

Company registration number: 03904084

Charity registration number: 1079744

Draft

Hadley Wood Association

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2020

Sanjiv Sheth ACA
Chartered Accountant
AIMS Accountants for Business
65 Fitzjohn Avenue
Barnet
Hertfordshire
EN5 2HN

Hadley Wood Association

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Hadley Wood Association

Reference and Administrative Details

Chairman

Mr Robert Graham Wilson

Trustees

Mr Robert Graham Wilson

Mr Rupert Mackay

Mrs Elizabeth Snape

Principal Office

HWA Centre
1-7 Crescent East
Barnet
Hertfordshire
EN4 0EL

Company registration number

03904084

(The charity is incorporated in England)

Charity registration number

1079744

Independent Examiner

Sanjiv Sheth ACA
Chartered Accountant
AIMS Accountants for Business
65 Fitzjohn Avenue
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Hadley Wood Association

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2020.

Objectives, strategies and activities

The income and assets of the charity are applied solely towards the promotion of its objects as set out in the Articles of Association. In summary, these are;

- To promote the benefit and improve the conditions of life of the inhabitants of Hadley Wood.
- To advance education and provide facilities for recreation and leisure.
- To preserve, protect and improve features of historic or public interest.
- To maintain and manage property and land owned or leased by the Association.

For everyone in 2020 the restrictions caused by the Covid19 pandemic have been significant, and the Association is no different, experiencing a sharp fall in income which will continue well into 2021. At the end of March our main users (Tennis, Pre-School, Dance and Bridge) suspended activities. All private bookings were cancelled and have not yet restarted. We were pleased when both Tennis and Pre-School reopened in June, on restricted bases, but unfortunately neither Bridge or Dance have been able to restart.

We successfully applied for Covid grant support and have received £10,000 (which we treat as £5,000 in each of 2019/20 and 2020/21) which has partially offset the loss of income.

On a positive note the membership continued to grow, with over 100 new members in the year and over 600 in total. This ongoing support is both welcome and essential to the viability of the Association.

We also took action to reduce expenditure where possible, and postponed the planned Centre Upgrade works, but even with the Covid grant, an overall deficit of £3,000 is still reported.

Unfortunately the disruption due to Covid19 is ongoing, and the popular annual fireworks in November 2020 has been cancelled. As well as a great social gathering, this is an important fundraiser for the Association. So projecting forward to 2020/21, the Trustees are budgeting for a more significant loss of between £10,000 and £15,000, with a reasonable minimum of upgrade works, to be funded if necessary from reserves.

We continued to campaign and lobby on behalf of the community, working with partner organisations including the Hadley Wood Neighbourhood Planning Forum, The Neighbourhood Watch, Hadley Wood Security, the Church and Synagogue, and our local Councillors and Police.

We liaised with these and other community groups to ensure that vulnerable residents received support during the worst restrictions of the Covid19 crisis, and we made sure that the Open Space around the Centre was always open for public enjoyment and exercise. The Trustees continue to monitor the changes to Covid19 guidance and the Association is ready to respond to any new challenges.

The Association led the community response to the proposal to build a 50 bedroom care home on Crescent East alongside and overlooking the Conservation Area. There was overwhelming concern that the scale of the development was out of character with the quiet village of Hadley Wood, and that the loss of mature trees and garden land was very detrimental to bio-diversity and climate change. And the Association continues to monitor changes to planning law and policy that could negatively impact the area.

Hadley Wood Association

Trustees' Report (continued)

The Hadley Wood News is our local magazine, distributed free of charge throughout the local area roughly six times a year; this year we have published additional issues in response to the challenges of Covid-19.

Statement of Public Benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its members' subscription dues, advertisers, events sponsors and the viability of user group licensees. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash-flows.

The charity has no significant concentration of credit risk, with exposure spread over the subscriber base, advertisers and the user group licensees.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity hold a sufficient mixture cash balance in instant access and call deposit accounts with reputable UK financial institutions.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statement.

The annual report was approved by the trustees of the charity on _____ and signed on its behalf by:

Mr Robert Graham Wilson
Chairman and Trustee

Hadley Wood Association

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Hadley Wood Association for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on _____ and signed on its behalf by:

Mr Robert Graham Wilson
Chairman and Trustee

Hadley Wood Association
Independent Examiner's report to the Trustees
for the Year Ended 30 September 2020

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 September 2020 which are set out on pages 6 to 14.

Respective responsibilities of trustees and examiner

As the charity's trustees of Hadley Wood Association (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 Hadley Wood Association 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 charity'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

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:

1. accounting records were not kept in respect of Hadley Wood Association 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.



Sanjiv Sheth ACA
Chartered Accountant
AIMS Accountants for Business
65 Fitzjohn Avenue
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EN5 2HN

Hadley Wood Association

Statement of Financial Activities for the Year Ended 30 September 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Unrestricted funds £	Total 2020 £	Total 2019 £
Income and Endowments from:				
Donations and gifts		210	210	420
Charitable activities	3	75,255	75,255	83,501
Investment income	4	63	63	114
Total income		75,528	75,528	84,035
Expenditure on:				
Charitable activities	5	76,380	76,380	80,568
Governance	5	1,712	1,712	3,462
Total expenditure		78,092	78,092	84,030
Net movement in funds		(2,565)	(2,565)	5
Recompilation of funds				
Total funds brought forward		130,322	130,322	130,317
Release of restricted funds		-	-	-
Total funds carried forward		127,757	127,757	130,322

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown is shown in note 11.

The notes form part of these financial statements

Hadley Wood Association

(Registration number: 03904084)

Balance Sheet as at 30 September 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Fixed Assets					
Tangible assets	8	57,193	-	57,193	67,279
Current Assets					
Stocks		547	-	547	708
Debtors	9	5,690	-	5,690	5,525
Cash at bank and in hand		82,521	-	82,521	71,741
		88,758	-	88,758	77,974
Creditors					
Amounts falling due within one year	10	(18,194)	-	(18,194)	(14,931)
Net current asset		70,564	-	70,564	63,043
Total asset less current - liabilities		127,757	-	127,757	130,322
Net Asset		127,757	-	127,757	130,322
Funds					
Unrestricted funds				126,630	121,321
Designated funds				1,128	9,001
Restricted funds				-	-
Total funds	11			127,757	130,322

The notes form part of these financial statements

Hadley Wood Association

(Registration number: 03904084)

Balance Sheet as at 30 September 2020 (continued)

For the financial year ending 30 September 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 6 to 14 were approved by the trustees, and authorised for issue on _____ and signed on their behalf by:

Mr Robert Graham Wilson
Chairman and Trustee

Hadley Wood Association

Notes to the Financial Statements for the year ended 30 September 2020

1. Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

HWA Centre
1-7 Crescent East
Barnet
Hertfordshire
EN4 0EL

These financial statements were authorised for issue by the trustees on _____.

2. Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Hadley Wood Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Hadley Wood Association

Notes to the Financial Statements for the year ended 30 September 2020

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustees' meetings and reimbursed expenses.

Tangible fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Hadley Wood Association

Notes to the Financial Statements for the year ended 30 September 2020

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Short leasehold	Over unexpired lease term
Plant & machinery	Over four years
Fixtures, fittings & equipment	Over four years

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, on hand and call deposits.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Hadley Wood Association

Notes to the Financial Statements for the year ended 30 September 2020

3. Income from charitable activities	2020 £	2019 £
Membership subscriptions	17,197	15,768
User groups	21,820	29,422
Fireworks and social events	13,841	13,531
HWA Centre Hall hire	6,793	12,846
Newsletter advertising	7,630	7,295
HWA Bar sales	2,974	4,639
Covid19 Grant	5,000	-
	75,255	83,501
4. Investment income		
All of the charity's investment income arise from money held in interest bearing bank accounts.		
5. Expenditure on charitable activities	2020 £	2019 £
Direct costs		
Fireworks	9,430	8,768
Newsletter printing and distribution	8,532	7,265
Membership expense	282	868
Local campaigns	148	504
HWA Bar costs and Tennis Club profit share	2,382	3,676
	20,774	21,080
Support costs		
Ground maintenance	9,696	8,947
Building repairs and maintenance (note 5a)	10,684	15,059
Staff costs	7,043	6,673
Rates and Utilities	4,525	4,911
Cleaning	7,303	9,760
Insurance	3,699	3,432
Office expense	935	1,203
Telephone and broadband	1,637	1,604
Depreciation	10,085	7,900
	55,606	59,488
Governance		
Legal and professional fees	13	13
Accountancy services	1,140	1,140
Trustee & Membership Admin	-	1,800
Bank charges	559	509
	1,712	3,462
	78,092	84,030

Hadley Wood Association

Notes to the Financial Statements for the year ended 30 September 2020

5a. Building repairs and maintenance	2020	2019
	£	£
Electrical maintenance and certification	121	2,406
Fire safety maintenance and certification	938	758
Intruder alarm maintenance and certification	1,165	-
Site survey and development	2,742	-
Equipment	1,807	340
Miscellaneous works	3,911	11,555
	10,684	15,059

6. Net incoming/outgoing resources	2020	2019
	£	£
Net resources are stated after charging/(crediting):		
Depreciation	10,085	7,900
Independent examiner's fee	570	570
	10,655	8,470

7. Staff costs

The average number of employee during the year was 0.5 (2019: 0.5)

No trustees received remuneration or reimbursed expenses during the year (2019: £nil)

8. TANGIBLE FIXED ASSETS

	Short Leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 October 2019	111,995	28,734	25,536	166,264
Additions	-	-	-	-
At 30 September 2020	111,995	28,734	25,536	166,264
DEPRECIATION				
At 1 October 2019	49,082	25,140	24,763	98,986
Charge for year	5,719	3,594	772	10,085
At 30 September 2020	54,801	28,734	25,536	109,071
NET BOOK VALUE				
At 30 September 2020	57,193	-	-	57,193
At 30 September 2019	62,912	3,594	772	67,279

Hadley Wood Association

Notes to the Financial Statements for the year ended 30 September 2020

9. Debtors: Amounts falling due within one year	2020 £	2019 £
Trade Debtors	1,890	2,430
Prepayments	-	486
Other Debtors	3,800	2,609
	5,690	5,525

10. Creditors: Amounts falling due within one year	2020 £	2019 £
Trade creditors	6,420	2,040
Taxation and social security	-	-
Accruals and deferred income	10,646	3,890
Other creditors	1,128	9,001
	18,194	14,931

Other creditors includes the balance of a grant received from Groundwork UK which is being held on behalf of the Hadley Wood Neighbourhood Planning Forum. The balance as at the year-end was £1,128 (2019: £9,001).

11. Movement in funds

	Balance at 01/10/2019 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 30/09/2020 £
Unrestricted funds					
General fund	121,321	75,528	(70,220)	-	126,630
Designated fund	9,001	-	(7,873)	-	1,128
	130,322	75,528	(78,092)	-	127,757
Restricted funds	-	-	-	-	-