

**THE LEATHERHEAD COMMUNITY ASSOCIATION
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

Company Number 07608015

Charity Number 1142164



Abbey House
Hickleys Court
South Street
Farnham
Surrey
GU9 7QQ

THE LEATHERHEAD COMMUNITY ASSOCIATION

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

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THE LEATHERHEAD COMMUNITY ASSOCIATION

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2017

REFERENCE AND ADMINISTRATIVE DETAILS

Registered name	The Leatherhead Community Association
Registered number	07608015
Charity registration number	1142164
Registered Office and Operational Address	Letherhead Institute 67 High Street Leatherhead Surrey KT22 8AH

DIRECTORS AND TRUSTEES

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are referred to collectively as the Trustees. The Trustees serving during the period and since the end of the period were as follows:

Mrs J Robinson	Chairman
Mrs F Fleming	Joint Deputy Chairman and Secretary
Mr I Cousins	Joint Deputy Chairman
Mr D W Hanson	Joint Treasurer
Mr B A Salsbury	Joint Treasurer
Mrs G Hoad	
Mr P Humphreys	
Mr D Lamb	
Mr A Murphy	
Mrs F Presley	
Miss J Stokoe	

COMPANY SECRETARY Mr D W Hanson

ADMINISTRATOR Mrs S Hickson

INDEPENDENT EXAMINER Mr S P F Howell, FCCA
tgs taylorcocks
Chartered Accountants
Abbey House
Hickleys Court
South Street
Farnham
GU9 7QQ

PRINCIPAL BANKERS HSBC Bank PLC
18 North Street
Leatherhead
KT22 7AR

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The Trustees present their report and examined accounts for the year ended 31 March 2017. The reference and administrative information set out above forms part of this report. 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 charitable company. The financial statements comply with current statutory requirements and the Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION, OBJECTS, AIMS AND POLICIES

Governing Document

The Association is a company limited by guarantee and is a registered charity. It is governed by its Articles of Association, which were registered with Companies House at its incorporation on 18 April 2011 and registered with the Charity Commission on 31 May 2011. The company was dormant until 1 July 2011 when it took over the assets and activities of an unincorporated charity with the same name, charity number 277404.

Constitution

In accordance with its Articles the purpose of the Association shall be:

- a. to promote the benefit of the inhabitants of the town of Leatherhead and its surrounding districts (defined as the area of authority of the Mole Valley District Council or any successor body, together with any other area within 6 miles of the charity's registered office and hereinafter called the "area of benefit") without distinction of gender, sexual orientation, age, disability, nationality, race or of political, religious or other opinions, by associating together the said inhabitants and the statutory authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure-time occupation with the object of improving the conditions in life for the said inhabitants;
- b. to establish, or secure the establishment of, a Community Centre and to maintain and manage the same (whether alone or in co-operation with any statutory authority or other person or body) in furtherance of the Objects;
- c. to promote such other charitable purposes within the area of benefit as may from time to time be determined.

The Association shall be non-partisan in politics and non-sectarian in religion.

Aims and Policies

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. In particular, the Trustees have considered how planned activities will contribute to the charitable aims of the Association as follows:

Hiring rooms to over 70 organisations, for educational, recreational and social activities.

Organising events and activities including visits to properties, gardens, museums, galleries and concerts.

Providing lectures, coffee mornings, indoor games, organised walks, music appreciation and book clubs and a library.

Making awards to younger residents for holiday and educational purposes.

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MEMBERSHIP

Membership is open to anyone in the town of Leatherhead and its surrounding districts. This year there were 461 individual members, and 7 affiliated associations.

We are always looking for new members and to this end every visitor to the Institute is encouraged to join the Association. There is also a mutual arrangement with other local organisations for sharing capacity on events where places are available, often resulting in new memberships.

DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS

COMMUNITY CENTRE

The Letherhead Institute was given to the residents of Leatherhead by Abraham Dixon in 1892 for social, leisure and educational purposes. It is in the care of a registered charity – The Letherhead Institute, Charity Number 1046688.

The Association has a peppercorn lease, expiring 17 May 2017, from the Letherhead Institute for seven rooms and two kitchens together with nine parking spaces. Two additional rooms have been leased for the same term at commercial rents. In return, the Association makes a substantial contribution towards the building maintenance, insurance, caretaking and cleaning, and has a designated fund for any essential refurbishments.

The Institute is in a conservation area and our aim is to maximise the appearance and facilities for members and hirers, whilst maintaining the integrity and character of the outstanding Victorian building.

The LCA Trustees work closely with the Trustees of the Institute building to fulfil the charitable objects of both organisations, which derive directly from the terms of the original gift by Abraham Dixon. The Association contributes towards the cost of any appropriate capital expenditure as it arises.

REFURBISHMENT AND FACILITIES

The lease from the Institute Trustees requires the Association to undertake a rolling programme of refurbishment and redecoration of the rooms under its control, which this year included significant work in the large meeting room on the first floor and the repainting of other areas as required.

New post boxes and storage lockers were installed on the ground floor and a major contribution was made towards the cost of installing hand driers in all the building's toilets.

Redecoration of the Abraham Dixon Hall will be undertaken in the current year together with re-surfacing of the stage.

We have undertaken complete replacement of the upstairs kitchen, which now includes a commercial style dishwasher; this has been hugely appreciated by hirers. We have also completely remodelled meeting room F3 to include extra flexible storage and a neatly contained sink area. A new desk with tethered iPad has been provided in the Library for the unrestricted use of members and a Trustee will be in attendance at various coffee mornings to give advice on its use. We hope this will remove the 'fear of technology' factor for some members and, we hope, encourage them to purchase their own tablet for home use.

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RISK MANAGEMENT

The Trustees regularly consider the major risks to which the charity is exposed, including those related to operational and financial matters and health and safety. Trustees and Administrator are encouraged to attend appropriate training courses as necessary.

Bill Hughes, the Institute's Caretaker, and Sarah Hickson, our Administrator, have attended training courses with Surrey Community Halls covering Health & Safety and Fire Safety in buildings such as the Institute, including 'hands-on' experience with fire extinguishers. An in-house First Aid course was also held at the Institute covering First Aid in the workplace. Bill and Sarah and several members passed the course's test.

With the benefit of this training and with welcome assistance from Surrey Community Halls, the Association amended its Hire Agreement and implemented new practices and procedures, including Evacuation Drills, which are now conducted at random intervals across all hire periods, morning, afternoon and evening.

Following a Fire Risk Report commissioned by the Trustees of the Institute and visits by a representative from Surrey Community Halls and a local Fire Officer last year, further minor but important building works were implemented during the current year.

The overall security of the building and its users has been increased by the hiring of a room to Surrey Police, which is used as a base by their local officers thus providing a presence at various times throughout each week.

PUBLIC BENEFIT STATEMENT

Section 4 of the Charities Act 2011 requires the charity trustees to comply with their duty to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. As Trustees we are mindful of this obligation and have referred to the guidance when reviewing our aims and objectives and in planning our future activities. In particular, we have considered how planned activities will contribute to the aims and objectives we have set.

COMMUNITY INVOLVEMENT

External Meetings: The Chairman of the Association or a designated representative continues to attend meetings of other relevant community organisations, by invitation. The Association is not a political or lobbying organisation but members are advised of local issues on which they may wish to take a view.

Heritage Open Days: The Association was active in supporting the Mole Valley Heritage Open Days programme; the Chairman and one of the Treasurers sit on the Mole Valley organising committee. The 2016 theme was "Lives and Landscapes" and there were numerous talks, exhibitions and displays on this theme, in particular on the prospects of Mole Valley through the eyes of writers over the centuries.

Other participants included Mole Valley District Council, Leatherhead & District Local History Society and Leatherhead Art Club. Around 300 visitors were welcomed to the Institute by LCA members and invited to enjoy refreshments in the Library without charge.

The Joan Kirby Lecture: A former Chairman, Joan Kirby, kindly bequeathed a legacy to the Association and it was decided to commemorate this generous gift by holding an annual event in her name. Starting in September 2009 these events have been lectures, all fully-booked and judged to have been a great success. This year's lecturer was Nicholas Owen, who described his zig-zag journey via Fleet Street in its heyday to many years presenting TV news and as a Royal Correspondent.

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Tea and Talks: Details of the monthly Friday afternoon talks are widely advertised and circulated to other organisations and the local press to encourage non-members to attend; there is no charge. In addition to stimulating talks, these provide an excellent opportunity for socialising and engaging with an even wider section of the Leatherhead community. The speakers and their subjects are varied. This year, amongst others, we had talks on John Betjeman, Royal Marriages, Butterflies and the Victoria Cross, plus a musical afternoon provided by the Phoenix Entertainers and a demonstration of Hand Bell ringing by Hannah Greenfield. The schedule for next year is already in hand and another interesting range of talks is planned.

PUBLICITY AND COMMUNICATION

The LCA logo is used widely, as far as possible, to make publicity material readily identifiable. Reports of events are published in the local press and monthly booklets; where we can, we supply photos, which always give added interest. We continue to add to the list of e-mail addresses as this is an ideal way to contact members and regular communications are circulated securely by Mail Chimp.

A Newsletter is sent to members three times a year, giving full details of forthcoming events, planned visits, regular happenings such as 'Tea and Talks' and of the walks, long or short.

Many of our members kindly give up their time to help with the preparation and distribution of the Newsletter, with special mention to be made of its editor who has continued with her excellent work after moving from the area to Swindon.

WEBSITE

The LCA website www.leatherhead.org.uk continues to be well used and the site was expanded this year to be able to include downloads of all the current visits, concerts, newsletters etc. There have been over 13,000 hits to date.

GRANTS

Bearing in mind that our membership consists mainly of those over the age of 18 years, the Association gives wider consideration to the needs of younger local inhabitants.

Leatherhead Youth Project "LYP"

We were advised by the Leatherhead Youth Project that they had decided not to run a Duke of Edinburgh Award course this year, which had been supported by us in the past. However, they were planning a very interesting new project, which they were calling, "Into the Wild".

In this project they are looking to help ten young people each year, (11 to 17 year olds), who may have one or more of the following problems:

- Mental health issues which result in them feeling isolated or trapped;
- Low fitness levels;
- Poverty, resulting in depression/believing nothing is possible for them;
- Boredom – spending time in unsafe environments e.g. on the streets;
- Low self-esteem;
- Truancy resulting in expulsion.

This was considered to be a very worthwhile project deserving of our support and the annual grant of £1,000 was sent to them in December 2016. In due course we expect to receive a report on how the project is progressing.

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SeeAbility

We made a grant of £500 towards the substantial cost of purchasing a new minibus to support the wonderful work they do for blind persons resident in the Leatherhead area. It is pleasing to note that their appeal for the necessary funds has been successful and they will be able to make the purchase.

B@ttitude

As indicated in last year's report, the grant made to B@ttitude, a small charity based in Leatherhead to support deprived young families was well used. Our grant of £1,000 this year, together with a grant from another source, meant an away day to Butlins at Bognor Regis for some 150 family members who would not be enjoying a family holiday away from home. Excellent reports on the day were received.

Leatherhead Theatre

The Theatre is considered to be a great benefit to the residents of Leatherhead and hopefully will continue to be so for many years to come. This year a small grant of £100 was made to support the Leatherhead Drama Festival held at the Theatre, which includes an Adult and Youth programme and no longer receives funding from Mole Valley District Council. An acknowledgement of the grant was made in the Festival Programme.

Publicity is given in the Association's Newsletter to the Theatre's programme of live shows and of screenings of opera, ballet and plays from the country's foremost theatres, such as The Royal Opera House, Covent Garden.

EDUCATION

Tutors continued their classes on an independent footing, booking classrooms on a termly basis. Language are an expanding area of the education programme with French, Italian, Spanish, English for speakers of other languages (ESOL), being taught with the possibility of German to be added to the mix. Other subjects on offer include Art (watercolour, acrylic and a general mixed art course), History and Art History.

The WEA (Workers' Educational Association) also continues to use our facilities for a wide variety of adult education classes including Current Affairs. The Mary Frances Trust has also been hiring rooms and running lots of classes for their membership including flower arranging, cake decorating and a range of crafts. Educational Travel hire during quiet holiday periods, bringing children into the building from countries including Russia, who are here to study the British way of life..

ACTIVITIES

The Association organises a range of events and activities as notified to members in the regular Newsletter. All events and activities are organised by our volunteer members, requiring a considerable amount of time and dedication. We could not operate without their invaluable support and they have our sincere appreciation and gratitude.

Games Sessions: The Monday afternoon games sessions continue to be well attended.

Walks Programme: We continued with two walks each month, excluding January. The shorter 'morning' walks have been more popular than the longer walks, but all have usually included a stop for tea or lunch. The walks are designed to avoid stiles, where practical.

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Numbers in 2016 were slightly down from 2015 and varied from 5 to 24, depending on location etc. They are also very weather sensitive – the Leatherhead Greenways walk was unforgettable for the downpour! Occasional short strolls of around one hour duration to view bluebells, cowslips etc. have been very popular.

We have a very friendly group with a loyal core and the charging system introduced last year does not seem to have deterred new walkers. New supporters and walk leaders would be welcome; also more regular walkers who are prepared to give lifts to other members.

Art History Lectures: In the Autumn of 2016 we continued the programme with six lectures by three different lecturers, Jessica Saraga, Paul Pickering and Dr Katy Brown.

Jessica introduced members to new topics, 'The Dispersal of Art at the English Reformation' and two male artists, Paul Nash and John Piper. Paul gave two lectures on a Greek theme, 'Classical Myth in the Arts' and Katy gave two fascinating lectures on the French Impressionists, Gustave Caillebotte and Camille Pissarro.

In Spring 2017 we had only four lectures, two by Jessica Saraga and two by Paul Pickering; unfortunately Dr Katy Brown was unavailable for our Spring session. Jessica ventured down a new route focusing on women artists, namely Winifred Knights and Georgia O'Keefe, both of whom had exhibitions in London in 2016. Paul's two lectures covered 'Still Life Painting from Caravaggio to Chardin'.

The Art History lectures will continue in Autumn 2017 with a series of six lectures and introducing two new lecturers who are both guides at the Tate.

Music Appreciation: The Recorded Music Group meets on the third Wednesday afternoon of each month and the numbers attending are steadily rising. A small group of volunteers enable the group to flourish both through arranging programmes, operating the equipment and serving tea and biscuits.

Free Lending Library: Our volunteer librarians continued to man the Library on Tuesday and Friday mornings, loaning out books, DVD box sets and individual films, with a wide variety of titles available to members. Donations of new, current, fiction publications are welcomed.

The Library forms a welcoming access to the LCA office and is available for members to meet over coffee any weekday morning in a friendly atmosphere. During afternoons it is used by the Recorded Music Appreciation Group (third Wednesday of most months) and by social bridge players on Fridays.

Two Book Clubs meet monthly in the Library in the evening to agree a book for the group to read; this is discussed in detail at the next meeting.

Visits Programme: The 2016/17 programme of visits was extremely well received. By continually researching the latest venues and offering members new and varied places to visit, we appealed this year to a wider audience.

A new approach, combining visits to two venues in one day, with lunch or afternoon tea included, proved very popular with members. The visit to Saville Gardens with lunch, a boat cruise and afternoon tea attracted 50 members and we received excellent feedback. Later in the year we combined a morning at Whitchurch Silk Mill including lunch, with an afternoon at the Bombay Sapphire Gin Distillery. The food provided on both occasions was enjoyable and good value.

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Our coach trips were as popular as ever, but independent travel outings to several London venues, including the British Library, Wilton's Music Hall and the London Charterhouse were equally popular. By offering both we are reaching a broader section of our members. Also, as our outing to Dorking Caves showed, local visits are well attended too, this one attracting 24 members, most of whom were unaware of this nearby landmark.

The ever popular Christmas Tea was well attended by over 60 members. This year's entertainment was a quiz, which left many scratching their heads for the answers!

We currently plan 4 months in advance having found that producing an annual calendar was not feasible due to many venues requiring prepayment and confirmation of booking too far in advance. All visits are advertised in the Newsletter and via the members' email database; information on future visits is displayed in the Institute's foyer. Overall it was a hugely successful year with a combined attendance of 344 for the year's events and visits.

Footnote: Regrettably the short break to Highgrove planned for August 2017 had to be cancelled due to Diamond Shortbreak Holidays Ltd going out of business. 37 bookings had already been taken but no cheques had been banked, so members were not further affected.

Concerts: A variety of concerts by the Royal Philharmonic Orchestra at the Royal Festival Hall were well attended, ending on a high with a stunning performance of Shostakovich's Symphony No 7 'Leningrad', under the baton of Marin Alsop. Members also attended a glorious Christmas Classics concert with the Philharmonia Orchestra and the Bach Choir and a concert devoted to the Rodgers and Hammerstein songbook.

Bridge: The social bridge afternoon that was established last year on a monthly basis has proved so popular that it now meets every week on Friday afternoons.

Scrabble: Our Scrabble group now play regularly every other week, also on Friday afternoons.

ACHIEVEMENTS

The Trustees believe they are fulfilling the obligations of the Articles by providing a hospitable Community Centre, with all that it contains and by organising numerous educational and social activities. The programmes and activities organised by our own volunteers and detailed above are well supported by our members. With only one part time paid member of the team, the debt the Association owes to all its volunteers is great and acknowledged whole heartedly by the Trustees.

It is rewarding to see the building buzzing with people in the way our Victorian benefactor would have wished, and we enjoy opening it up to the community for events such as the Heritage Open Days weekend, the Kirby Lecture and similar occasions.

INVESTMENT POLICY

The Trustees have power to make investments within the terms set out in the Association's Articles. During the course of this period the charity held no investments.

By decision of the Trustees a low risk policy aimed at protecting its assets is applied in determining where the Association's cash balances are held. One element of this policy is that the amount deposited with any bank or building society should not exceed the maximum sum covered by the Financial Services Compensation Scheme. This limit was increased from £75,000 to £85,000 from 30 January 2017. Details of the cash balances held at 31 March 2017 are set out in Note 16.

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FINANCIAL REVIEW

Receipts from hirings, the major source of the Association's income, showed a welcome increase of 14% over the previous year, of which roughly half was due to an increase in hiring rates and half to an increased number of hirings. The major refit of the upstairs kitchen and the complete re-modelling of one of the larger meeting rooms, a steady programme of maintenance and decoration and effective marketing by our Administrator all played a part in achieving this very satisfactory result.

Membership income, largely subscriptions and related Gift Aid, was unchanged from the previous year; members' strong support for the excellent social programme again enabled those events to deliver a profitable result.

A slight reduction in cash balances and the continuation of very low level of interest rates kept our investment income flat.

In the year ending 31 March 2017, the Association had net expenditure of unrestricted funds of £8,161.

In the coming year we will complete the redecoration of the Abraham Dixon Hall and the resurfacing of its stage, to achieve both the completion of the dilapidation requirements of our current lease, which ends in May, and a significant improvement to one of the building's major facilities.

Taking account of the likely terms of a new lease replacing the one we have held since 2007, we have signalled to our hirers that our hiring rates will rise more significantly in September 2017 than in recent years. We will continue to offer discounted rates to charities and other not-for-profit organisations.

RESERVES POLICY

Council considers the level of unrestricted funds that it holds on an on-going basis, alongside its Risk Management Policy. At 31 March 2017, the Association held £212,769 of unrestricted funds, after deducting the following:

1. £20,690 of Designated Funds that the Trustees have voted to be set aside for the following particular purposes:

Joan Kirby Bequest	£9,695
Institute Dilapidations Fund	£10,995

2. £13,288 of net Fixed Assets which are central to the Association's running of the Community Centre.

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Currently the Association considers the level of unrestricted funds to be held for the following purposes:

	IDENTIFIED EMERGENCY COVER		
1	Departure of a major hirer	£6,000	
2	Temporary loss of premises - 6 months loss of hirings income - in the event of a fire, etc.	£40,000	
3	Relocation costs due to permanent loss of premises	£50,000	
4	Paid Officers-temporary cost of replacing current honorary officers with remunerated posts	£35,000	
			£131,000
	COMMITTED EXPENDITURE		
5	Youth Awards 3 x £1,000 for a further 3 years	£9,000	
			£9,000
	FUTURE PROJECTS		
6	Potential contribution towards further upgrading of the facilities	£50,000	
	Establishment of a £10,000 Dilapidations Fund to complement the anticipated new lease. (The existing fund is expected to close with a balance of £6,000)	£4,000	
			£54,000
	TOTAL		£194,000

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RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also directors of The Leatherhead Community Association 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 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 practices and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS102);
- 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 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 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 information of which the charitable company's Examiner is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the Examiner is aware of that information.

INDEPENDENT EXAMINER

At the Annual General Meeting to be held on 13 July 2017 a resolution will be proposed to appoint Mr S P F Howell of tgs taylorcocks, Abbey House, Hickleys Court, South Street, Farnham, GU9 7QQ as Independent Examiner for the year ending 31 March 2018.

Signed on behalf of the Trustees

Mrs June Robinson, Chairman
13 July 2017

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE LEATHERHEAD COMMUNITY ASSOCIATION
A CHARITABLE COMPANY LIMITED BY GUARANTEE**

I report on the accounts of the company for the year ended 31 March 2017, which are set out on pages 15 to 26.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

BASIS OF THE INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed.....

Date.....

Mr S P F Howell, FCCA
tgs taylorcocks
Chartered Accountants
Abbey House
Hickleys Court
South Street
Farnham
GU9 7QQ

THE LEATHERHEAD COMMUNITY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2017

	Note	Total Funds Year to 31 March 2017 £	Total Funds Year to 31 March 2016 £
INCOME from			
Donations and Legacies	3	2,853	2,828
Charitable Activities	4	81,967	72,299
Investments	5	3,064	3,181
TOTAL INCOME		<u>87,884</u>	<u>78,308</u>
EXPENDITURE on			
Raising funds	6	(3,128)	(3,041)
Charitable activities	7	(92,917)	(89,447)
TOTAL EXPENDITURE		<u>(96,045)</u>	<u>(92,488)</u>
NET (EXPENDITURE) / INCOME	10	<u>(8,161)</u>	<u>(14,180)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>254,908</u>	269,088
TOTAL FUNDS CARRIED FORWARD		<u><u>246,747</u></u>	<u><u>254,908</u></u>

The Statement of Financial Activities includes all gains and losses in the period and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

THE LEATHERHEAD COMMUNITY ASSOCIATION

BALANCE SHEET

31 MARCH 2017

	Note	31 March 2017		31 March 2016
		£	£	£
FIXED ASSETS				
Tangible assets	14		13,288	12,976
CURRENT ASSETS				
Debtors	15	5,680		7,287
Cash at bank and in hand	16	249,569		253,669
			<u>255,249</u>	<u>260,956</u>
CREDITORS: Amounts falling due within one year				
	17	(21,790)		<u>(19,024)</u>
NET CURRENT ASSETS			233,459	241,932
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>246,747</u>	<u>254,908</u>
NET ASSETS			<u>246,747</u>	<u>254,908</u>
FUNDS				
Unrestricted funds	18		<u>246,747</u>	<u>254,908</u>
TOTAL FUNDS			<u>246,747</u>	<u>254,908</u>

For the year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

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

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

They were approved by the Trustees on the and are signed on their behalf by:

Mrs J Robinson
Chairman

Mr D W Hanson
Director

Company Registration No. 07608015

The notes on pages 17 to 26 form part of these financial statements.

THE LEATHERHEAD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

Basis of accounting

The Leatherhead Community Association is a charitable company limited by guarantee incorporated in England and Wales. In the event of winding up, each member may be required to contribute an amount, not exceeding £10, towards the settlement of the company's liabilities. The registered office is Letherhead Institute, 67 High Street, Leatherhead, Surrey KYT22 8AH.

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) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charitable company and rounded to the nearest £.

The Leatherhead Community 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 note(s).

These financial statements for the year ended 31 March 2017 are the first financial statements of the charitable company prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

Tangible Fixed assets

All fixed assets are initially recorded at cost. They are capitalised if they can be used for more than one year and cost more than £100.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows: Fixtures, Fittings & Equipment - 25% straight line.

Income

Income is included in the Statement of Financial Activities (SOFA) when

- The charity becomes entitled to the resource;
- It is more likely than not that the charity will receive the resource;
- The monetary value can be measured with sufficient reliability.

Members' subscriptions paid in advance are deferred to the relevant year. Income received in advance of an event is similarly deferred until the event date.

Gift Aid is included in income when there is a valid declaration from the donor and any Gift Aid recovered on a donation is considered to be part of that gift.

THE LEATHERHEAD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

The value of volunteer help received is not included in the accounts but is described in the Trustees' Report.

Income from interest is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

Expenditure and Liabilities

Expenditure is recognised in the year in which it is incurred. Payments made in advance of social events, for example advance payments for concert tickets, are deferred until the date of the event.

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

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.

Financial instruments

The charitable 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 charitable company's balance sheet when the charitable 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.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

THE LEATHERHEAD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

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

Taxation

The charitable company 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 tax purposes.

Fund accounting

- General funds are unrestricted funds, which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the trustees at their discretion for a specific purpose.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the charitable company'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. INCOME FROM DONATIONS AND LEGACIES

	Year to 31 March 2017	Year to 31 March 2016
	£	£
Donations	131	100
Legacies	-	-
Members' subscriptions	2,305	2,320
Affiliation fees	70	60
Gift Aid	347	348
	<u>2,853</u>	<u>2,828</u>

THE LEATHERHEAD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

4. INCOME FROM CHARITABLE ACTIVITIES

	Year to 31 March 2017	Year to 31 March 2016
	£	£
Community Centre Room Hirings	76,496	67,121
Community Centre Parking Fees	4,287	3,437
Community Centre Miscellaneous	22	21
Ticket sales for Kirby Lecture	380	550
Social Events and Outings	782	1,170
	<u>81,967</u>	<u>72,299</u>

5. INCOME FROM INVESTMENTS

	Year to 31 March 2017	Year to 31 March 2016
	£	£
Bank interest receivable	<u>3,064</u>	<u>3,181</u>

6. EXPENDITURE ON RAISING FUNDS

	Year to 31 March 2017	Year to 31 March 2016
	£	£
Membership expenses – newsletters and publicity	<u>3,128</u>	<u>3,041</u>

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Year to 31 March 2017	Year to 31 March 2016
	£	£
Community awards	2,500	3,000
Community centre expenditure	88,344	84,287
Governance Costs	2,073	2,160
	<u>92,917</u>	<u>89,447</u>

THE LEATHERHEAD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

8. COMMUNITY CENTRE EXPENDITURE

	Year to 31 March 2017	Year to 31 March 2016
	£	£
Salary and wages	16,296	13,414
Rent and rates	7,494	7,041
Licences	195	270
Insurance	5,579	5,496
Light and heat	6,067	5,807
Cleaning	14,254	14,791
Caretaker	11,288	10,685
Repairs and maintenance	4,831	8,505
Telephone	333	310
Printing, postage and stationery	1,122	700
Computer costs	811	655
General expenses	64	64
Payroll expenses	180	180
Sundry equipment	374	711
Depreciation of fixtures, fittings and equipment	9,263	11,444
Refurbishment fund expended	7,715	1,700
Joan Kirby bequest expended	2,434	2,449
Staff training	44	55
	<u>88,344</u>	<u>84,287</u>

9. GOVERNANCE EXPENDITURE

	Year to 31 March 2017	Year to 31 March 2016
	£	£
Independent Examination Fee	1,980	1,890
Trustee Training	30	171
Affiliation Fees and Subscriptions	63	99
	<u>2,073</u>	<u>2,160</u>

10. NET INCOME FOR THE YEAR

This is stated after charging:

	Year to 31 March 2017	Year to 31 March 2016
	£	£
Depreciation	9,263	11,444
Independent Examination Fee	1,980	1,890
Accountancy and Payroll Services	180	180
	<u>11,423</u>	<u>13,514</u>

THE LEATHERHEAD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

11. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	Year to 31 March 2017	Year to 31 March 2016
	£	£
Wages and salaries	16,296	13,414
Social security costs #	-	-
	<u>16,296</u>	<u>13,414</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2017	2016
	No	No
Number of administrative staff	0.5	0.5

No employee received remuneration of more than £60,000 during the year (2016 - Nil).

The National Insurance Contributions Employment Allowance announced in the 2013 Budget reduced Employers' National Insurance Contributions by up to £3,000 for each tax year beginning in April 2014. For the Association this allowance offset the whole of the NIC charge in this year and the previous year.

12. TRUSTEE REMUNERATION

The Trustees, or any person connected with them, have not received any remuneration from The Leatherhead Community Association during the year.

Amounts totalling £3,306 (2016 - £772) were reimbursed to eight Trustees (2016 – seven) for expenses in relation to postage, entertainment, travel and stationery paid by them on behalf of the Association.

13. CORPORATION TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

THE LEATHERHEAD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

14. TANGIBLE FIXED ASSETS

	Fixtures & Fittings
	£
COST	
At 1 April 2016	80,837
Additions	<u>9,575</u>
At 31 March 2017	<u><u>90,412</u></u>
DEPRECIATION	
At 1 April 2016	67,861
Charge for the period	<u>9,263</u>
At 31 March 2017	<u><u>77,124</u></u>
NET BOOK VALUE	
At 31 March 2017	<u><u>13,288</u></u>
At 31 March 2016	<u><u>12,976</u></u>

15. DEBTORS

	At	at
	31 March 2017	31 March 2016
	£	£
Trade debtors	781	1,760
Accrued interest	691	1,310
Prepayments	<u>4,208</u>	<u>4,217</u>
	<u><u>5,680</u></u>	<u><u>7,287</u></u>

16. CASH AT BANK

	At	at
	31 March 2017	31 March 2016
	£	£
Santander 12 Month Business Bond (@ 1.00% from 01.09.16)	65,586	65,000
Cambridge & Counties Bank (95 Day notice account at 1.54%)	85,000	85,000
Clydesdale Bank 18 Month Deposit (@0.85% from 01.11.16)	52,220	50,871
Metro Bank (12 Month Deposit @ 1.2% from 28.2.16)		10,000
(Instant Access account @ 0.75%)	<u>26,633</u>	<u>16,359</u>
HSBC current accounts	<u>20,130</u>	<u>26,439</u>
	<u><u>249,569</u></u>	<u><u>253,669</u></u>

THE LEATHERHEAD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

17. CREDITORS: Amounts falling due within one year

	At 31 March 2017 £	at 31 March 2016 £
Outstanding salaries	1,175	-
Accruals and deferred income	<u>20,615</u>	<u>19,024</u>
	<u>21,790</u>	<u>19,024</u>

18. UNRESTRICTED INCOME FUNDS – Current year

	Balance at 1 April 2016 £	Incoming resources £	Outgoing resources £	Balance at 31 March 2017 £
Institute dilapidations fund	18,560	150	(7,715)	10,995
Joan Kirby legacy fund	11,643	486	(2,434)	9,695
General Funds	<u>224,705</u>	<u>87,248</u>	<u>(85,896)</u>	<u>226,057</u>
	<u>254,908</u>	<u>87,884</u>	<u>(96,045)</u>	<u>246,747</u>

UNRESTRICTED INCOME FUNDS – Previous year

	Balance at 1 April 2015 £	Incoming resources £	Outgoing resources £	Balance at 31 March 2016 £
Institute dilapidations fund	20,058	202	(1,700)	18,560
Joan Kirby legacy fund	13,409	682	(2,448)	11,643
General Funds	<u>235,621</u>	<u>77,424</u>	<u>(88,340)</u>	<u>224,705</u>
	<u>269,088</u>	<u>78,308</u>	<u>(92,488)</u>	<u>254,908</u>

PURPOSE OF UNRESTRICTED FUNDS

The general fund is an unrestricted fund used for the day to day running of the community centre and membership services.

The dilapidations fund is an unrestricted fund to be used to refurbish the community centre in accordance with the lease agreement.

The Joan Kirby legacy fund is an unrestricted fund, which is being held as a designated fund to support events in memory of the late Chairman.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS – Current year

	Tangible fixed assets £	Net current assets £	Total £
Unrestricted Income Funds	<u>13,288</u>	<u>233,459</u>	<u>246,747</u>
Total Funds	<u>13,288</u>	<u>233,459</u>	<u>246,747</u>

THE LEATHERHEAD COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

ANALYSIS OF NET ASSETS BETWEEN FUNDS – Previous year

	Tangible fixed assets £	Net current assets £	Total £
Unrestricted Income Funds	12,976	241,932	254,908
Total Funds	<u>12,976</u>	<u>241,932</u>	<u>254,908</u>

20. RECONCILIATIONS ON ADOPTION OF FRS 102

RECONCILIATION OF FUND BALANCES

	At 1 Apr 2015 £	At 31 Mar 2016 £
Fund balances as reported under previous UK GAAP and under FRS 102	269,088	254,908

RECONCILIATION OF NET MOVEMENT IN FUNDS

	2016 £
Net movement in funds as reported under previous UK GAAP and under FRS 102	(14,180)

NOTES TO RECONCILIATIONS ON ADOPTION OF FRS 102

There were no changes to the accounting policies arising from the adoption of FRS 102, which affected the recognition or measurement of transactions.

No adjustments were made to previously reported equity balances at the date of transition to FRS 102. No adjustments were made to previously reported equity balances at the end of the comparative period.

There were no adjustments to previously reported surplus in the comparative period.

21. INDEMNITY INSURANCE

The charity paid for the insurance premiums to indemnify Trustees from any loss arising from neglect or defaults of Trustees and any consequent loss.

22. LEASE COMMITMENTS

The Association had a peppercorn ten year lease on part of the Letherhead Institute, which commenced on 17 May 2007, which contained the option to terminate on not less than six months' notice. In addition, there were supplementary agreements regarding services charges, which could be varied at six months' notice from either side.

The Association had a lease on two further rooms at the Letherhead Institute on a coterminous lease at a rent of £5,000 per annum.

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During the year negotiations were begun on the terms of a new lease of the same space, and it is expected that one will be granted for a term of ten years with a five year break clause at a rent of £15,000 per annum with inflation-linking every three years. The Trustees are confident that the Association can operate and continue to flourish under these terms.

23. RELATED PARTY TRANSACTIONS

There are no related party transactions during the year (2016 - nil)