

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2020
for
Highway Community Action Trust

Atkins Ferrie Chartered Accountants
Lakeside Offices
The Old Cattle Market
Coronation Park
Helston
Cornwall
TR13 0SR

Highway Community Action Trust

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for the Year Ended 31 December 2020

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Report of the Trustees
for the Year Ended 31 December 2020

History

An opportunity arose in 2012, to take over the day to day running of an established charity shop in the main Penryn high street. After due consideration, a group of people met and decided the viability to run the shop as a community resource, to accept the management of the shop, to train and equip the existing shop volunteers, be a resource for new volunteer opportunities, and to manage the distribution of funds donated to local community causes.

A new Company Limited by Guarantee was formed and a lease negotiated on the shop. The Company was registered as a Charity and staff recruited and trained.

The Trustees decided the ethos of the shop would be "Giving and sharing the treasure in people's lives" to encompass the receiving unwanted goods from the local community, and in return local community taking an active part in supporting local people and projects.

On 1st September 2012 the shop named "Penryn Treasures" was opened at 23 Higher Market Street Penryn by the Town Mayor, after a 4 week refurbishment and started to accept donations of unwanted goods to raise funds for the local community.

The Charity was formally accepted and registered by the Charity Commission on 6th December 2012.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Objectives

The Charity's objectives are that it is for "The benefit of the Community of Penryn, Cornwall, the promotion of any charitable purpose as are exclusively charitable, according to the laws of England and Wales, as the Trustees may from time to time determine."

Significant activities

The principal activity of the Charity is to manage funds generated from the donation of goods and cash through the Charity Shop "Penryn Treasures" based in the High Street Penryn.

Public benefit

The Trustees have given regard to the Charity Commission's guidance on public benefit.

The Charity benefits the public by providing not just financial support but by having a community space in the town that is easily accessible and welcoming to people. The Trustees accept requests for grants from individuals and local organisations that range from sports clubs, religious organisations, civic town events, and children / youth organisations. Our support through volunteering and training has also helped local people gain skills, experience new opportunities and find employment.

ACHIEVEMENT AND PERFORMANCE

In the last twelve months the shop has remained prominent on the High Street, with volunteer numbers remaining good, despite the impact of the Covid-19 pandemic. However, as a result of the pandemic and closure of the shop during lockdown, the weekly management reports to the Trustees have shown the turnover decrease from last year to £11,335. The availability of financial support from the government however, has offset this reduction in income and increase in costs seen during the year.

FINANCIAL REVIEW

Financial position

The Charity has made a surplus in the year of £9,932 (2019 deficit: £448).

The total funds held are £12,372 (2019: £2,440). These are all unrestricted. Free reserves total £12,372 (2019: £2,440).

Reserves policy

Grant Making and Reserves Policy

The Trustees do not have a policy of holding surplus assets in the form of long-term investments, nor do they have any policies relating to a specific level of income reserves to be held, preferring instead to be in a position where they can respond in a responsible manner to any need as it arises. Similarly, the Trustees do not have any specific policy to determine which individuals or institutions are to receive grants out of the assets of the Charity, each case being decided on its merits, except that grants will only be considered where they are believed to directly help people who are suffering through poverty, hunger, sickness, or distress, or to impact lives through improvements to health, education, or social activities.

FUTURE PLANS

Plans for Future Periods

The Charity intends to cease trading during the next 12 months.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Report of the Trustees
for the Year Ended 31 December 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Structure, Governance and Management

The Charity is an Incorporated Charity established as a Private Company Limited by Guarantee. The prescribed Charity Commission Model Memorandum and Articles of Association define the governance. The power of appointment of new Trustees lies with the existing Trustees. New Trustees are appointed with a view to the Board of Trustees providing the complimentary mix of skills necessary to perform the Trustee's function.

The Trustees meet approximately 4 times per year, together with further ad-hoc meetings as and when required. All key decisions relating to the running of the Charity finances are made by the Trustees. Day to day operational decisions relating to the running of the shop are delegated to the shop manager.

Half yearly management accounts are prepared and distributed to all Trustees and senior staff. These are discussed and approved at the Trustee's meetings.

The Trustees have initiated a review of the major risks to which the charity is exposed and appropriate systems have been established to mitigate these risks, as far as is reasonably practicable. These include the implementation of policies relating to Health and Safety, Equal Opportunities, Child Protection and financial controls and policy.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08084504 (England and Wales)

Registered Charity number

1150084

Registered office

Highway House
The Old School
Church Road
PENRYN
Cornwall
TR10 8DA

Trustees

Mr S W Brewer Chair
Mr T Champion

Bankers

Lloyds Bank
11 Killigrew Street
Falmouth
Cornwall
TR11 3RA

Legal Advisor

MPD Business Legal Services
80 Helston Road
Penryn
TR10 8NG

Report of the Trustees
for the Year Ended 31 December 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Insurers

Arista Insurance Limited
Towergate House
Eclipse Park
Sittingbourne Road
Maidstone
Kent
ME14 3EN

Accountants

Atkins Ferrie Chartered Accountants
Lakeside Offices
The Old Cattle Market
Coronation Park
Helston
Cornwall
TR13 0SR

Approved by order of the board of trustees on 30 September 2021 and signed on its behalf by:

Mr S W Brewer - Trustee

Highway Community Action Trust
Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2020

	Notes	2020 Unrestricted fund £	2019 Total funds £
INCOME AND ENDOWMENTS FROM			
Other trading activities	3	11,335	14,833
Other income	4	15,398	-
Total		<u>26,733</u>	<u>14,833</u>
EXPENDITURE ON			
Charitable activities			
Fundraising Trading		16,801	15,281
NET INCOME/(EXPENDITURE)		<u>9,932</u>	<u>(448)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward		2,440	2,888
TOTAL FUNDS CARRIED FORWARD		<u><u>12,372</u></u>	<u><u>2,440</u></u>

The notes form part of these financial statements

Highway Community Action Trust (Registered number: 08084504)

Balance Sheet
31 December 2020

	Notes	2020 Unrestricted fund £	2019 Total funds £
CURRENT ASSETS			
Debtors	11	300	300
Cash at bank and in hand		<u>12,072</u>	<u>2,140</u>
		12,372	2,440
NET CURRENT ASSETS		<u>12,372</u>	<u>2,440</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,372	2,440
NET ASSETS		<u>12,372</u>	<u>2,440</u>
FUNDS	12		
Unrestricted funds		<u>12,372</u>	<u>2,440</u>
TOTAL FUNDS		<u>12,372</u>	<u>2,440</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 30 September 2021 and were signed on its behalf by:

Mr S W Brewer - Trustee

Highway Community Action Trust
Notes to the Financial Statements
for the Year Ended 31 December 2020

1. COMPANY INFORMATION

The charitable company is limited by guarantee, incorporated in England and Wales and its principal place of business, which is different from its registered office, is 23 Higher Market Street, Penryn, TR10 8EF.

The nature of the charitable company's operations and its principal activities is disclosed in the Report of the Trustees.

The presentation currency of the financial statements is the Pound Sterling.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The charity intends to cease trading within the next 12 months. The financial statements have therefore been prepared on a basis other than that of the going concern basis. This includes, where applicable, adjusting the value of the charity's assets to net realisable value.

Income

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

Government grants

Government grants are recognised as income when there is evidence of entitlement, receipt is probable and the amount can be measured reliably. Grants received are included as unrestricted funds within 'Other income'.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Charitable activity costs include those items of expenditure incurred in delivering the charity's main objective of running the charity shop. This also includes support costs, such as governance costs.

Allocation and apportionment of costs

Support costs consist of governance costs only, which are those items of expenditure incurred in the course of the charity's statutory obligations and include the cost of accountancy and costs linked to the strategic management of the charity.

Support costs are wholly allocated to Fundraising Trading, being the main charitable activity undertaken by the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment - 25% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Highway Community Action Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments

The charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Shop income	<u>11,335</u>	<u>14,833</u>

4. OTHER INCOME

Other income consists of government grants received during the Covid-19 pandemic. £4,064 was received in relation to the Job Retention Scheme and additional business support grants of £11,334 were also received from the local authority. There are no unfulfilled conditions or other contingencies attached to this grant income.

5. SUPPORT COSTS

	Governance costs
	£
Fundraising Trading	<u>264</u>

Support costs, included in the above, are as follows:

	2020	2019
	Fundraising Trading	Total activities
	£	£
Accountancy	<u>264</u>	<u>180</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation - owned assets	<u>-</u>	<u>81</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Highway Community Action Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

8. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2020	2019
Shop management	<u>1</u>	<u>1</u>

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

Unrestricted
fund
£

INCOME AND ENDOWMENTS FROM

Other trading activities 14,833

**EXPENDITURE ON
Charitable activities**

Fundraising Trading 15,281

NET INCOME/(EXPENDITURE) (448)

RECONCILIATION OF FUNDS

Total funds brought forward 2,888

TOTAL FUNDS CARRIED FORWARD 2,440

10. TANGIBLE FIXED ASSETS

Equipment
£

COST

At 1 January 2020 and 31 December 2020 2,002

DEPRECIATION

At 1 January 2020 and 31 December 2020 2,002

NET BOOK VALUE

At 31 December 2020 -

At 31 December 2019 -

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Prepayments	<u>300</u>	<u>300</u>

Highway Community Action Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

12. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	2,440	9,932	12,372
TOTAL FUNDS	<u>2,440</u>	<u>9,932</u>	<u>12,372</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	26,733	(16,801)	9,932
TOTAL FUNDS	<u>26,733</u>	<u>(16,801)</u>	<u>9,932</u>

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	2,888	(448)	2,440
TOTAL FUNDS	<u>2,888</u>	<u>(448)</u>	<u>2,440</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	14,833	(15,281)	(448)
TOTAL FUNDS	<u>14,833</u>	<u>(15,281)</u>	<u>(448)</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.