net income / (expenditure)		<u>(18,155)</u>	<u>1,518</u>	<u>(16,637)</u>	<u>21,655</u>
Transfers between funds					
Net movement in funds	20	(6,016)	6,016	-	-
	16	(24,171)	7,534	(16,637)	21,655
Reconciliation of funds:					
Total funds brought forward	16	145,803	82,983	228,786	207,131
Total funds carried forward	16	<u>121,632</u>	<u>90,517</u>	<u>212,149</u>	<u>228,786</u>

Worcester Community Trust
Balance Sheet
Year Ended 31 March 2019

	Note	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
Fixed assets					
Tangible assets	12	984	-	984	3,106
		984	-	984	3,106
Current assets					
Debtors	13	32,327	10,846	43,173	29,767
Cash at bank and in hand		146,092	124,986	271,078	228,768
		178,419	135,832	314,251	258,535
Creditors: amounts falling due within one year	14	(42,771)	(45,315)	(88,086)	(32,855)
Net current assets / (liabilities)		135,648	90,517	226,165	225,680
Total assets less current liabilities		136,632	90,517	227,149	228,786
Provisions	18	(15,000)	-	(15,000)	-
Net assets / (liabilities)		121,632	90,517	212,149	228,786
Charity Funds					
Restricted funds	16			90,517	82,983
Unrestricted funds	16			121,632	145,803
Total charity funds	16			212,149	228,786

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2019.

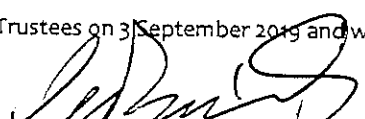
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- i. ensuring that the charitable company keeps accounting records that comply with Sections 366 and 387 of the Companies Act 2006 and
- ii. preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees on 3 September 2019 and were signed on its behalf by:


Richard Alfred Soper – Trustee


George William Davidge - Trustee

Worcester Community Trust
Cash Flow Statement
Year Ended 31 March 2019

	2019 £	2018 £
Cash flow from operating activities		
Cash generated from operations	42,310	44,431
Net cash flow from operating activities	<u>42,310</u>	<u>44,431</u>
Net increase in cash and cash equivalents	42,310	44,431
Cash and cash equivalents at the start of the reporting period	228,768	184,337
Cash and cash equivalents at the end of the reporting period	<u>271,078</u>	<u>228,768</u>

Reconciliation of net income/(Expenditure) to net cash flow from operating activities

	2019 £	2018 £
Net income/(Expenditure) for the reporting period (as per the statement of financial activities)	(16,637)	
Adjustments for:		21,655
Depreciation charges	2,122	2,122
(Increase) / decrease in debtors	(13,406)	49
Increase in creditors	55,231	20,605
Increase in provisions	15,000	-
Net cash provided by (and used in) from operating activities	<u>42,310</u>	<u>44,431</u>

1 COMPANY INFORMATION

The charity is a company limited by guarantee. The members of the company are the Trustees named in the Report of the Trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

2 ACCOUNTING POLICIES

BASIS OF PREPARATION

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

INCOME RECOGNITION

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Income received in respect of renting the charities facilities is recognised as income once the event has taken place. Grants are recognised when entitlement, certainty and measurement conditions have been met. Donations are included as and when received.

EXPENDITURE RECOGNITION

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

SUPPORT COSTS ALLOCATION

Most expenditure is allocated directly to the fund to which it relates. General overheads are recharged to funds via a management fee which is determined by the trustees, dependent on the project.

TAX

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended. Assets with a value of less than £1,000 are not capitalised.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and fittings	25% on cost
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2 ACCOUNTING POLICIES – continued

DEBTORS RECEIVABLE AND CREDITORS PAYABLE WITHIN ONE YEAR

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure. The charity does not hold any complex financial instruments.

CASH & INVESTMENTS

Any cash held in bank accounts that is accessible within one month is not considered to be an investment and is therefore recognised as cash on the balance sheet.

LEASES

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

EMPLOYEE BENEFITS

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

DONATED GOODS, FACILITIES OR SERVICES

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The trustees consider that the rental market value of the community centres and other properties provided to the charity at a peppercorn rent cannot be measured accurately due to their unique purpose and locations. There are therefore no donated facilities transactions recognised in respect of these facilities. Please see the trustees report for further details.

FUNDS

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

GOING CONCERN

Please refer to the going concern note in the report of trustees on page 5.

3 INCOME FROM DONATIONS AND LEGACIES

	2019 £	2018 £
Donations	9,771	5,180
	<u>9,771</u>	<u>5,180</u>

4 INCOME FROM CHARITABLE ACTIVITIES

	2019 £	2018 £
Grants - Community work	622,848	531,928
	<u>622,848</u>	<u>531,928</u>

Grants received, included in the above, are as follows:

	2019 £	2018 £
Age UK		
ASHA Women's Centre	27,000	24,480
Baron Davenport Charity	-	4,886
Big Lottery - Community Connect	-	500
Big Lottery - Job Coaching	124,385	60,694
Big Lottery - JOY	64,125	39,078
Big Lottery - Re-Decoration Grant	67,726	78,564
Bransford Trust - Playschemes	10,000	-
Cadbury Trust (Snack & Chat)	-	25,000
Children In Need	2,000	-
Community First - Youth Project	10,000	-
Co-operative - Ronkswood	5,000	-
Ecorys - Women's Vote Centenary Fund	1,446	-
Eveson Trust - Brain acquired injuries course	2,000	-
Fortis Living - Various	5,000	-
Groundwork UK (Snack & Chat)	2,131	-
Harrison Clark - Dines Green Youth	2,000	1,314
Kinship Carers	1,000	-
Laslett's (Hinton) Charity - Funding for play lunches		2,000
Margaret Westwood Charity - Open Access Youth resources	1,875	-
Other Miscellaneous Grants	1,000	-
Sanctuary Housing - Building block skills	3,610	-
Sports Partnership Hereford & Worcester - Summer Programme	3,000	-
St Martin's United Charities	2,000	-
The Worcester Consolidated Municipal Charity (Play)	600	1,000
UK Youth - FutureProof Leadership	18,000	18,125
West Mercia Police (DAWN)	1,350	370
Worcester City Council - Additional Support grant	-	25,000
	<u>54,000</u>	-

Worcester Community Trust
Notes to the Financial Statements
Year Ended 31 March 2019

Grants received - continued.....

Worcester City Council - Growth Grant	5,038	-
Worcester City Council - Management Grant	72,130	112,130
Worcester City Council - Other miscellaneous grants	2,250	-
Worcester City Council - DAWN	31,750	-
Worcester Councillor's Grants / Funding	9,830	10,228
Worcester County Council - Youth/Positive activities	80,670	116,305
Worcester Play Council	-	2,178
Worcestershire Community Foundation – Tampon Tax (DAWN)	9,983	-
Worcestershire County Council - CLT Programme	-	4,273
Worcestershire County Council - Health & Safety	-	4,730
YSS Limited	1,949	1,073
	622,848	531,928

5 INCOME FROM OTHER TRADING ACTIVITIES

	2019	2018
	£	£
Room hire		
Subscriptions and activities	258,416	249,036
Other income	72,090	57,525
	-	3,503
	330,506	310,064

6 EXPENDITURE

All expenditure is undertaken for charitable purposes and is summarised as follows:

	2019	2018
	£	£
Premises costs		
Staff costs (including training / consultants)	112,740	80,767
Direct costs of activities	693,949	577,591
Professional fees	106,088	95,108
Depreciation	7,197	12,519
Fee, Licences & Insurance	2,122	2,122
IT, Telephone & Office costs	18,232	19,374
	39,434	38,037
	979,762	825,517

Expenditure allocated by fund is shown in note 16.

Worcester Community Trust
Notes to the Financial Statements
Year Ended 31 March 2019

7 NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging:

	2019 £	2018 £
Depreciation – owned assets	<u>2,122</u>	<u>2,122</u>

8 Independent examiners remuneration

The independent examiners remuneration amounts to an independent examination fee of £796 (2018 - £2,160) and preparation of management accounts and general support/meetings of £3881 (2018 - £7,200).

9 TRUSTEES REMUNERATION AND BENEFITS

The trustees neither received nor waived any remuneration or other benefits during the year ending 31 March 2019 (2018: £Nil)

TRUSTEES EXPENSES

There were no trustees' expenses paid for the year ending 31 March 2019 (2018: £Nil)

10 STAFF COSTS

The average monthly number of employees during the year was 48 (2018: 49). The average full time equivalent was estimated to be 28 (2018: 29)

The total staff costs and employee benefits were as follows:

	2019 £	2018 £
Wages and salaries	606,941	520,197
Social security	38,805	31,212
Other pension costs	9,201	9,206
Redundancy costs	5,237	-
	<u>660,184</u>	<u>560,615</u>

The above pension costs represent the total employer contributions into defined contribution schemes for the year.

Total remuneration paid to key management personnel during the year was £91,041 (2018: £83,485). This excludes employers pension contributions. Employers pension contributions paid to key management personnel during the year was £3,383 (2018: £3,169)

Redundancy payments totalling £5,237 have been made during the current year (2018: nil).

No employees received total employee benefits of more than £60,000.

Worcester Community Trust
Notes to the Financial Statements
Year Ended 31 March 2019

11 TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 April 2018	133,115
Additions	-
Disposals	-
At 31 March 2019	<u>133,115</u>
DEPRECIATION	
At 1 April 2018	130,009
Charge for the year	2,122
Eliminated on disposals	-
At 31 March 2019	<u>132,131</u>
NET BOOK VALUE	
At 31 March 2019	<u>984</u>
At 31 March 2018	<u>3,106</u>

12 DEBTORS

	2019 £	2018 £
Trade debtors	43,173	23,163
Prepayments and accrued income	-	6,604
	<u>43,173</u>	<u>29,767</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	5,504	2,434
Other tax and social security	10,282	9,338
Deferred income	45,315	12,019
Accrued expenses	26,985	9,064
	<u>88,086</u>	<u>32,855</u>

Worcester Community Trust
Notes to the Financial Statements
Year Ended 31 March 2019

14 DEFERRED INCOME

	2019	2018
	£	£
Brought forward	12,019	-
Received during the year	215,681	72,713
Amounts released to income	<u>(182,385)</u>	<u>(60,694)</u>
Carried forward	<u>45,315</u>	<u>12,019</u>

Incoming resources are deferred in accordance with section 5.24 of the Statement of Recommended Practice (FRS102) whereby income is subject to performance-related condition.

The above relate to Community Connectors and JOY restricted funds.

15 LEASES

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than one year	1,634	1,416
Later than one and not later than five years	3,268	2,832
	<u>4,902</u>	<u>4,248</u>

The Trust leases the following properties in order to carry out its purposes:

- The Tolladine Community Centre
- The Horizon Community Centre
- The Wardon Community Centre
- The KVG Community Centre
- The Ronkswood Community Centre
- The Green Centre

The Trust currently rents these properties for £1 per annum.

Each lease commenced on 1 October 2010 for a term of 30 years.

Worcester Community Trust
Notes to the Financial Statements
Year Ended 31 March 2019

16 MOVEMENT IN FUNDS

Unrestricted funds

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
Unrestricted	145,803	613,805	(631,960)	(6,016)	121,632
	145,803	613,805	(631,960)	(6,016)	121,632

Restricted funds

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
DAWN	10,663	43,283	(28,197)	6,016	31,765
Community Connect	18,818	111,616	(109,773)		20,661
Playschemes	19,634	23,796	(41,541)		1,889
JOY (formally ASHA)	27,044	70,768	(85,097)		12,715
Job Coach	5,668	63,426	(62,877)		6,217
Building Capabilities	-	15,000	(15,000)		-
Children in Need	-	10,681	(5,193)		5,488
Re-Decorating	-	10,750	-		10,750
Small funds (<£3,000)	1,156	-	(124)		1,032
	82,983	349,320	(347,802)	6,016	90,517
TOTAL FUNDS	228,786	963,125	(979,762)	-	212,149

Worcester Community Trust
Notes to the Financial Statements
Year Ended 31 March 2019

16 MOVEMENT IN FUNDS - continued

Unrestricted funds - comparative

	Balance at 1 April 2017	Income	Expenditure	Transfers	Balance at 31 March 2018
	£	£	£	£	£
Unrestricted	175,498	573,030	(603,812)	1,087	145,803
	175,498	573,030	(603,812)	1,087	145,803

Restricted funds – comparative

	Balance at 1 April 2017	Income	Expenditure	Transfers	Balance at 31 March 2018
	£	£	£	£	£
Domestic Abuse Working Network	66	38,000	(27,403)	-	10,663
Community Connect	-	61,444	(42,626)	-	18,818
Playschemes	2,500	48,078	(30,944)	-	19,634
Community Café	8,200	-	(8,200)	-	-
JOY (formally ASHA)	18,418	85,167	(76,541)	-	27,044
Job Coach	-	39,102	(33,434)	-	5,668
Small funds (<£3,000)	2,449	2,351	(2,557)	(1,087)	1,156
	31,633	274,142	(221,705)	(1,087)	82,983
TOTAL FUNDS	207,131	847,172	(825,517)	-	228,786

17 FUND DESCRIPTIONS

DAWN (Domestic Abuse Working Network)

The DAWN project supports women who have experienced or are experiencing domestic abuse in the community. It provides individual support to enable and empower people to make informed decisions to effect their own changes. This year DAWN was funded by the Hopmarket Charity and the Police and Crime Commissioner.

COMMUNITY CONNECT

A large-scale project connecting people who are socially isolated, have low level mental health problems or long-term health conditions, to professional services and to each other. Help, support and training is provided in the community to make positive lifestyle changes to improve physical and mental health and wellbeing. This project is funded by Big Lottery, Reaching Communities, from November 2017.

KIDZPLAY (PLAYSCHEMES)

Funding provided to deliver holiday playschemes in our communities. Supported by Worcester Municipal Charities and the Bransford Trust along with other smaller grant funders in this year.

JOY (ASHA)

Funded by the Big Lottery's Reaching Communities program to support vulnerable and disadvantaged women to gain the skills and confidence they need to move into volunteering and employment opportunities.

JOB COACH

Funding provided to employ a job coach under a national scheme called Building Better Opportunities. The scheme has a specific focus on those who are out of work, including those that may be claiming JSA, ESA, Universal Credit or Income Support.

CHILDREN IN NEED

The grants received from Children in Need is to support Children's after school clubs across our centers.

RE-DECORATING

This grant was received from the Big Lottery fund to help us fund some re-decorating at our centers.

OTHER SMALL FUNDS/PROJECTS (<£3,000)

This includes local trips, fetes, community celebration events, coaching projects and groups like drama groups and after school clubs. Donors include local councilors and local charities.

18 PROVISIONS FOR LIABILITIES

The £15,000 provision is in relation to anticipated repairs and maintenance charges recharged from Worcester City Council for 2018/19.

19 RELATED PARTY TRANSACTIONS

There were no related party transactions for the year ended 31 March 2019, nor for the year ended 31 March 2018.

20 FUND TRANSFERS

During the year £6,016 was transferred in the DAWN fund from the general fund. This was in respect of monies received from ASHA Women's Centre Legacy Fund which the trustees decided should be utilised for DAWN.