

**Registered No SC 351334**

Scottish Charity No. SC 040238

## **Crown Community Centre**

(a company limited by guarantee)

### **Report and Financial Statements**

31 December 2011

WEDNESDAY



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## **Crown Community Centre**

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Registered No: SC351334

Scottish Charity No. SC040239

### **Directors**

Eileen Arden

Lily Baillie

Angy Macdiarmid

Donald Matheson

### **Secretary**

Donald Matheson

### **Independent Examiner**

Eunice McAdam

Ernst & Young LLP

Barony House

Stoneyfield Business Park

Stoneyfield

Inverness

IV2 7PA

### **Bankers**

Bank of Scotland

2-6 Eastgate

Inverness

IV2 3NA

### **Registered Office**

8 Ardross Terrace

Inverness

IV3 5NW

## Trustees' annual report

The trustees, who are also directors of the company for the purposes of company law, present their report and financial statements for the year ended 31 December 2011.

### Principal activity and review of company affairs

Crown Community Centre operates as a charity. The constitution of the charity is a private company registered in Scotland on 14 November 2008. The company is limited by guarantee not having a share capital, with the liability of each member restricted to a maximum of £1. Charitable status was granted by the Office of the Scottish Charity Regulator on 3 February 2009.

The objects of the charity as stated by its constitution are the provision of recreational facilities or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended. It has achieved these objectives in the period by opening and operating a café in the Crown area of Inverness called The Olive Grove.

The geographic area covered by the charity is Inverness, and adjacent areas in the Highlands of Scotland.

### Results

The deficit for the year amounted to £12,612 (2010 – £8,644). This arose from a deficit on the restricted funds of £11,952 (2010 – deficit of £11,952) and a deficit on the unrestricted fund of £660 (2010 – surplus of £3,308).

The unrestricted fund deficit arose from the running of The Olive Grove café during the period, which continues to generate surplus income to fund charitable donations. Donations in the year amounted to £5,000 (2010 - £nil). The ability to create surplus funds to pay out donations is thanks to the hard work of all the volunteers who give freely of their time to help out in The Olive Grove.

The final depreciation charge on the restricted fund was made in 2011 and the fund has now been fully expended.

### Reserves policy

The unrestricted fund represents funds arising from past events that may be expended on any of the charity's objects. The directors' policy will be to try to maintain sufficient unrestricted funds at any time to enable the charity to fund its expenditure for a period of at least 6 months.

### Trustees

The charity being a company limited by guarantee, the responsibility for its management rests with the trustees/directors who are appointed by the members in accordance with the Companies Act. Prior to appointment, directors receive full information regarding the work of the charity from the company secretary and are kept informed of developments by the company secretary and also by a report presented to each meeting of trustees by the organiser.

### Plans for future periods

The directors aim to continue the operation of The Olive Grove and believe that the charity will continue to develop as more people become aware of the service offered.

### Risk management

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

## Trustees' annual report

### Unpaid volunteers

The charity does not remunerate any of its helpers. It is estimated that the time involved in providing the service is approximately 2,000 hours per annum. Additionally, it is estimated that the directors spend 400 unremunerated hours per annum on charity business.

### Trustees/directors

The trustees/directors during the year were those listed on page 1.

### Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

By order of the Board



**Donald Matheson**  
Secretary and trustee

Date: 7 March 2012

# **Independent examiner's report**

## **to the trustees of Crown Community Centre**

I report on the financial statements of the charity for the period ended 31 December 2011 which are set out on pages 5 to 9.

This report is made solely to the trustees as a body. This examination has been undertaken so that I might state to the trustees those matters that are required to be stated to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for this examination, for this report, or for the statements made.

### **Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations do not apply. It is my responsibility to examine the financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

### **Basis of independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

### **Independent examiner's statement**

In the course of 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 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
  - to prepare the financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

*Eunice McAdam*

**Eunice McAdam MA CA**  
Ernst & Young LLP  
Inverness

Date: *19 March 2012*

## Statement of financial activities and income and expenditure account

for the year ended 31 December 2011

	<i>Restricted funds 2011</i>	<i>Unrestricted funds 2011</i>	<i>Total funds 2011</i>	<i>Total funds 2010</i>
		£	£	£
<b><i>Incoming resources</i></b>				
<i>Incoming resources from generated funds</i>				
Voluntary income – grants and donations	-	50	50	-
Activities for generating funds – Olive Grove sales income	-	30,351	30,351	29,430
<b>Total incoming resources</b>	-	30,401	30,401	29,430
<b><i>Resources expended</i></b>				
<i>Fundraising trading; cost of goods sold and other costs</i>				
Catering supplies	-	11,359	11,359	11,057
Overheads	-	13,414	13,414	13,392
Prior year water charges	-	-	-	652
Depreciation	11,952	708	12,660	12,473
	11,952	25,481	37,433	37,574
<i>Charitable activities</i>				
Donations	-	5,000	5,000	-
<i>Governance costs</i>				
Independent examiner's fees	-	580	580	500
<b>Total resources expended</b>	11,952	31,061	43,013	38,074
<b>Net incoming/(outgoing) resources for the period</b>	(11,952)	(660)	(12,612)	(8,644)
<b>Total funds brought forward</b>	11,952	6,470	18,422	27,066
<b><i>Total funds carried forward</i></b>	-	5,810	5,810	18,422

**Balance sheet**

at 31 December 2011

Company number: SC351334

	Note	2011 £	2010 £
<b>Fixed assets</b>			
Tangible assets	5	870	12,968
<b>Current assets</b>			
Cash at bank		5,480	6,606
<b>Current liabilities</b>			
Accrued expenses		540	1,152
<b>Net current assets</b>		4,940	5,454
		5,810	18,422
<b>Reserves</b>			
Unrestricted funds	6	5,810	6,470
Restricted funds	6	-	11,952
		5,810	18,422

For the period ended 31 December 2011 the company was entitled to exemption from an audit under section 477 of the Companies Act 2006. The members have not required the company to obtain an audit under section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of financial statements.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 March 2012



**Donald Matheson**  
Trustee

The notes on pages 7 to 8 form part of these financial statements.

## Notes to the financial statements

at 31 December 2011

### 1. Accounting policies

#### *Accounting convention*

The financial statements are prepared under the historical cost convention, in accordance with applicable accounting standards, the Statement of Recommended Practice "Accounting by Charities" (SORP 2005) issued in December 2005 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### *Taxation*

No provision for corporation tax is necessary due to the company's charitable status.

#### *Incoming resources*

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

#### *Resources expended*

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

#### *Tangible fixed assets and depreciation*

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided as rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Tenant's improvements	-	over three years straight line
Furniture and fittings	-	over three years straight line

#### *Capital grants*

In accordance with the charity SORP, grants received towards capital expenditure have been recognised as income on receipt and a depreciation charge allocated against the fund so as to reduce the fund over the estimated useful life of the asset concerned. Compliance with the charity SORP means that there is non-compliance with the FRSSE which requires such grants to be treated as deferred income in the balance sheet.

### 2. Members' liability

The company is limited by guarantee and has no share capital. The liability of the members is restricted to £1 each.

### 3. Staff costs

The charitable company has no paid employees and accordingly no employee received emoluments of more than £60,000.

### 4. Trustees' remuneration

No trustee received any remuneration for their services during the period.



## Notes to the financial statements

at 31 December 2011

### 5. Tangible fixed assets

	<i>Tenant's improvements</i>	<i>Furniture &amp; equipment</i>	<i>Total</i>
	£	£	£
<i>Cost</i>			
At 1 January 2011	28,459	8,961	37,420
Additions in year	-	562	562
At 31 December 2011	28,459	9,523	37,982
<i>Depreciation</i>			
At 1 January 2011	18,972	5,480	24,452
Charge for period	9,487	3,173	12,660
At 31 December 2011	28,459	8,653	37,112
<i>Net book value</i>			
At 31 December 2011	-	870	870
At 31 December 2010	9,486	3,481	12,968

### 6. Movement on reserves

#### Fund balances as at 31 December 2011

	<i>Restricted Fund</i>	<i>Unrestricted fund</i>	<i>Total funds</i>
	£	£	£
At 1 January 2011	11,952	6,470	18,422
Net (outgoing) resources for the year	(11,952)	(660)	(12,612)
At 31 December 2011	-	5,810	5,810

## Notes to the financial statements

at 31 December 2011

### 7. Analysis of net assets between funds

	<i>Unrestricted Fund</i>	<i>Restricted fund</i>	<i>Total funds</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Fixed assets	-	870	870
Net current assets	-	4,940	4,940
	<hr/>	<hr/>	<hr/>
	-	5,810	5,810
	<hr/>	<hr/>	<hr/>

The restricted fund represented grants and donations received to fund the refurbishment and fitting out of The Olive Grove cafe. This fund has now been fully expended.