

COMPANY REGISTRATION NUMBER: 05244148

CHARITY REGISTRATION NUMBER: 1108089

**THE 2R'S COMMUNITY RESOURCE CENTRE**

**Company Limited by Guarantee**

**Unaudited Financial Statements**

**30 September 2018**



**GARRATTS WOLVERHAMPTON LIMITED**

Chartered accountants  
29 Waterloo Road  
Wolverhampton  
WV1 4DJ

# **THE 2R'S COMMUNITY RESOURCE CENTRE**

**Company Limited by Guarantee**

**Financial Statements**

**Year ended 30 September 2018**

	<b>Pages</b>
Trustees' annual report (incorporating the director's report)	<b>1 to 3</b>
Statement of financial activities (including income and expenditure account)	<b>4</b>
Statement of financial position	<b>5</b>
Notes to the financial statements	<b>6 to 12</b>
<b>The following pages do not form part of the financial statements</b>	
Detailed statement of financial activities	<b>14</b>
Notes to the detailed statement of financial activities	<b>15</b>

# **THE 2R'S COMMUNITY RESOURCE CENTRE**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report)**

#### **Year ended 30 September 2018**

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 September 2018.

#### **Reference and administrative details**

**Registered charity name** THE 2R'S COMMUNITY RESOURCE CENTRE

**Charity registration number** 1108089

**Company registration number** 05244148

**Principal office and registered office** 1 Anne Road  
Wolverhampton  
West Midlands  
WV4 5AZ

#### **The trustees**

Dr R Reehal  
Mrs M Kaur  
Mrs H Rattu  
Mrs B Reehal

**Company secretary** Dr R Reehal

**Accountants** Garratts Wolverhampton Limited  
Chartered accountants  
29 Waterloo Road  
Wolverhampton  
WV1 4DJ

# **THE 2R'S COMMUNITY RESOURCE CENTRE**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 30 September 2018**

##### **Structure, governance and management**

###### **Governing document**

The company was incorporated on 28th September 2004 as a private company limited by guarantee and not having a share capital. It is governed by its Memorandum and Articles of Association, and operates on a non-profit making basis. It is registered as a charity with the Charity Commission (number 1108089).

In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The current trustees are listed on page 1. They have all served throughout the year.

There are currently five board members forming a good cross section of community representation. Generally all members are active in the community and are professional working people.

In the event of a particular skill being lost or needed appropriate individuals are approached to offer themselves for election to the board.

The trustees retire by rotation at each annual general meeting and are eligible for re-election.

###### **Organisation**

The association is managed by the trustees who are also members of the committee. The day to day running of the centre is carried out by the project co-ordinator.

###### **Financial Controls**

The income is generated by the centre's own activities. Control of the centre's finances is the responsibility of the Treasurer and the trustees.

###### **Objectives and activities**

The principal objectives for which the Association is established are as follows:

- a) to establish and operate a centre for use by members of all communities in social and cultural education, industrial training and religious interaction for all ages.
- b) to pursue the advancement of the education of the public, primarily but not exclusively for the benefit of Asian people, by the provision of vocational training and educational courses.
- c) to promote interest in and understanding of media, theatre and the production of literature of every form.
- d) to promote communication and integration between all communities with a view to increasing awareness and understanding of different cultures and beliefs.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

###### **Achievements and performance**

There were no classes held for the Life in the UK test. The local community was provided with visa and passport renewal services.

# **THE 2R'S COMMUNITY RESOURCE CENTRE**

**Company Limited by Guarantee**

**Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 30 September 2018**

## **Financial review**

The income for the year was £4,753 and the expenditure was £5,384 giving a net deficit of £631 for the year. The deficit as at the year end amounted to £6,447. In the interim, the board members have agreed to provide the necessary financial support to enable the charity's work to continue.

The trustees review the finances on a monthly basis ensuring that the normal day to day activities are not hindered. The trustees loan account will be used to reduce the deficit next year.

## **Small company provisions**

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

The trustees' annual report was approved on 27 June 2019 and signed on behalf of the board of trustees by:



Dr R Reehal  
Charity Secretary

# THE 2R'S COMMUNITY RESOURCE CENTRE

Company Limited by Guarantee

## Statement of Financial Activities (including income and expenditure account)

Year ended 30 September 2018

		2018	2017
		Unrestricted funds	Total funds
	Note	£	£
<b>Income and endowments</b>			
Donations and legacies	5	4,753	4,753
Charitable activities	6	—	—
Other trading activities	7	—	—
<b>Total income</b>		<u>4,753</u>	<u>4,753</u>
<b>Expenditure</b>			
Expenditure on charitable activities	8,9	<u>5,384</u>	<u>5,384</u>
<b>Total expenditure</b>		<u>5,384</u>	<u>5,384</u>
<b>Net expenditure and net movement in funds</b>		<u>(631)</u>	<u>(631)</u>
<b>Reconciliation of funds</b>			
Total funds brought forward		(5,816)	(5,816)
<b>Total funds carried forward</b>		<u>(6,447)</u>	<u>(6,447)</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 6 to 12 form part of these financial statements.

# THE 2R'S COMMUNITY RESOURCE CENTRE

Company Limited by Guarantee

## Statement of Financial Position

30 September 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible fixed assets	13	3,058	3,597
<b>Current assets</b>			
Debtors	14	–	181
<b>Creditors: amounts falling due within one year</b>	15	<u>1,500</u>	<u>1,589</u>
<b>Net current liabilities</b>		<u>1,500</u>	<u>1,408</u>
<b>Total assets less current liabilities</b>		<u>1,558</u>	<u>2,189</u>
<b>Creditors: amounts falling due after more than one year</b>	16	<u>8,005</u>	<u>8,005</u>
<b>Net liabilities</b>		<u>(6,447)</u>	<u>(5,816)</u>
<b>Funds of the charity</b>			
Unrestricted funds		<u>(6,447)</u>	<u>(5,816)</u>
<b>Total charity funds</b>	17	<u>(6,447)</u>	<u>(5,816)</u>

For the year ending 30 September 2018 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 company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 27 June 2019, and are signed on behalf of the board by:



Dr R Reehal  
Trustee

The notes on pages 6 to 12 form part of these financial statements.

# **THE 2R'S COMMUNITY RESOURCE CENTRE**

**Company Limited by Guarantee**

## **Notes to the Financial Statements**

**Year ended 30 September 2018**

### **1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 1 Anne Road, Wolverhampton, West Midlands, WV4 5AZ.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

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

#### **Going concern**

There are no material uncertainties about the charity's ability to continue.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.



# THE 2R'S COMMUNITY RESOURCE CENTRE

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 30 September 2018

#### 3. Accounting policies *(continued)*

##### **Incoming resources**

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### **Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### **Tangible assets**

All fixed assets are initially recorded at cost and are depreciated at 15% on reducing balance.

##### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment	- 15% reducing balance
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# THE 2R'S COMMUNITY RESOURCE CENTRE

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 30 September 2018

#### 3. Accounting policies *(continued)*

##### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### **Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

# THE 2R'S COMMUNITY RESOURCE CENTRE

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 30 September 2018

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Limited by guarantee

The company is registered as a private company limited by guarantee and not having a share capital.

#### 5. Donations and legacies

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
<b>Donations</b>				
Donations	4,753	4,753	1,148	1,148

#### 6. Charitable activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Driver instruction for theory test	–	–	2,800	2,800
Visa and passport renewal services	–	–	245	245
	–	–	3,045	3,045

#### 7. Other trading activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Other activities for generating funds - rent from yard	–	–	4,320	4,320

#### 8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Provision of community courses	4,384	4,384	9,934	9,934
Support costs	1,000	1,000	1,000	1,000
	5,384	5,384	10,934	10,934

# THE 2R'S COMMUNITY RESOURCE CENTRE

Company Limited by Guarantee

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2018

### 9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2018	Total fund 2017
	£	£	£	£
Provision of community courses	4,384	–	4,384	9,934
Governance costs	–	1,000	1,000	1,000
	<u>4,384</u>	<u>1,000</u>	<u>5,384</u>	<u>10,934</u>

### 10. Net expenditure

Net expenditure is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible fixed assets	<u>539</u>	<u>634</u>

### 11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

2018	2017
£	£

The average head count of employees during the year was Nil (2017: Nil).

No employee received employee benefits of more than £60,000 during the year (2017: Nil).

### 12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

### 13. Tangible fixed assets

	Equipment £	Total £
<b>Cost</b>		
At 1 October 2017 and 30 September 2018	<u>20,393</u>	<u>20,393</u>
<b>Depreciation</b>		
At 1 October 2017	16,796	16,796
Charge for the year	539	539
At 30 September 2018	<u>17,335</u>	<u>17,335</u>
<b>Carrying amount</b>		
At 30 September 2018	<u>3,058</u>	<u>3,058</u>
At 30 September 2017	<u>3,597</u>	<u>3,597</u>

# THE 2R'S COMMUNITY RESOURCE CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2018

## 14. Debtors

	2018	2017
	£	£
Prepayments and accrued income	<u>—</u>	<u>181</u>

## 15. Creditors: amounts falling due within one year

	2018	2017
	£	£
Accruals and deferred income	<u>1,500</u>	<u>1,589</u>

## 16. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Director loan accounts	<u>8,005</u>	<u>8,005</u>

## 17. Analysis of charitable funds

### Unrestricted funds

	At 1 October 2017	Income	Expenditure	At 30 September 2018
	£	£	£	£
General funds	<u>(5,816)</u>	<u>4,753</u>	<u>(5,384)</u>	<u>(6,447)</u>

  

	At 1 October 2016	Income	Expenditure	At 30 September 2017
	£	£	£	£
General funds	<u>(3,395)</u>	<u>8,513</u>	<u>(10,934)</u>	<u>(5,816)</u>

# THE 2R'S COMMUNITY RESOURCE CENTRE

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 30 September 2018

#### 18. Analysis of net assets between funds

	Unrestricted Funds	Total Funds
	£	2018 £
Tangible fixed assets	3,058	3,058
Current assets	—	—
Creditors less than 1 year	(1,500)	(1,500)
Creditors greater than 1 year	(8,005)	(8,005)
<b>Net liabilities</b>	<b>(6,447)</b>	<b>(6,447)</b>

  

	Unrestricted Funds	Total Funds
	£	2017 £
Tangible fixed assets	3,597	3,597
Current assets	181	181
Creditors less than 1 year	(1,589)	(1,589)
Creditors greater than 1 year	(8,005)	(8,005)
<b>Net liabilities</b>	<b>(5,816)</b>	<b>(5,816)</b>

#### 19. Related parties

The company operates from premises owned by Dr. R Reehal, one of the trustees. The rent paid to Dr. R Reehal for the year amounted to £Nil (2017: £4,200).

# **THE 2R'S COMMUNITY RESOURCE CENTRE**

**Company Limited by Guarantee**

**Management Information**

**Year ended 30 September 2018**

**The following pages do not form part of the financial statements.**

# THE 2R'S COMMUNITY RESOURCE CENTRE

Company Limited by Guarantee

## Detailed Statement of Financial Activities

Year ended 30 September 2018

	2018 £	2017 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	<u>4,753</u>	<u>1,148</u>
<b>Charitable activities</b>		
Driver instruction for theory test	—	2,800
Visa and passport renewal services	<u>—</u>	<u>245</u>
	<u>—</u>	<u>3,045</u>
<b>Other trading activities</b>		
Other activities for generating funds - rent from yard	<u>—</u>	<u>4,320</u>
<b>Total income</b>	<u>4,753</u>	<u>8,513</u>
<b>Expenditure</b>		
<b>Expenditure on charitable activities</b>		
Rent	—	4,200
Rates and water	—	662
Light and heat	2,302	2,724
Repairs and maintenance	148	497
Legal and professional fees	1,000	1,000
Telephone	1,365	1,167
Other office costs	30	50
Depreciation	<u>539</u>	<u>634</u>
	<u>5,384</u>	<u>10,934</u>
<b>Total expenditure</b>	<u>5,384</u>	<u>10,934</u>
<b>Net expenditure</b>	<u>(631)</u>	<u>(2,421)</u>



# THE 2R'S COMMUNITY RESOURCE CENTRE

Company Limited by Guarantee

## Notes to the Detailed Statement of Financial Activities

Year ended 30 September 2018

	2018 £	2017 £
<b>Expenditure on charitable activities</b>		
<b>Provision of community courses</b>		
<b><i>Activities undertaken directly</i></b>		
Rent	—	4,200
Rates and water	—	662
Light and heat	2,302	2,724
Insurance	148	497
Telephone charges	1,365	1,167
General expenses	30	50
Depreciation	539	634
	<u>4,384</u>	<u>9,934</u>
<b>Governance costs</b>		
Governance costs - accountancy fees	<u>1,000</u>	<u>1,000</u>
	<u>5,384</u>	<u>10,934</u>