

Charity Registration No. 1097454

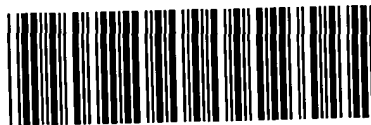
Company Registration No. 04604472 (England and Wales)

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

FRIDAY



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28/09/2018
COMPANIES HOUSE

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D M Freud Rev A Fadoju Mr S G Sykes Mr D Flannigan	(Appointed 1 January 2017) (Appointed 2 October 2017)
Charity number	1097454	
Company number	04604472	
Principal address	St Paul's Centre 55b Chapel Road Worthing West Sussex BN11 1EE	
Registered office	St Paul's Centre 55b Chapel Road Worthing West Sussex BN11 1EE	
Independent examiner	Eileen Houghton FCA FCCA DChA FCIE Amelia House Crescent Road Worthing West Sussex BN11 1QR	

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

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ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2017

The trustees present their report and financial statements for the year ended 31 December 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust's Memorandum and Articles of Association, the Charities Act 2011, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)" published on 16 July 2014.

Objectives and activities

The charity's objects are:

- (i) To advance education by the creation, development, provision, maintenance and support of educational and training facilities at St Paul's Worthing ("St Paul's Centre") in the county of West Sussex, having particular regard to persons with learning difficulties and/or any disability;
- (ii) The provision and maintenance of accommodation for persons with supporting housing needs having particular regard to persons with learning difficulties and/or disabilities;
- (iii) The preservation, protection and improvement of St Paul's Centre as a building of historic or architectural importance and value for the public benefit;
- (iv) To advance the Christian Religion by the provision and maintenance of a Christian Chapel within St Paul's as a place for quiet reflection and worship;
- (v) To provide facilities for educational, recreation and other leisure-time occupation for the benefit of the public at large or for people who have a need of such facilities by reason of their age, youth, infirmity or disablement, poverty or social and economic circumstances in Worthing and the West Sussex area in the interests of social welfare and with the object of improving their conditions of life.

Long term aim

The organisation's key activities continue to be to offer a community centre, cultural venue and outstanding café to the people of Worthing. It is also developing plans to offer workshop and medium term office space to small businesses and social enterprises.

Ensuring the Aims of the project are delivered

The Board of Trustees at their monthly meetings consider how planned activities contribute to the aims and objects they have set.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Key activities during the year

1. Following the decision taken at the end of last year to keep the building open with a refreshed Board, new Directors have been recruited alongside a new centre management.
2. The venue continues to be offered for hire, continues to run and develop an excellent and popular cafe, offer space to charities and local wellbeing and sustainability groups and organise entertainment and live music of all styles which has seen turnover increase, although not yet enter into profit.

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2017

3. During this year the Trustees have set up a trading company which remained dormant whilst a large VAT investigation was undergone. This work is now complete and led to a repayment of over £30,000. The new company is now in a position to take on the trading activities under a joint VAT registration.

4. Although not yet returned to surplus in the year, the Trustees have worked very closely with new management to ensure a surplus is realised in the new year and into the future.

Achievements and performance

Financial review

Income has risen to £427,421, up by nearly 36%, primarily due to increased activity through the cafe.

Last year's VAT liability has been dealt with as part of the now completed review. Ongoing VAT payments are being made quarterly regularly.

All income in the year was unrestricted, with expenditure exceeding it by £12,053. This reduced the total unrestricted reserves at the year end to £615,798, with restricted reserves standing at £429,298.

The Board looks to hold a minimum free reserves of 6 months of the salary, which is not yet achieved. We anticipate this will be achieved by the end of the next year, subject to the move of salaries to the trading company as it supports the cafe, bar and event activities.

Future plans

A subsidiary trading company has been incorporated which will deliver the trading activities that do not meet the primary objects of the charity. The charity is looking to develop the underused spaces within St Paul's Centre within and around the building.

Structure, governance and management

St Paul's Centre is a company limited by guarantee with charitable status; it incorporated on 29 November 2002 and registered with the Charity Commission on 9 May 2003. It is governed by Articles of Association originally dated 29 November 2002, amended by special resolution on 16 April 2003.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr D M Freud	
Ms M Bridges	(Resigned 23 January 2017)
Rev A Fadoju	
Mr S G Sykes	(Appointed 1 January 2017)
Mr D Flannigan	(Appointed 2 October 2017)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

The Board of Trustees is responsible for appointing trustees, which in accordance with the Articles should consist of no less than 7 persons. The Board are aware that the current position does not meet this requirement and are in the process of correcting the situation.


In addition it appears that there are requirements regarding external bodies and nominated Trustees which are no longer feasible, and these points are to be addressed with the Charity Commission with an aim of updating the Articles accordingly.

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2017

The trustees' report was approved by the Board of Trustees.



Mr D M Freud

Trustee

Dated:

28th September 2018

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2017

The trustees, who are also the directors of St Paul's Centre Worthing Community Project Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

I report to the trustees on my examination of the financial statements of St Paul's Centre Worthing Community Project Limited (the charity) for the year ended 31 December 2017.

Responsibilities and basis of report

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

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

Independent examiner's statement - matter of concern identified

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 Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I have identified a matter of concern in my report because I have concerns that as at the year end the company had not yet resolved the issue of the trading income by transferring such activities to a trading subsidiary company. The accounts are qualified on the basis that there may be a tax issue with non-primary trading being carried on above the HMRC limits.

In connection with the examination no other matter than that referred to in the previous paragraph has given me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 confirm that there are 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 financial statements to be reached.

MHA Carpet Box

Eileen Houghton FCA FCCA DChA FCIE

Amelia House
Crescent Road
Worthing
West Sussex
BN11 1QR

Dated: *28/2/2018*

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Income from:</u>					
Donations and legacies	3	135	-	135	1,129
Income from other trading activities	4	427,286	-	427,286	312,999
Investments	5	-	-	-	2
Total income		427,421	-	427,421	314,130
<u>Expenditure on:</u>					
Raising funds	6	439,474	3,861	443,335	343,372
Total resources expended		439,474	3,861	443,335	343,372
Net expenditure for the year/ Net movement in funds		(12,053)	(3,861)	(15,914)	(29,242)
Fund balances at 1 January 2017		627,851	433,159	1,061,010	1,090,252
Fund balances at 31 December 2017		615,798	429,298	1,045,096	1,061,010

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	10		1,079,242		1,084,108
Current assets					
Stocks	11	2,710		2,223	
Debtors	12	10,932		-	
Cash at bank and in hand		6,315		19,945	
		<u>19,957</u>		<u>22,168</u>	
Creditors: amounts falling due within one year	13	<u>(54,103)</u>		<u>(45,266)</u>	
Net current liabilities			(34,146)		(23,098)
Total assets less current liabilities			<u>1,045,096</u>		<u>1,061,010</u>
Income funds					
Restricted funds	14		429,298		433,159
Unrestricted funds			615,798		627,851
			<u>1,045,096</u>		<u>1,061,010</u>

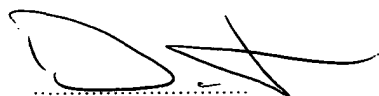
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees acknowledges his responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Trustees on

28th September 2018



Mr D M Freud
Trustee

Company Registration No. 04604472

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Charity information

St Paul's Centre Worthing Community Project Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is St Paul's Centre, 55b Chapel Road, Worthing, West Sussex, BN11 1EE.

The charity has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to an amount not exceeding £10 per member of the charity.

1.1 Accounting convention

These accounts have been prepared in accordance with "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 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis notwithstanding the net current liabilities position.

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised inclusive of VAT where applied, when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised inclusive of VAT where applied, as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Costs of raising funds comprise the costs of running the cafe, and organising events, together with associated support costs.

1.6 Tangible fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £1,000. They are initially measured at cost or if gifted, at the value to the charity on receipt, and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

The church buildings are held on a long (125 year) lease dated 3 July 2003 from the Chichester Diocesan Fund and Board of Finance.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Community Room	0.8% straight line
Long Leasehold Property	0.8% straight line
IT and equipment	20% straight line

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

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	2017	2016
	£	£
Donations and gifts	135	1,129

The income from donations and legacies in the current and comparative period was unrestricted.

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

4 Income from other trading activities

	2017	2016
	£	£
Cafe income	332,000	204,265
Events	27,897	52,677
Hall hire	67,389	56,057
Income from other trading activities	427,286	312,999

5 Investments

	2017	2016
	£	£
Interest receivable	-	2

6 Raising funds

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
<u>Fundraising and publicity</u>				
Advertising	-	-	-	3,218
<u>Trading costs</u>				
Other trading costs including utilities	224,258	-	224,258	183,215
Staff costs	193,607	-	193,607	134,409
Depreciation and impairment	5,757	3,861	9,618	9,618
Support costs (see note 7)	15,852	-	15,852	12,912
Trading costs	439,474	3,861	443,335	340,154
Total	439,474	3,861	443,335	343,372

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

7 Support costs

	Support costs £	Governance costs £	2017 £	2016 £	Basis of allocation
Independent examination	-	3,000	3,000	1,500	Governance
Professional fees	-	5,195	5,195	1,640	Governance
Insurance	-	7,657	7,657	8,050	Governance
VAT surcharges	-	-	-	1,722	Governance
	-	15,852	15,852	12,912	
Analysed between:					
Trading	-	15,852	15,852	12,912	

Governance costs includes payments in respect of the Independent Examination of £650 (2016: £650) and £2,350 (2016: £850) for other services.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration, expenses or benefits from the charity during the year.

9 Employees

Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Management and administration	2	5
Trading activities	10	10
	12	15

Employment costs

	2017 £	2016 £
Wages and salaries	184,191	114,802
Social security costs	8,886	19,607
Other pension costs	530	-
	193,607	134,409

There were no employees whose annual remuneration was £60,000 or more.

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

10 Tangible fixed assets

	Community Room	Long Leasehold Property	IT and equipment	Total
	£	£	£	£
Cost				
At 1 January 2017	206,277	996,046	-	1,202,323
Additions	-	2,996	1,756	4,752
At 31 December 2017	206,277	999,042	1,756	1,207,075
Depreciation and impairment				
At 1 January 2017	23,088	95,127	-	118,215
Depreciation charged in the year	1,650	7,968	-	9,618
At 31 December 2017	24,738	103,095	-	127,833
Carrying amount				
At 31 December 2017	181,539	895,947	1,756	1,079,242
At 31 December 2016	183,189	900,919	-	1,084,108

11 Stocks

	2017 £	2016 £
Cafe and bar stock	2,710	2,223

12 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	10,932	-

13 Creditors: amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	35,033	38,183
Payments received on account	8,421	-
Trade creditors	8,611	7,083
Other creditors	2,038	-
	54,103	45,266

ST PAUL'S CENTRE WORTHING COMMUNITY PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

14 Restricted funds

The funds of the charity include restricted funds comprising the following balances of donations and assets held for specific purposes:

	Balance at 1 January 2017 £	Movement in funds		Balance at 31 December 2017 £
		Incoming resources £	Resources expended £	
West Sussex Disabilities Network Grant	4,605	-	-	4,605
Long leasehold property	428,554	-	(3,861)	424,693
	<u>433,159</u>	<u>-</u>	<u>(3,861)</u>	<u>429,298</u>

The West Sussex Disabilities Network Grant was donated for the purpose of making the building wheelchair accessible, installing emergency bells, installing a hearing loop system and armchairs for disabled people to use.

15 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 December 2017 are represented by:			
Tangible assets	654,549	424,693	1,079,242
Current assets/(liabilities)	(38,751)	4,605	(34,146)
	<u>615,798</u>	<u>429,298</u>	<u>1,045,096</u>

16 Events after the reporting date

Since the year end the charity has been making further preparations to use a subsidiary trading company to undertake the cafe operations, hall hire and events.

17 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2017 £	2016 £
Aggregate compensation	21,841	18,936

Transactions with related parties

During the year income of £8,943 (2016: £nil) was received from two of the trustees for hiring of the hall.

No guarantees have been given or received.