

Coin Street Community Builders Limited

Report and Financial Statements

Year Ended

31 March 2020

Company Number 01783483



Coin Street Community Builders Limited

**Report and financial statements
for the year ended 31 March 2020**

Contents

Page:

1	Strategic report
3	Directors' report
4	Directors' responsibilities statement
5	Independent auditor's report
8	Statement of comprehensive income
9	Statement of financial position
10	Statement of changes in equity
11	Statement of cash flows
12	Notes forming part of the financial statements

Directors

T Keller
D Morgan
P Morris
G Nicholson
S Rice
R Smith
I Tuckett
K Yefet

Secretary and registered office

I Tuckett, Coin Street neighbourhood centre, 108 Stamford Street, London, SE1 9NH

Company number

01783483

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 OPA

Coin Street Community Builders Limited

Strategic report for the year ended 31 March 2020

Principal Activities and business review

Coin Street Community Builders Limited (CSCB or "the company") is a development trust and social enterprise that seeks to make the South Bank a better place in which to live, to work and to visit. Since 1984 CSCB has transformed a largely derelict site into a thriving mixed use neighbourhood. It has overseen the completion of the South Bank riverside walkway; the creation of Bernie Spain Gardens and Gabriel's Wharf; the refurbishment of Oxo Tower Wharf; the building of 220 new homes for people in housing need, the construction of the Coin Street neighbourhood centre, the construction of a new headquarters and studio for Rambert and the construction of a temporary restaurant adjacent to the Rambert building. CSCB provides a diverse range of arts and events in Bargehouse and the gallery@oxo.

The company derives an income from owning, developing and managing property. Profits are not distributed but are used to support the company's public service objectives.

During the year under review, CSCB has worked with local community groups, Coin Street Secondary Housing Co operative, Coin Street Centre Trust, Colombo Street Community & Sports Centre, the London Boroughs of Lambeth and Southwark, The Mayor of London, The Greater London Authority, Transport for London, South Bank Employers' Group, the Department for Education, Guy's & St Thomas's Hospital Trust, Nationwide Building Society, Lloyds Bank and other private sector organisations to secure the implementation of its development plan and improvement of the South Bank and Bankside areas of London. CSCB has also worked with Government, Locality, Social Enterprise UK and others to strengthen the wider social enterprise movement.

The Coin Street family and children's centre provides an integrated range of programmes for families and children including an 84 place nursery operating from the Coin Street neighbourhood centre on Stamford Street. During the year a gift aid payment was made to CSCT in order to further develop facilities in the nursery.

Coin Street's childcare and family services are supported through Children's Centre funding from London Boroughs of Lambeth and Southwark. The Centre works in partnership with Lambeth and Southwark Children's Services and Guy's and St Thomas' NHS Foundation Trust to deliver its programmes. In partnership with The London Borough of Southwark and First Place CSCB has extended the area covered by our Family Support.

In partnership with Coin Street Centre Trust, Colombo Street Community 6: Sports Centre, Rambert, Waterloo Football Club, Blackfriars Settlement and a range of specialist support agencies, CSCB provides a wide range of community programmes. CSCB has assisted in the conversion of facilities at the Colombo Centre to extend our youth and adult programmes.

The neighbourhood centre also hosts activities for young people and adults, and provides access to training and employment opportunities and business and social enterprise support.

Key performance indicators

The company's key financial performance indicator is cash generated after loan repayments. In 2020 the company recorded a cash inflow of £1,040,394 (2019 – outflow of £261,908).

Future developments

A major mixed development including a public swimming and indoor leisure centre is being planned for a site at Doon Street PAI site adjacent to The National Theatre. In March 2018 CSCB undertook foundation works on the site.

Coin Street Community Builders Limited

Strategic report for the year ended 31 March 2020 (continued)

Financial risk

CSCB uses financial instruments, other than derivatives, comprising cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of the financial instruments is to raise finance for the company's operations. The directors have considered liquidity, cash flow, price and credit risk and determined that the only material risks arising from the company's financial instruments are liquidity and cash flow risks. The directors review and agree policies for managing these risks through the preparation of monthly cash flow forecasts and by managing an on going dialogue with the company's bankers to ensure that suitable bank facilities are available to meet expected cash flow requirements. The policy has remained unchanged from previous years.

Key management personnel

In the opinion of the directors, key management personnel comprise the following individuals:

Mr I Tuckett
Mr S Dhadwar
Ms A Pinner
Mr D Hopkins

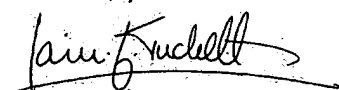
Equality

The company considers itself to be a progressive employer that values diversity and in December 2016 the Council of Management resolved to recruit additional members to extend the range of skills and diversity of the board. The table below sets out the analysis of staff by gender at 31 March 2020.

Grade	Male	Female	Total
Director	8	-	8
Senior managers	3	1	4
Employees	20	61	81
Total	31	62	93

The company's policy is that none of its staff should be paid less than the London Living Wage. This policy is extended to staff employed by suppliers and contractors.

This report was approved by the board and signed on its behalf by:



I Tuckett
Director

Date: 22 March 2021

Coin Street Community Builders Limited

Directors' report for the year ended 31 March 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Results

The loss for the year, after taxation, amounted to £1,438,927 (2019 – profit of £699,873).

Excluding the revaluation loss on investment property the profit for the year was £1,693,986 (2019 - £1,498,810).

Investing activities required £919,308 (2019 - £423,833) and financing activities required £605,621 (2019 - £1,343,575). During the year cash and cash equivalents increased by £1,040,394 (2019 – decreased by £261,908).

Directors

The directors who served during the year were:

T Keller
D Morgan
P Morris
G Nicholson
S Rice
R Smith
I Tuckett
K Yefet

Charitable donations

Donations totalling £200,000 (2019 - £375,000) were made during the year with £30,000 donated to Colombo Street Community and Sports Centre, £70,000 donated to Sirat Trust and £100,000 donated to Coin Street Centre Trust. All organisations have a number of common directors.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

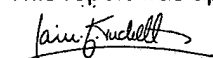
Subsequent events

There have been no significant events affecting the company since the year end.

Auditor

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



I Tuckett
Director

Date 22 March 2021

Coin Street Community Builders Limited

Directors' responsibilities statement for the year ended 31 March 2020

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgments and accounting 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Coin Street Community Builders Limited

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF COIN STREET COMMUNITY BUILDERS LIMITED

Qualified opinion

We have audited the financial statements of Coin Street Community Builders Limited ("the Company") for the year ended 31 March 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraph, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

Included in tangible fixed assets shown on the statement of financial position and within note 11, there are certain freehold investment properties totalling £2,117,000 that have been valued at historical valuation undertaken in 1995. In our opinion, these properties should be valued at their current open market value as required by FRS 102. The effects on the financial statements of valuing these specific investment properties at open market value have not been determined.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter - Property valuations

We draw attention to note 11, which explains that as a result of the impact of the outbreak of the Novel Coronavirus (COVID-19) on the market, the Company's property valuer has advised that less certainty, and a higher degree of caution, should be attached to their valuation than would normally be the case. Our opinion is not modified in respect of this matter.

Material uncertainty related to going concern

We draw attention to note 2 to the financial statements, which indicates that the company is currently in breach of one of its financial covenants and that there is no formal waiver from the bank covering the 12 months following the approval of the financial statements. As stated in note 2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Coin Street Community Builders Limited

Independent auditor's report (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Strategic report and Directors' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the basis for qualified opinion section of our report, our audit opinion is qualified due to the non-revaluation of investment properties, and accordingly we have concluded that the other information is materially misstated for the same reason.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Coin Street Community Builders Limited

Independent auditor's report (continued)

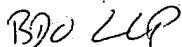
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Edward Goodworth (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

Date 22 March 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Coin Street Community Builders Limited

Statement of comprehensive income for the year ended 31 March 2020

	Note	2020 £	2019 £
Turnover	4	8,832,234	9,155,550
Gross profit		8,832,234	9,155,550
Administrative expenses		(7,313,853)	(7,242,428)
Revaluation loss on investment property		(3,132,913)	(798,937)
Operating (loss)/profit	5	(1,614,532)	1,114,185
Interest receivable and similar income	8	4,708	3,376
Interest payable and expenses	9	(309,812)	(333,264)
(Loss)/profit before tax		(1,919,636)	784,297
Tax on (loss)/profit	10	480,709	(84,424)
(Loss)/profit for the financial year		(1,438,927)	699,873
Other comprehensive income for the year			
Loss on revaluation of other fixed assets		164,745	(252,798)
Tax on loss on revaluation of other fixed assets		(32,302)	42,976
Other comprehensive income for the year		133,443	(209,822)
Total comprehensive income for the year		(1,305,484)	490,051

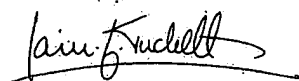
The notes on pages 12 to 24 form part of these financial statements.

Coin Street Community Builders Limited

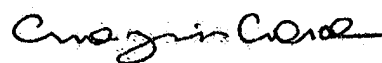
Statement of financial position as at 31 March 2020

Company number 01783483	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	11		49,207,490		51,600,679
Investments	12		4		4
			<hr/>		<hr/>
			49,207,494		51,600,683
Current assets					
Debtors: amounts falling due within one year	13	1,147,191		1,370,490	
Cash at bank and in hand	14	2,959,642		1,919,247	
		<hr/>		<hr/>	
		4,106,833		3,289,737	
Creditors: amounts falling due within one year	15	(3,008,504)		(3,270,523)	
		<hr/>		<hr/>	
Net current assets			1,098,329		19,214
			<hr/>		<hr/>
Total assets less current liabilities			50,305,823		51,619,897
			<hr/>		<hr/>
Creditors: amounts falling due after more than one year	16		(9,786,991)		(9,064,222)
			<hr/>		<hr/>
Provision for liabilities					
Deferred tax	18		(2,425,607)		(3,156,966)
			<hr/>		<hr/>
Net assets			38,093,225		39,398,709
			<hr/>		<hr/>
Capital and reserves					
Revaluation reserve	20		4,643,034		4,509,591
Profit and loss account	20		33,450,191		34,889,118
			<hr/>		<hr/>
Shareholders' funds			38,093,225		39,398,709
			<hr/>		<hr/>

The financial statements were approved by the Board of Directors and authorised for issue on



I Tuckett
Director



G Nicholson
Director

The notes on pages 12 to 24 form part of these financial statements.

Coin Street Community Builders Limited

Statement of changes in equity for the year ended 31 March 2020

	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 April 2019	4,509,591	34,889,118	39,398,709
Comprehensive income for the year			
Loss for the year	-	(1,438,927)	(1,438,927)
Surplus on revaluation of other fixed assets	164,745	-	164,745
Tax on surplus on revaluation of other fixed assets	(31,302)	-	(31,302)
At 31 March 2020	4,643,034	33,450,191	38,093,225

Statement of changes in equity for the year ended 31 March 2019

	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 April 2018	4,719,413	34,189,245	38,908,658
Comprehensive income for the year			
Profit for the year	-	699,873	699,873
Surplus on revaluation of other fixed assets	(252,798)	-	(252,798)
Tax on surplus on revaluation of other fixed assets	42,976	-	42,976
At 31 March 2019	4,509,591	34,889,118	39,398,709

The notes on pages 12 to 24 form part of these financial statements.

Coin Street Community Builders Limited

Statement of cash flows for the year ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities		
(Loss)/profit for the financial year	(1,438,927)	699,873
Adjustments for:		
Depreciation of tangible assets	349,040	380,731
Revaluation gain on investment property	3,132,913	798,937
Interest paid	309,812	333,264
Interest received	(4,708)	(3,376)
Taxation	(480,709)	84,424
Decrease/(increase) in debtors	223,296	(204,859)
Increase/(decrease) in creditors	724,350	(189,976)
Cash from operations	2,815,067	1,899,018
Corporation tax paid	(249,744)	(393,518)
Net cash generated from operating activities	2,565,323	1,505,500
Cash flows from investing activities		
Purchase of tangible fixed assets	(924,016)	(427,209)
Interest received	4,708	3,376
Net cash used in investing activities	(919,308)	(423,833)
Cash flows from financing activities		
Repayment of loans	(10,082,800)	(1,010,311)
Drawdown of loans	9,786,991	-
Interest paid	(309,811)	(333,264)
Net cash used in financing activities	(605,620)	(1,343,575)
Net increase/(decrease) in cash and cash equivalents	1,040,395	(261,908)
Cash and cash equivalents at beginning of year	1,919,247	2,181,155
Cash and cash equivalents at end of year	2,959,642	1,919,247
Cash and cash equivalents comprise:		
Cash at bank and in hand	2,959,642	1,919,247

The notes on page 12 to 24 form part of these financial statements.

Coin Street Community Builders Limited

Notes forming part of the financial statements for the year ended 31 March 2020

1 General information

Coin Street Community Builders Limited is a private limited company, limited by guarantee and is incorporated in England. The registered office is Coin Street neighbourhood centre, 108 Stamford Street, London, SE1 9NH.

2 Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The financial statements are presented in Sterling (£) which is the functional currency of the entity.

The following principal accounting policies have been applied:

Going concern

In preparing the financial statements, the directors are required to make an assessment of the ability of the company to continue as a going concern. The directors have prepared cash flow forecasts that cover at least 12 months from the date of signing of these financial statements and have considered all information currently available to them. Covid-19 has had a significant impact on many businesses and whilst the majority of the company tenants continue to pay rent one major tenant is in arrears and this has resulted in the company breaching one of its financial covenants. The bank has waived this covenant for the most recent quarter and has indicated a willingness to continue waiving this on a quarter-by-quarter basis. However there has been no formal waiver covering the 12 months following the approval of these financial statements. This condition indicates the existence of a material uncertainty which may cast significant doubt over the company's ability to continue as a going concern and therefore the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors remain confident that the bank will continue to waive the breached covenant and they have secured additional sources of finance to enable it to meet its other liabilities as they fall due. The directors therefore consider it appropriate to prepare these financial statements on a going concern basis. The financial statements do not include adjustments that would result if the company were unable to continue as a going concern.

Turnover

Turnover is measured at the transaction price, net of discounts and value added taxes. Turnover includes revenue earned from the rendering of services.

Turnover from the rendering of services is recognised according to the period in which the service was provided or the period to which the service relates.

Rent receivable and service charge income is invoiced in advance depending on contract terms. Invoices for a future period are deferred until the date of that period. Deferred turnover is reflected as a current liability.

Site hire income is invoiced upon booking. The income is deferred and released to the period in which the event takes place.

Car park income is invoiced on a monthly basis.

Nursery fee income is invoiced in advance and recognised in the month that it is earned.

Coin Street Community Builders Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (*continued*)

2 Accounting policies (*continued*)

Tangible fixed assets

Tangible assets are measured at cost or valuation less accumulated depreciation and any accumulated depreciation impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than Investment Properties and Property in the course of construction, over their expected useful lives, using the straight-line method. The rates applicable are:

Owner occupied property	- 50 years
Temporary buildings	- 5 years
Other fixed assets	- 4 years

In accordance with FRS 102 Section 16 'Investment Property', such assets are held for long term investment and are included in the statement of financial position at their open market values (as disclosed in Note 11). The surplus or deficit on revaluation of such properties is recognised in the statement of comprehensive income.

Certain investment properties (in the course of construction) have not been revalued as required by FRS 102. The Members of the Council of Management (the directors) consider that a professional valuation would not be reliable until negotiations concerning the 'Rights of Light' and removal of restrictive covenants in these properties are concluded. These specific properties continue to be carried in these financial statements as at their 1995 valuation. These specific properties will be professionally revalued once the company's long term interest has been clarified.

Other freehold property held for own use has been accounted for under the revaluation model. The cumulative unrealised valuation movement is recognised within the revaluation reserve with movement going through other comprehensive income.

Investments

Investments held as fixed assets are shown at cost less provision for impairment.

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Comprehensive Income.

Coin Street Community Builders Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (continued)

2 Accounting policies (continued)

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or prior reporting periods, using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing differences.

Employee benefits

Short-term employee benefits and contributions to defined contribution pension plans are recognised as an expense in the period in which they are incurred.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Debtors and creditors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Interest-bearing and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance revenue in the statement of comprehensive income.

Coin Street Community Builders Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (*continued*)

2 Accounting policies (*continued*)

Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

Provisions for liabilities

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

The company recognised a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next financial year. The provision is measured at the salary cost payable for the period of absence.

Revenue grants received

Revenue grants are recognised according to the performance model. Revenue grants are reflected as income in the period performance conditions of the grant is met. Revenue grants received in advance are deferred until the performance conditions are met. Deferred grants are reflected as a current liability.

Leased assets: Lessor

Where assets are leased to a third party and give rights approximating to ownership (finance leases), the assets are treated as if they have been sold outright. All other leases are treated as operating leases. Their annual rentals are credited to profit or loss on a straight-line basis over the term of the lease.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

Other than matters disclosed in Note 11, Tangible fixed assets, there are no material judgments or estimates in preparation of these financial statements.

Coin Street Community Builders Limited

Notes forming part of the financial statements
for the year ended 31 March 2020 (continued)

4 Turnover

	2020 £	2019 £
Rent receivable	3,523,333	3,698,783
Car Parking Income	707,732	833,709
Service charges	692,215	663,956
Other income	268,528	343,555
Site Hire	2,583,604	2,688,911
Nursery Fee Income	954,051	826,782
Housing and Landlord fees	102,771	99,854
	<u>8,832,234</u>	<u>9,155,550</u>

Turnover, which is stated net of Value Added Tax, represents amounts receivable from third parties. Turnover is attributable to continuing activities and all the company's sales for the year have been within the United Kingdom.

5 Operating (loss)/profit

	2020 £	2019 £
This is arrived at after charging:		
Depreciation of tangible fixed assets	349,040	380,731
Auditor's remuneration:		
- audit work	27,250	27,250
- preparation of the statutory accounts	1,300	1,300
- taxation	3,600	3,600
Defined contribution pension cost	279,318	252,476
	<u></u>	<u></u>

6 Employees

	2020 £	2019 £
Staff costs including directors' remuneration consist of:		
Wages and salaries	2,757,251	2,508,212
Social security costs	268,267	248,957
Defined contribution pension cost	279,318	252,476
	<u>3,304,836</u>	<u>3,009,645</u>

Coin Street Community Builders Limited

Notes forming part of the financial statements
for the year ended 31 March 2020 (continued)

6 Employees (continued)

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

	2020 Number	2019 Number
Number of administrative staff	84	83
Directors	2	2
	<u>86</u>	<u>85</u>

Remuneration attributable to those deemed key management have been disclosed within note 23.

7 Directors' remuneration

	2020 £	2019 £
Directors' emoluments	140,226	135,181
Company contributions to defined contribution pension schemes	9,454	9,000
	<u>149,680</u>	<u>144,181</u>

During the year retirement benefits were accruing to 1 director (2019 – 1) in respect of defined contribution pension schemes.

8 Interest receivable

	2020 £	2019 £
Other interest receivable	4,708	3,376
	<u>4,708</u>	<u>3,376</u>

9 Interest payable and similar charges

	2020 £	2019 £
Bank interest payable	309,812	333,264
	<u>309,812</u>	<u>333,264</u>

Coin Street Community Builders Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (continued)

10 Taxation

	2020 £	2019 £
<i>Corporation tax</i>		
UK corporation tax charge on profit for the year	282,952	342,738
	<hr/>	<hr/>
Total current tax	282,952	342,738
	<hr/>	<hr/>
<i>Deferred tax</i>		
Origination and reversal of timing differences	(731,359)	(301,290)
Effect of tax rates change on opening balance	-	-
Recognised through other comprehensive income	(32,302)	42,976
	<hr/>	<hr/>
Total deferred tax	(763,661)	(258,314)
	<hr/>	<hr/>
Taxation on profit on ordinary activities	(480,709)	84,424
	<hr/>	<hr/>

The tax assessed for the year is greater than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
(Loss)/profit on ordinary activities before tax	(1,919,636)	784,297
	<hr/>	<hr/>
(Loss)/profit on ordinary activities multiplied at the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(364,731)	149,017
Effects of:		
Fixed asset differences	(497,634)	(130,686)
Expenses not deductible for tax purposes	598,349	157,170
Income not taxable for tax purposes	-	-
Adjustments to brought forward values	-	(25,621)
Chargeable gains	(555,799)	(151,798)
Adjustments to tax charge in respect of previous periods	-	7,920
Adjust closing deferred tax to average rate of 19% (2019 - 19%)	-	(371,408)
Adjust opening deferred tax to average rate of 19% (2019 - 19%)	-	406,854
Recognised through other comprehensive income	(32,302)	42,976
Remeasurement of deferred tax for changes in tax rates	371,408	-
	<hr/>	<hr/>
Total tax (credit)/charge for the year	(480,709)	84,424
	<hr/>	<hr/>
<i>Deferred tax</i>		
Recognised through other comprehensive income	32,302	(42,976)
Recognised through profit and loss	(763,661)	(258,314)
	<hr/>	<hr/>
	(731,359)	(301,290)
	<hr/>	<hr/>

Coin Street Community Builders Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (*continued*)

11 Tangible fixed assets

	Freehold investment property £	Property in course of construction £	Owner occupied property £	Market and temporary buildings £	Other fixed assets £	Total £
<i>Cost or valuation</i>						
At 1 April 2019	39,979,776	3,243,258	8,237,224	955,382	1,245,639	53,661,279
Additions	92,051	818,701	-	-	13,264	924,016
Transfer	(49,138)	49,138	-	-	-	-
Impairment	-	(59,078)	-	-	-	(59,078)
Revaluations	(3,132,913)	-	-	-	-	(3,132,913)
At 31 March 2020	36,889,776	4,052,019	8,237,224	955,382	1,258,903	51,393,304
<i>Depreciation</i>						
At 1 April 2019	-	-	-	827,996	1,232,604	2,060,600
Charge for the year	-	-	164,745	117,674	7,540	289,959
Revaluations	-	-	(164,745)	-	-	(164,745)
At 31 March 2020	-	-	-	945,670	1,240,144	2,185,814
<i>Net book value</i>						
At 31 March 2020	36,889,776	4,052,019	8,237,224	9,712	18,759	49,207,490
At 31 March 2019	39,979,776	3,243,258	8,237,224	127,386	13,035	51,600,679

The freehold properties shown above are treated as investment properties in accordance with FRS 102.

In accordance with FRS 102, Section 16 'Investment Properties', investment properties should be included at their open market value.

An external desktop valuation was carried out for the 31 March 2020 year end by the directors of the company and the company's property advisors Montagu Evans, chartered surveyors, on the majority of the company's properties which refers to an open market carrying value of £43,010,000 (2019 - £46,100,000). The directors of the company believe this best represents the property valuation at the year end. The previous formal valuation was carried out in 2019 by Montagu Evans, Chartered Surveyors.

The investment properties have been valued in accordance with the Valuations Standard (2020 Edition) of the Royal Institution of Chartered Surveyors, on the basis of 'Market Value'. The key assumptions used in the valuation were the rental yield, with a range of between 5.0% and 7.0% adopted depending on the function of the property, and the terms of the underlying rental agreements.

Coin Street Community Builders Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (continued)

11 Tangible fixed assets (continued)

Due to COVID-19, the valuations issued by Montagu Evans include a material uncertainty disclosure, as follows:

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

Market activity is being impacted in many sectors. As at the valuation date, we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID -19 means that we are faced with an unprecedented set of circumstances on which to base a judgement.

Our valuation(s) is/are therefore reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the property under frequent review.

Also included above are certain investment properties carried in these financial statements as at their 1995 valuation. The directors consider that a professional valuation would not be reliable until negotiations concerning the 'Rights of Light' and removal of restrictive covenants in these properties are concluded. The directors consider that the current value of these properties is not less than their carrying value within the statement of financial position. These specific properties therefore continue to be carried in these financial statements as at their 1995 valuation. These specific properties will be professionally revalued once the company's long term interest has been clarified.

Freehold property and Owner occupied property of £45,127,000 (2019 - £48,217,000) includes:

- Properties valued as at 31 March 2020: £43,010,000 (2019 - £46,100,000)
- Properties included at their 1995 valuation: £2,117,000 (2019 - £2,117,000)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2020 £	2019 £
Cost	13,285,840	13,241,927
Accumulated depreciation	(1,059,893)	(895,048)
	<hr/>	<hr/>
Net book value	12,225,947	12,346,879
	<hr/>	<hr/>

Coin Street Community Builders Limited

Notes forming part of the financial statements
for the year ended 31 March 2020 (*continued*)

12 Fixed asset investments

	Investments in subsidiary companies £
<i>Cost or valuation</i>	
At 1 April 2019	4
	<hr/>
At 31 March 2020	4
	<hr/>
<i>Net book value</i>	
At 31 March 2020	4
	<hr/>
At 31 March 2019	4
	<hr/>

13 Debtors

	2020 £	2019 £
Trade debtors	943,404	598,413
Other debtors	16,291	18,437
Prepayments and accrued income	187,496	753,640
	<hr/>	<hr/>
	1,147,191	1,370,490
	<hr/>	<hr/>

14 Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	2,959,642	1,919,247
	<hr/>	<hr/>

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans	-	1,018,578
Trade creditors	539,147	385,025
Pensions contribution payable	-	1,313
Corporation tax	218,854	186,646
Taxation and social security	332,750	302,677
Other creditors	631,493	338,900
Accruals and deferred income	1,286,260	1,037,384
	<hr/>	<hr/>
	3,008,504	3,270,523
	<hr/>	<hr/>

Coin Street Community Builders Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (continued)

16 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans	10,000,000	9,064,222
Unamortised financing costs	(213,009)	-
	<u>9,786,991</u>	<u>9,064,222</u>

The company has one loan outstanding at the reporting date with National Westminster Bank Plc.

At the prior reporting date, the company had two outstanding loans. A total of £9,900,730 was owed to Nationwide Building Society and £182,070 to Lloyds Bank. Both of these loans were repaid in the year.

The National Westminster Bank Plc loan is secured by a fixed charge on the following assets: Oxo Tower Wharf, Barge House Street, London, SE1 9GY, The Mulberry Bush Public House, 89 Upper Ground, London, SE1 9PP and Bargehouse OXO Tower Wharf, Barge House Street, London SE1 9PH. The company has also granted National Westminster Bank Plc a floating charge over all other assets except the Doon Street property.

17 Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through profit or loss	40,778,713	40,778,713
Financial assets measured at amortised costs	3,218,196	3,571,506
	<u>43,996,909</u>	<u>44,350,219</u>
Financial liabilities		
Financial liabilities	(12,659,638)	(12,148,099)

Coin Street Community Builders Limited

Notes forming part of the financial statements
for the year ended 31 March 2020 (*continued*)

18 Deferred tax

	2020 £	2019 £
At beginning of year	3,156,966	3,458,256
Charge to profit or loss	(731,359)	(301,290)
	<hr/>	<hr/>
At end of year	2,425,607	3,156,966
	<hr/>	<hr/>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Excess of depreciation over taxation allowances	(402,786)	129,034
Other short term timing differences	(217)	(223)
Capital losses	2,961,597	3,147,144
Losses and other deductions	(132,987)	(118,989)
	<hr/>	<hr/>
At end of year	2,425,607	3,156,966
	<hr/>	<hr/>

19 Company limited by guarantee

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

20 Reserves

Revaluation reserve

Represents the cumulative unrealised valuation movement on property, plant and equipment held under the revaluation model, which is transferred from the profit and loss account, net of any deferred tax.

Profit and loss account

Includes all current and prior period retained profit and losses.

21 Covenants

The sites owned by the company are subject to restrictive covenants. There is provision for a 'claw back' of any additional land value attributable to any consent to vary these restrictive covenants. These are currently under negotiation with the covenant holder. The outcome of these negotiations is uncertain and it is not possible to quantify any potential impact on the long term value of these sites.

22 Capital commitments

At 31 March 2020 and 31 March 2019 the company had no capital commitments.

Coin Street Community Builders Limited

Notes forming part of the financial statements for the year ended 31 March 2020 (*continued*)

23 Related party transactions

Donations totalling £200,000 (2019 - £375,000) were made during the year with £30,000 donated to Colombo Street Community and Sports Centre, £70,000 donated to Sirat Trust and £100,000 donated to Coin Street Centre Trust. All organisations have at least one common director.

Key management personnel

All directors and the senior management team who have the authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. Total remuneration (including pension contributions) in respect of these individuals is £483,296 (2019 - £457,729).

24 Commitments under operating leases

Lessor

The company leases out certain investment properties under non-cancellable operating leases for the following future minimum lease payments. There are no contingent rents.

	2020 £	2019 £
Not later than 1 year	1,986,338	3,185,038
Later than 1 year and not later than 5 years	5,297,194	2,393,502
Later than 5 years	10,893,766	1,000,580
	<hr/>	<hr/>
Total	18,177,298	6,579,120
	<hr/>	<hr/>