

Stewartstown Road Regeneration Project

Annual report and financial statements

31 May 2018



A charitable business stimulating and promoting
economic and social regeneration

Annual report (June 2017 to May 2018)

Stewartstown Road Regeneration Project (SRRP) trades successfully as a charitable regeneration company. It continues to succeed as an example of an inter-community initiative that has created shared physical and social space at a formerly contested and violent interface.

Property and estate

SRRP's estate comprises 22,370 square feet of commercial buildings with associated car parking and landscaping and approximately 2/3 acre of grass parkland. Construction was carried out in two phases completed in 2002 and 2008.



During the year June 2017 to May 2018 SRRP continued to maintain its estate in a condition appropriate for a mixed use commercial property sited at a prime suburban location: Footpaths and parapets power washed and grassy edges cleared; car park and roadway markings re-lined where required; safety bollards installed at the entrance to the staff and traders' car park; public lighting maintained; grassy areas and ornamental trees trimmed and tidied; plant and equipment serviced and maintained; gulleys and gutters cleared and cleaned; CCTV system renewed; Graffiti – which now appear very infrequently – have been promptly removed.

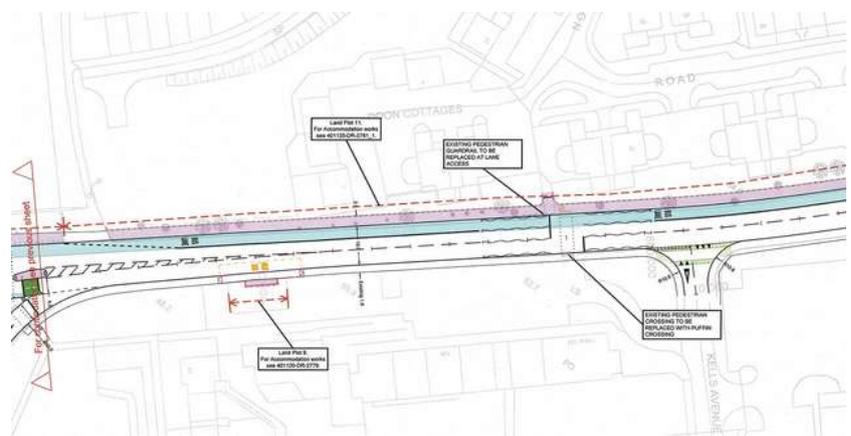
A significant consequence of this approach to management is that the SRRP site continues to be a place where people from Lenadoon, Suffolk, and elsewhere in south and west Belfast feel safe, secure, and respected while going about normal everyday retail, commercial, and community activities.

Increasing occupancy of the car parks can be seen as an indicator of success in terms of positive public perception of the services and facilities available at the site.



In 2015 SRRP installed a 30 kW photovoltaic solar panel array on the Suffolk side of the roof funded entirely from the company's reserves. During the reporting year this generated almost 27,000 kWh of electricity – enough to power 6 to 7 domestic households annually – contributing just over 38% of SRRP's annual electricity usage and exporting the residue to the electricity network. As well as being a very visible example of environmentally sustainable energy it is also eligible for the maximum level of renewables subsidy.

Works on the Belfast Rapid Transit (BRT) project were completed during the reporting year (although services did not commence until summer 2018). The Stewartstown Road carriageway has been widened to include a dedicated in-bound bus lane. A small piece of SRRP land was vested by Department for Infrastructure to create a halt for the BRT 'Glider' buses. A liaison committee was established to allow interaction and feedback between the Department, its project manager, the contractor, and local community representatives.



The board declined an opportunity to purchase 37B Ringford Crescent – a first floor apartment in a property adjacent to the SRRP site. This investment would reasonably have been expected to return 6% per annum.

Tenant affairs

There were no changes to the tenant estate during the reporting year. SRRP's tenants included:



Over a hundred people were employed by these organisations and SRRP's facilities are used on a daily basis. People from the local communities also use the building in the evenings and weekends as they participate in activities and services organised and provided by several community groups. Premises opening hours are flexible to cope with this enhanced demand.

Community affairs

SRRP continued to make its premises available to various community groups and initiatives from the Lenadoon and Suffolk areas.





In order to prevent damage from strong wind, the cladding on the staff and traders' car park gate was changed from solid steel sheeting to 'paladin' type steel mesh. The effect of this has been to change the nature of the interface at this location such that some housing within Suffolk estate can now be seen from the Stewartstown

Road – in the same way that housing within Lenadoon is visible from the Stewartstown Road.

Board affairs

The Board of trustees has met regularly and the 15th Annual General Meeting was held in July 2017.

Prior to the AGM the elected office holders were:

| | | |
|-------------|-----------------|---------------|
| Chair: | Terry Donaghy | (Suffolk) |
| Vice chair: | Kieran Harris | (Independent) |
| Treasurer: | Paddy O'Donnell | (Lenadoon) |
| Secretary: | Caroline Murphy | (Suffolk) |

After the AGM the board elected the following office holders and appointed John Hoey as Company Secretary:

| | | |
|-------------|-----------------|----------------|
| Chair: | Kieran Harris | (Independent) |
| Vice Chair: | Terry Donaghy | (Suffolk) |
| Treasurer: | Paddy O'Donnell | (Lenadoon) |
| Secretary: | John Hoey | (SRRP manager) |

Kieran Harris retired from the board on 31st January 2018 and was replaced by Terry Donaghy.

Governance

SRRP was 'called forward' by the Charity Commission for Northern Ireland in autumn 2016 to establish itself as a charity. Charitable status was achieved on 8th November 2017.

SRRP took the opportunity to amend its Memorandum and Articles of Association to reflect its recognised charitable status. Its primary object is now:

To promote regeneration for the benefit of the public in areas of social and economic deprivation (and in particular in the Stewartstown Road area of Belfast) by all or any of the following means:

- (a) the advancement of education training or retraining;
- (b) the promotion and support of social or individual enterprise;
- (c) the creation of training and employment opportunities by the provision of workspace buildings and/or land;
- (d) the provision or promotion of housing for those who are in need;
- (e) the promotion of social cohesion equality diversity and cross-community activity.

During the reporting year the board of trustees commenced a series of 'planning sessions' with an independent facilitator. The primary purpose of these sessions was to devise and agree new financial procedures to ensure sufficient control and direction of funds donated to the forums and to other recipients in compliance with Charity Commission requirements.

Finances

In the year ended May 2018 the company declared a trading surplus of £40,500. In the previous financial year the company declared a trading surplus of £54,780. The trustees agreed to donate one third of this trading surplus to Suffolk Community Forum and one third to Lenadoon Community Forum.

In the previous year the same proportion of the trading surplus was donated to each community forum. The following statements on the use of these donations are derived from information kindly provided by the forums. This information has not been verified by SRRP nor audited independently.

Suffolk Community Forum (June 2017 to May 2018)

| | |
|----------------------------|--------|
| Brought forward | -6,343 |
| Donation from SRRP | 20,751 |
| Finance support | 7,200 |
| Office running costs | 1,393 |
| Accountancy – shortfall | 1,100 |
| Bank Charges | 312 |
| Insurance – shortfall | 1,050 |
| Rent – shortfall | 1,254 |
| Telephone – shortfall | 193 |
| Heat & light | 306 |
| Donations to member groups | 1,600 |
| Carried forward | 0 |

Lenadoon Community Forum (June 2017 to May 2018)

| | |
|--|--------|
| Brought forward | -9,654 |
| Donation from SRRP | 20,751 |
| Donations to ten member groups | 4,000 |
| Community magazine | 4,369 |
| Contribution to Training and Education Project | 7,910 |
| Carried forward | -5,181 |

In addition the company donated the following amounts:

- £500 for utility vouchers distributed among senior citizens living within Suffolk;
- £500 for utility vouchers distributed among senior citizens living within Lenadoon;
- £1,000 to Suffolk Lenadoon Interface Group towards the cost of a Christmas event;
- £100 to Tuesday Club for Kevin Bell Repatriation Trust;
- £100 to DePaul (Northern Ireland) in honour of Kieran Harris on retirement from the board.

Terry Donaghy,
Chairman.

Legal and Administrative Information

Directors:

Joe Hamill
Reneé Crawford
Paddy O'Donnell
Chris O'Halloran
Stuart Lavery
Len McComb
Terry Donaghy
Caroline Murphy
Tim Smith
Mairead McCrea
Ewan Suttie (appointed 6 November 2017)

Secretary John Hoey

Company Number NI 38675

Charity Commission NIC 106067

Registered Office 124 Stewartstown Road
Belfast
BT11 9JQ

Auditor GMcG Lisburn
Century House
40 Crescent Business Park
Lisburn
BT28 2BP

Bankers First Trust Bank
University Road
Belfast
BT7 1ND

Solicitors Kearney Sefton
Franklin House
10-12 Brunswick Street
Belfast
BT2 7GE

Directors' Report

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the company's Articles of Association, 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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The company's objectives are to promote regeneration for the benefit of the public in areas of social and economic deprivation (and in particular in the Stewartstown Road area of Belfast) by all or any of the following means:

- a) the advancement of education training or retraining;
- b) the promotion and support of social or individual enterprise;
- c) the creation of training and employment opportunities by the provision of workspace buildings and/or land;
- d) the provision or promotion of housing for those who are in need;
- e) the promotion of social cohesion equality diversity and cross-community activity.

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

Achievements and performance

The Company believes that it has continued to achieve its goals including:

- the maintenance of an environment which is attractive, vibrant, economically active, and supportive of other regeneration initiatives;
- the maintenance of shared space that is respecting of diversity and where members of the public can feel secure, accepted, confident, and positive.

56% of the company's available space is provided for charitable and voluntary sector entities, 5% for community directed state agencies (Surestart), and 39% for commercial tenants.

Throughout the financial year occupancy was at 100%.

During the year the charity makes donations to local community forums in line with its charitable objectives and public benefit guidelines.

Financial review

The results are set out in detail on pages 11 to 18. The company returned outgoing resources for the year of £61,169 (2017 - net incoming resources £13,504). At 31 May 2018 the level of unrestricted reserves held was £1,546,991 (2017: £1,608,160).

It is the policy of the company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the company's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The directors have assessed the major risks to which the company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance, and management

The company is a company limited by guarantee and a registered charity for taxation purposes.

The directors who served during the year and up to the date of signature of the financial statements were:

Reneé Crawford

Terry Donaghy

Joe Hamill

Kieran Harris (resigned 31 January 2018)

Stuart Lavery

Leonard McComb

Patrick O'Donnell

Christopher O'Halloran
Caroline Murphy
Mairead McCrea
Timothy Smith
Roisin Erskine (resigned 26 September 2017)
Ewan Suttie (appointed 6 November 2017)

The Board of Directors of the Company shall consist of not less than 10 nor more than 14 members. The Directors shall have power at any time to appoint any person as an addition to the existing Directors but the number shall not at any time exceed the number fixed in accordance with the Articles. Such appointments will be subject to ratification by Members at the next General Meeting.

The Board shall consist of:

1. A minimum of 3 and a maximum of 5 people representing Lenadoon Community Forum
2. A minimum of 3 and a maximum of 5 representing Suffolk Community Forum
3. A minimum of 2 and a maximum of 5 people who are appointed for their professional expertise, and who may not be members of the Forum or local residents.

One third of Directors shall resign in each year at the Annual General Meeting and will be eligible for reelection. The Directors to retire in each year shall be those who have been longest in office since their last election, but between persons who became Directors on the same day, those to retire shall be determined by lots.

Statement of directors' responsibilities

The directors, who also act as trustees for the charitable activities of Stewartstown Road Regeneration Project Limited, are responsible for preparing the Directors' 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company 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 directors 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 company will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The directors' report was authorised & approved by the Board of Directors.

Terry Donaghy
Director
31 January 2019

Independent Auditor's Report

Opinion

We have audited the financial statements of Stewartstown Road Regeneration Project Limited (the 'company') for the year ended 31 May 2018 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Mr Stephen Houston FCA (Senior Statutory Auditor)
for and on behalf of GMcG LISBURN**

31 January 2019

**Chartered Accountants
Statutory Auditor**

**Century House
40 Crescent Business Park
Lisburn
Co Antrim
BT28 2GN**

**Statement of Financial Activities (Including Summary Income and Expenditure Account)
for the year ended 31 May 2018**

| | Notes | 2018 £ | 2017 £ |
|---|----------|-------------------------|-------------------------|
| <u>Income and endowments from:</u> | | | |
| Charitable activities | 3 | 144,135 | 141,482 |
| Investments | 4 | 10 | 10 |
| Other income | 5 | 4,761 | 6,464 |
| Total income | | <u>148,906</u> | <u>147,956</u> |
| <u>Expenditure on:</u> | | | |
| Charitable activities | 6 | 210,075 | 134,452 |
| Net (expenditure)/income for the year/ Net movement in funds | | (61,169) | 13,504 |
| Fund balances at 1 June 2017 | | <u>1,608,160</u> | <u>1,594,656</u> |
| Fund balances at 31 May 2018 | | <u><u>1,546,991</u></u> | <u><u>1,608,160</u></u> |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Balance sheet as at 31 May 2018

| | Notes | 2018 | | 2017 | |
|---|-------|-----------------|------------------|-----------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 11 | | 1,359,637 | | 1,396,924 |
| Current assets | | | | | |
| Debtors | 13 | 29,089 | | 17,811 | |
| Cash at bank and in hand | | 207,427 | | 216,090 | |
| | | <u>236,516</u> | | <u>233,901</u> | |
| Creditors: amounts falling due within one year | 14 | <u>(49,162)</u> | | <u>(22,665)</u> | |
| Net current assets | | | 187,354 | | 211,236 |
| Total assets less current liabilities | | | <u>1,546,991</u> | | <u>1,608,160</u> |
| Income funds | | | | | |
| Unrestricted funds | | | 1,546,991 | | 1,608,160 |
| | | | <u>1,546,991</u> | | <u>1,608,160</u> |

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 Directors and authorised for issue on 21 January 2019 and are signed on its behalf by

Patrick O'Donnell
Director

Company Registration No. NI038675

Notes to the Financial Statements for the year ended 31 May 2018

1 Accounting policies

Charity information

Stewartstown Road Regeneration Project Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is 124 Stewartstown Road, Belfast, BT11 9JQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the company's Articles of Association, 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)" (as amended for accounting periods commencing from 1 January 2016). The company is a Public Benefit Entity as defined by FRS 102.

The company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the company. 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

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

1.4 Incoming resources

Income is recognised when the company 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.

Rental income and service charges are recognised as incoming resources when receivable, exclusive of VAT.

Turnover 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, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Leasehold land and buildings 2 - 5% straight line
Fixtures and fittings 20% straight line
Computers 25% 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 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company 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 company's balance sheet when the company 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.

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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.9 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

The charity contributes to the personal pension scheme of its employees. The pension charge represents the amounts payable by the charity in respect of the year.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors 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.

Key sources of estimation uncertainty

Fixed Assets

The annual depreciation charge on fixed assets depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these assets lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in assets lives can have a significant impact on depreciation charges for the period. Detail of the useful lives is included in the accounting policies.

3 Charitable activities

| | 2018 £ | 2017 £ |
|--------------------------------|-----------|-----------|
| Rental & service charge income | 144,135 | 141,482 |

4 Investments

| | 2018 £ | 2017 £ |
|---------------------|-----------|-----------|
| Interest receivable | 10 | 10 |

5 Other income

| | 2018 £ | 2017 £ |
|--------------|-----------|-----------|
| Other income | 4,761 | 6,464 |

6 Charitable activities

| | 2018 £ | 2017 £ |
|--|-------------|-------------|
| Staff costs | 31,713 | 29,602 |
| Depreciation and impairment | 37,287 | 37,287 |
| Rates | 182 | 173 |
| Light & heat | 2,904 | 2,472 |
| Repairs & maintenance | 56,635 | 47,303 |
| Printing, postage and stationery | 274 | 240 |
| Telephone | 881 | 843 |
| Directors meeting costs | 1,109 | 490 |
| Legal & professional | 1,650 | 1,300 |
| Bank charges | 300 | 398 |
| Sundry expenses | 577 | 432 |
| Management expenses | 160 | 188 |
| Audit fees | 1,500 | 1,500 |
| Bad & doubtful debts | 5,680 | - |
| | <hr/> | <hr/> |
| | 140,852 | 122,228 |
| Grant funding of activities (see note 8) | 69,223 | 12,224 |
| | <hr/> | <hr/> |
| | 210,075 | 134,452 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Analysis by fund | | |
| Unrestricted funds | 210,075 | |
| | <hr/> | |
| | 210,075 | |
| | <hr/> <hr/> | |
| For the year ended 31 May 2017 | | |
| Unrestricted funds | | 134,452 |
| | | <hr/> |
| | | 134,452 |
| | | <hr/> <hr/> |

7 Description of charitable activities

Resources expended for charitable activities

Promoting regeneration for the benefit of the public in areas of social and economic deprivation.

8 Grants payable

| | 2018 £ | 2017 £ |
|-------------------------------|-------------|-------------|
| Donations to community forums | 67,022 | 10,000 |
| Other donations | 2,201 | 2,224 |
| | <hr/> | <hr/> |
| | 69,223 | 12,224 |
| | <hr/> <hr/> | <hr/> <hr/> |

During the period £33,511 was donated to Lenadoon Community Forum and £33,511 was donated to Suffolk Community Forum.

9 Directors

None of the directors (or any persons connected with them) received any remuneration or benefits from the company during the year.

10 Employees

Number of employees

The average monthly number employees during the year was:

| | 2018 | 2017 |
|-------------------------|---------------|---------------|
| | Number | Number |
| | 1 | 1 |
| Employment costs | 2018 | 2017 |
| | £ | £ |
| Wages and salaries | 30,188 | 28,325 |
| Social security costs | - | (125) |
| Other pension costs | 1,525 | 1,402 |
| | <u>31,713</u> | <u>29,602</u> |
| | <u>31,713</u> | <u>29,602</u> |

No employees had employee benefits in excess of £60,000 (2017 – none).

11 Tangible fixed assets

| | Leasehold land and buildings | Fixtures and fittings | Computers | Total |
|------------------------------------|------------------------------------|--------------------------|--------------|------------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 June 2017 | 1,834,441 | 575,990 | 1,126 | 2,411,557 |
| At 31 May 2018 | <u>1,834,441</u> | <u>575,990</u> | <u>1,126</u> | <u>2,411,557</u> |
| Depreciation and impairment | | | | |
| At 1 June 2017 | 438,912 | 574,595 | 1,126 | 1,014,633 |
| Depreciation charged in the year | 36,589 | 698 | - | 37,287 |
| At 31 May 2018 | <u>475,501</u> | <u>575,293</u> | <u>1,126</u> | <u>1,051,920</u> |
| Carrying amount | | | | |
| At 31 May 2018 | <u>1,358,940</u> | <u>697</u> | <u>-</u> | <u>1,359,637</u> |
| At 31 May 2017 | <u>1,395,529</u> | <u>1,395</u> | <u>-</u> | <u>1,396,924</u> |

| | | |
|--|-------------|-------------|
| 12 Financial instruments | 2018 | 2017 |
| | £ | £ |
| Carrying amount of financial assets | | |
| Debt instruments measured at amortised cost | 25,583 | 17,465 |
| | <hr/> | <hr/> |
| Carrying amount of financial liabilities | | |
| Measured at amortised cost | 45,530 | 19,102 |
| | <hr/> | <hr/> |
| 13 Debtors | 2018 | 2017 |
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 20,930 | 13,134 |
| Other debtors | 4,653 | 4,331 |
| Prepayments and accrued income | 3,506 | 346 |
| | <hr/> | <hr/> |
| | 29,089 | 17,811 |
| | <hr/> | <hr/> |
| 14 Creditors: amounts falling due within one year | 2018 | 2017 |
| | £ | £ |
| Other taxation and social security | 3,632 | 3,563 |
| Trade creditors | 4,545 | 3,767 |
| Other creditors | 219 | 309 |
| Accruals and deferred income | 40,766 | 15,026 |
| | <hr/> | <hr/> |
| | 49,162 | 22,665 |
| | <hr/> | <hr/> |

15 Financial commitments, guarantees and contingent liabilities

In prior years the company received various restricted funds in relation to the development of the company's property. The conditions specified by the donors were met and therefore the related funds have been classed as unrestricted. The terms of the grants include a clawback of a proportion of the grant, should the related property be sold within a given time period. The end of these contingency periods was February 2018.

In addition, one of the funders has acquired a mortgage on the company's property for a period of 1,000 years from 2006.

In 2001, the Northern Ireland Housing Executive put in place a lease on the property held at 124 Stewartstown Road, for a term of 99 years. One of the conditions of this lease is that the premises is to be used for community development for the period of the indenture.

16 Related party transactions

Several of the charity's directors are involved in the following local community groups:

Suffolk Community Forum
Lenadoon Community Forum

During the year ended 31 May 2018 the charity made the following donations to these groups:

Suffolk Community Forum £33,511
Lenadoon Community Forum £33,511