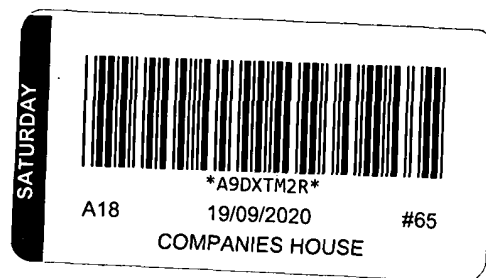


**REGISTERED NUMBER: 2588109 (England and Wales)**

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2019**

**FOR  
STOCKFIELD COMMUNITY ASSOCIATION  
CHARITY ACCOUNTS**



# **Stockfield Community Association**

## **Charity Accounts**

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## **Stockfield Community Association**

### **Report of the Trustees and Directors for the Year Ended 31 December 2019**

The Trustees are pleased to present their report together with the financial statements of the company for the year ended 31 December 2019.

#### **Reference and Administrative Details**

**Charity Number:** 1003108

**Company Number:** 02588109 (Registered in England & Wales)

**Principal Office and  
Registered Office:** New Media House, Davidson Road,  
Lichfield WS14 9DZ

**Auditors:** Seagrave French LLP  
13 -15 Regent Street  
Nottingham  
NG1 5BS

**Bankers:** The Co-operative Bank Plc  
118 - 120 Colmore Row  
Birmingham B3 3BN

**Adviser:** Brookes Stephens Chartered Accountants  
New Media House, Davidson Road,  
Lichfield  
Staffordshire WS14 9DZ

#### **Directors and Trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. Throughout this report any reference to trustees applies equally to directors and vice versa.

The Trustees serving during the year and at the date of approval of the audited financial statements were as follows:

M J Russell  
A E Ross  
A J Millward  
E A Leach  
D G Stokes  
J Mahami  
N Potter  
J O'Shea  
M Buckham (Resigned 30 June 2019)  
A W Baker (Appointed 20 November 2019)  
V Dautovic (Appointed 20 November 2019)

## **Stockfield Community Association**

### **Report of the Trustees and Directors - continued for the Year Ended 31 December 2019**

#### **Statement of Trustees' Responsibilities**

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **Structure, Governance and Management**

##### **Governing Document**

The organisation is a charitable company limited by guarantee, incorporated 19 February 1991 as amended by special resolutions dated 1 July 1994, 16 October 1998, 19 March 1999, 18 June 2001, 27 July 2001, 24 March 2006 and 26 April 2013. The company was established under a Memorandum and Articles of Association, which imposes restrictions on the scope of the Charity's operations. The activities of the Charity are limited to those related to the regeneration of its area of benefit and the promotion of the benefit of the inhabitants of its area of benefit. The Memorandum of Association provides that the Charity has the power to invest money not immediately required for the Charity's objects in such investments, securities or property as may be thought fit by the company. The company is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.00.

##### **Recruitment and Appointment of the Board of Trustees**

The Board of Directors of the Charity consists of 2 Directors nominated by Bromford Housing Group, 2 Independent Directors, 2 nominees of Birmingham City Council, and 6 locally elected resident Directors.

The Directors of the company are also charity Trustees for the purpose of charity law and under the company's Articles of Association the Local members of the Board are elected by ballot of the Residents of the benefit area to serve for a period of 3 years, after which they must be re-elected at the next election. Elections are normally held every three years. When vacancies arise for Local members, residents of the benefit area can be co-opted to the Board until the next election takes place. Nominated Directors are appointed and removed by the relevant organisations. The Board appoints the independent Directors by invitation.

##### **Trustee Induction and Training**

Trustees are given a full induction to the organisation by Anthony Collins Solicitors, other Directors and the company's advisers. They are made aware of the Mission and Vision Statements and the current Business Plan of the organisation and their expected role and responsibilities in relation to this and to the requirements of the Charity Commission. Local residents often attend Board Meetings on an observer basis prior to offering themselves for election.

## **Stockfield Community Association**

### **Report of the Trustees and directors - continued for the Year Ended 31 December 2019**

#### **Organisational Structure**

The Board of Trustees meet at least 10 times per annum. The general control and management of the administration of the Charity is undertaken by the Board of Trustees.

The Board is significantly comprised of democratically elected /co-opted representatives of the local community, and are half of the Board members. Further Trustees are nominated by Birmingham City Council (2) Bromford Housing Group (2) and there are two independent Trustees. Within those twelve Trustees are the Chair and the Secretary.

The Charity receives Housing Management Services from Birmingham City Council and Repairs and Ground Maintenance Services from Citizen Housing Group Limited, pursuant to contractual arrangements.

Leon Stephens of Brookes Stephens Chartered Accountants is the Independent Accountant to the Charity. Legal Services are provided by Anthony Collins Solicitors.

#### **Related Parties**

The Charity has a subsidiary company, Stockfield Community Association (Subsidiary) Limited which is a non-charitable company limited by guarantee not having a share capital, whose business is mainly to procure the building of houses which are sold by their developers for profit. To date the Subsidiary has restricted its activities to:

- Buying redevelopment land from Birmingham City Council;
- Allowing developers, under Development Agreements to build houses on land;
- Disposing of such houses to owner-occupiers.
- Collecting Ground Rents from under leasehold owner occupiers.

The Subsidiary is a wholly owned subsidiary of the Charity.

#### **Risk Management Statement**

The Board of trustees has conducted a review of the major risks to which the charity is exposed. A Risk Management Plan forms part of the Company's Business Plan and this is reviewed and updated at least annually. Where appropriate, additional systems or procedures have been put in place to mitigate potential risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation for all transactions and projects. Procedures are in place to ensure compliance with health and safety of all contractors, volunteers, clients and visitors to Association property. All procedures are reviewed annually, to ensure they continue to meet the needs of the charity, and all risks and their management are reviewed as required or annually to ensure all reasonable steps are being taken to minimise them.

#### **Objectives and Activities**

##### **Legal Objects**

The company is limited by guarantee and is registered as a charity (Registered No 1003108).

##### **Aims and Objectives**

The company's main aims and principal activities for the year under review was that of providing social housing for rent in the Stockfield area of Birmingham and pursuing the possible development of Community facilities.

The Charity has the following objectives:

- To promote the benefit of the inhabitants of the area of Stockfield and its neighbourhood in the City of Birmingham without distinction of sex, race or of political, religious or other opinions, by associating together representatives of the said inhabitants and various other persons in a common effort to provide facilities in the interest of social welfare for recreation and leisure-time occupation with the object of improving the conditions of life for the said inhabitants.
- To carry on for the benefit of the community in the City of Birmingham the business of providing social housing and any associated amenities for the persons in necessitous circumstances upon terms appropriate to their means.
- To promote any charitable purpose for the benefit of the inhabitants of the area of benefit and in particular the advancement of education and relief of poverty.

## **Stockfield Community Association**

### **Report of the Trustees - continued for the Year Ended 31 December 2019**

#### **Public Benefit**

The charity carries out a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities, summarised below, provide benefit to those who live in the area of benefit.

#### **Objectives for the Year**

During the last 12 months the Charity's main objectives were to:

- Continue to provide well managed and maintained affordable Social Housing for rent.
- Work with Birmingham City Council, Bromford Housing Group and Citizen Housing Group Limited to ensure the Stockfield Estate is well maintained.
- Promote the work of the Association - The Stockfield Story provides the background to the redevelopment of the Estate and the history of the Community Association.
- Improve Community Safety: supporting the continuing work of the Stockfield Community Watch to continue and to build further good relations with the Police.
- Develop and improve relationships with Birmingham City Council to work together to improve local services for the benefit of local residents.
- Develop additional links with other neighbourhoods, through various projects and visits.
- Organise community events, including the Summer Fun Day, Gardening Competition, Christmas Cracker event and a Christmas Meal for the over 55s, tea dances etc
- Publish Stockfield newsletters quarterly to provide news and information communicating good news about the neighbourhood and encouraging resident participation.
- Continue to work with providers (including FITCAP) to do valuable work with the young people of Stockfield, build links with the rest of the community and help raise the aspirations of the young people.
- Maintain and improve the involvement in local affairs of local residents and partner organisations serving Stockfield.
- Progress the establishment of links with local schools to ensure wherever possible that young people on the Stockfield Estate get the best opportunity for education possible.
- Continue to seek ways to provide improved or new Community facilities for the benefit of the residents of the Stockfield Estate.
- Continue to provide free to Stockfield residents a Money Advice Service as part of the Management Services contract with Bromford Housing Group.

#### **Strategies for Achieving Objectives**

- Keep under review Service Level Agreements with various providers.
- Maintain contacts with various service providers to ensure local government services are up to standard.
- Work with various organisations to bring about improvements to, or the establishment of, Community facilities.
- Continue to invite attendance at Board and other meetings key personnel from Birmingham City Council, Bromford Housing Group and others.
- Promote as widely as possible the work of the Association.

#### **Details of Significant Activities**

- Establishment of the first Community Association of its type in the UK.
- In partnership with Birmingham City Council, Bromford Housing and local residents bringing about the physical regeneration of the Stockfield Estate.
- Provision of 121 social houses for rent.
- Provision of the Stockfield Community Resource Centre.

## **Stockfield Community Association**

### **Report of the Trustees - continued for the Year Ended 31 December 2019**

#### **Achievements and Performance**

##### **Review of the Charities Activities**

- The Association continued to provide well managed and maintained affordable Social Housing for rent. There have been no long term voids and 97% of all repairs were carried out within the response targets set.
- In order to protect its income potential the Association established a managed investment fund with Quilter Cheviot of Birmingham. The initial value of the fund was £750,000 which was increased in 2013 to £1 million, in 2015 to £1.25 million to £1.5m million in 2016 to £2.2 million in 2017 to £2.45 million in 2018 and to £3.18 million in 2019.
- The Association continued provision of a Money Advice Service for its tenants which has in conjunction with its Managing Agent aimed to significantly reduce long term arrears and helped individuals maximise their income potential.
- Work continued with Birmingham City Council, Bromford Housing Group and Citizen Housing Group Limited to ensure the Stockfield Estate is well maintained and significant improvements in estate maintenance have been achieved.
- Continued the role of the Neighbourhood Support Officer to provide support for the work of the Association and its Trustees.
- The Association's Web Site has been regularly maintained.
- The Stockfield Story has been widely distributed to promote the success of the Community Association.
- The Community Resource Centre continues to provide a valuable resource for the locality.
- Community Safety: the Community Watch Scheme established to improve community safety and to build further good relations with the Police continues its work.
- Community events included the Summer Fun Day, Gardening Competition, Christmas Cracker and Christmas Event for over 55's. New events have been funded utilising grants awarded by Awards For All and Tesco's Bags for Help.
- Stockfield newsletters were produced quarterly, plus additional special editions. The distribution of the newsletters has been increased.
- The Association continues to work with and support Youth programmes provided by FITCAP based at the Youth Pod in Stockfield Park, local schools and other community facilities.
- The Association continued to encourage involvement in local affairs of local residents and partner organisations serving Stockfield by attendance at a Multi-Agency Group promoted by the Association.
- The Association secured £2,500 of grant funding via the HAYN Community Ambassador Programme (CAP) Clarion Futures to develop the Stockfield Youth Group, a group of young people involved in community volunteering, developing social action projects and their own personal development.
- The Association secured £323,496 of grant funding over 5 years via the Community Fund National Lottery. These funds will be used by a partnership of organisations including the Stockfield Community Association, Birmingham PlayCare and Arts in the Yard. The funds will be used to support the sustainability of smaller community organisations, increase residents' involvement, encourage intergenerational working with the Stockfield Youth Group and to fund smaller activities such as the Green Growers Gardening Project.

##### **Financial Review**

A summary of the Charity's finances is set out in the attached financial statements for the year ended 31 December 2019.

##### **Reserves Policy and the Purpose of Designations**

The Charity manages its accommodation on the basis of whole life funding and makes contributions each year to Sinking Funds in order to have funds available for future years to pay for major repairs and replacements and to provide for cyclical maintenance.

##### **Review of Principal Funding Sources**

The principal funding sources for the Charity are currently by way of rental income from tenants, housing benefit from Birmingham City Council, Gift Aid from its Subsidiary Company, interest on deposits, income from investments and grant funding.

## **Stockfield Community Association**

### **Report of the Trustees - continued for the Year Ended 31 December 2019**

#### **Plans for the Future**

##### **Aims and key objectives for the future**

The trustees review the aims, objectives and activities each year. The review looks at the success of each key activity and the benefits they have brought to the groups of people we are set up to help.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. The Association aims to:

- Continue to provide well managed and maintained affordable Social Housing for rent and to invest in additional dwellings when funding allows.
- Implement an accelerated central heating upgrade programme to improve efficiency and reduce running costs of heating tenant's homes.
- Continue to provide a targeted Money Advice Service for its tenants, in conjunction with its Managing Agent, aimed at reducing long term and new arrears and help individuals maximise their income potential.
- Work with Birmingham City Council, Bromford Housing Group, Citizen Housing Group Limited and other providers to ensure the Stockfield Estate is well maintained.
- Develop and improve the Association's Web Site.
- Community Safety: continue to support the Stockfield Community Watch and to continue and to build further good relations with the Police.
- Develop and improve relationships with Birmingham City Council to work together to improve local services for the benefit of local residents.
- Organise community events, including the Summer Fun Day, Gardening Competition, Christmas Cracker and a Christmas Event for over 55s. Work will continue to provide a programme of events to utilise grant funding achieved in 2019 and since the year end.
- Publish Stockfield newsletters quarterly to provide news and information communicating good news about the neighbourhood and encouraging resident participation.
- Continue to work with FITCAP and local schools to carry out valuable work with the young people of Stockfield, build links with the rest of the community and help raise the aspirations of the young people.
- Maintain and improve the involvement in local affairs of local residents and partner organisations serving Stockfield.
- Investigate strategies for the provision of community facilities for the benefit of Stockfield residents.
- Continue to employ a neighbourhood support worker to improve contact with local residents, provide valuable administrative support to Directors and assist in the organisation of social events.
- Seek grant funding to enable innovative projects to be undertaken for the benefit of the community.

The Association wishes to thank all those individuals, Community Groups, local schools and Churches and Public and Private sector undertakings which have assisted the endeavours of the Charity during this and previous years.

#### **Auditors**

The auditors, Seagrave French LLP, were reappointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities" (FRS 102) and in accordance with the provisions of part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



M J Russell - Chair

Date: 10/9/2020



## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STOCKFIELD COMMUNITY ASSOCIATION

We have audited the charity financial statements of Stockfield Community Association for the year ended 31 December 2019, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes set out on pages eight to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure 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.

### Opinion on other matter prescribed by the Companies Act 2006

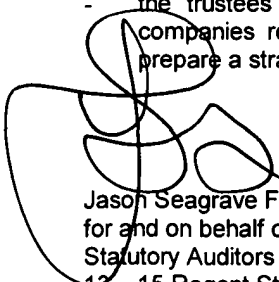
In our opinion the information given in the Report of the Trustees and Directors for the financial year which the financial statements are prepared is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees and Directors.

We have nothing to report in respect of the following matters where 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Jason Seagrave FCCA (Senior Statutory Auditor)  
for and on behalf of Seagrave French LLP  
Statutory Auditors  
13 - 15 Regent Street Nottingham NG1 5BS

Date: 18/9/20

**Stockfield Community Association**

**Statement of Financial Activities for the Year Ended 31 December 2019**

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>Incoming Resources</b>						
<b>Incoming Resources from Generated Funds</b>						
Donations from Subsidiary		27,504	-	-	27,504	20,749
Other Donations		-	-	-	-	-
Interest on Deposits and Investments		71,822	-	-	71,822	73,989
<b>Incoming Resources from Charitable Activities</b>						
Social Housing Rents		587,925	-	-	587,925	591,636
Grants and other Income		28,562	-	-	28,562	1,511
<b>Total Incoming Resources</b>		<u>715,813</u>	<u>-</u>	<u>-</u>	<u>715,813</u>	<u>687,885</u>
<b>Resources Expended</b>						
<b>Charitable Activities</b>						
Provision of Services	1	394,195	48,225	143,391	585,811	554,407
Governance Costs	2	49,203	-	-	49,203	54,708
<b>Total Resources Expended</b>		<u>443,398</u>	<u>48,225</u>	<u>143,391</u>	<u>635,014</u>	<u>609,115</u>
<b>Net Incoming/Outgoing Resources before Gain on Investments</b>		272,415	(48,225)	(143,391)	80,799	78,770
<b>Net Income/(expenditure) for the year</b>		272,415	(48,225)	(143,391)	80,799	78,770
Unrealised Profit/(Loss) on Investments 4		334,289	-	-	334,289	(165,860)
<b>Net Incoming/Outgoing Resources before Transfers</b>		606,704	(48,225)	(143,391)	415,088	(87,090)
Transfers between Funds	3	(614,420)	614,420	-	-	-
<b>Net Movement in Funds</b>		(7,716)	566,195	(143,391)	415,088	(87,090)
Balances brought forward at 1 January 2019		1,234,238	2,442,410	443,121	4,119,769	4,206,859
Balances carried forward at 31 December 2019		<u>1,226,522</u>	<u>3,008,605</u>	<u>299,730</u>	<u>4,534,857</u>	<u>4,119,769</u>

The notes form part of these financial statements

**Stockfield Community Association  
Charity Accounts**

**Notes to the Statement of Financial Activities  
for the Year Ended 31 December 2019**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>1. PROVISION OF SERVICES</b>					
Management and Maintenance	168,449	-	-	168,449	145,240
Major Repairs	-	43,094	-	43,094	63,842
Disability Adaptations	-	5,131	-	5,131	256
Insurance	11,704	-	-	11,704	11,739
Ground Rent	-	-	-	-	150
Depreciation of Housing Properties	95,824	-	143,391	239,215	239,215
Donations	1,177	-	-	1,177	1,087
Investment Fund Fees	27,420	-	-	27,420	26,061
Support to Youth Activities	12,733	-	-	12,733	13,000
Resource Centre	7,521	-	-	7,521	8,557
Events	52,440	-	-	52,440	34,760
Consultancy	16,927	-	-	16,927	10,500
	<u>394,195</u>	<u>48,225</u>	<u>143,391</u>	<u>585,811</u>	<u>554,407</u>
<b>2. GOVERNANCE COSTS</b>					
Professional Fees	4,318	-	-	4,318	7,292
Financial Services	15,959	-	-	15,959	17,498
Administration Services	23,176	-	-	23,176	24,668
Auditors' Remuneration	5,014	-	-	5,014	4,514
Insurance	616	-	-	616	616
Bank Charges	120	-	-	120	120
	<u>49,203</u>	<u>-</u>	<u>-</u>	<u>49,203</u>	<u>54,708</u>

**Stockfield Community Association  
Charity Accounts**

**Notes to the Statement of Financial Activities  
for the Year Ended 31 December 2019**

**3. TRANSFERS BETWEEN FUNDS**

	Opening Balance £	Transactions £	Transfers £	Closing Balance £
<b>Unrestricted Funds</b>				
Income and Expenditure Account	<u>1,234,238</u>	<u>606,704</u>	<u>(614,420)</u>	<u>1,226,522</u>
<b>Designated Funds</b>				
Major Repairs	2,074,000	(43,094)	245,000	2,275,906
Unrealised Gains	144,742	-	334,289	479,031
Cyclical Maintenance	115,000	-	30,000	145,000
Disability Adaptations	10,000	(5,131)	5,131	10,000
Community Facility	98,668	-	-	98,668
	<u>2,442,410</u>	<u>(48,225)</u>	<u>614,420</u>	<u>3,008,605</u>
<b>Restricted Funds</b>				
Capital Fund	430,082	(143,391)	-	286,691
Capital Grants	13,039	-	-	13,039
	<u>443,121</u>	<u>(143,391)</u>	<u>-</u>	<u>299,730</u>

**4. UNREALISED INVESTMENT MOVEMENT**

	2019 £	2018 £
Unrealised investment (gain)/loss	<u>(334,289)</u>	<u>165,860</u>

**5. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2019 nor for the year ended 31 December 2018.

**Stockfield Community Association  
Charity Accounts  
REGISTERED NUMBER: 2588109**

**Charity Balance Sheet  
as at 31 December 2019**

		<u>2019</u>		<u>2018</u>	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	3		772,978		1,011,693
<b>CURRENT ASSETS:</b>					
Debtors	4	190,171		94,904	
Investments	5	3,553,559		2,766,938	
Cash at bank and in hand		<u>76,471</u>		<u>312,038</u>	
		3,820,201		3,173,880	
<b>CREDITORS:</b> Amounts falling due within one year	6	<u>58,322</u>		<u>65,804</u>	
<b>NET CURRENT ASSETS:</b>			<u>3,761,879</u>		<u>3,108,076</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>4,534,857</u>		<u>4,119,769</u>
<b>RESERVES:</b>					
Restricted Funds	8		299,730		443,121
Designated Funds	9		3,008,605		2,442,410
Accumulated Funds			<u>1,226,522</u>		<u>1,234,238</u>
			<u>4,534,857</u>		<u>4,119,769</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

  
.....  
M J Russell – Chair

Approved by the Board on 10/9/2020 .....

The notes form part of these financial statements

**Stockfield Community Association  
Charity Accounts**

**Notes to the Financial Statements  
for the Year Ended 31 December 2019**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities Act 2011, the Companies Act 2006 and the Statement of Recommended Practice: "Accounting and Reporting by Charities" (FRS 102).

**Funds**

Unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working and capital investment. Designated funds are amounts which have been put aside at the discretion of the Trustees.

Designated funds are charitable donations with the stipulation that they be used for a specific purpose.

Restricted funds represent grants, donations and legacies received which are allocated by the donor for specific purposes.

**Income**

Income represents rents receivable and sundry donations.

Rents are recognised in the Income and Expenditure account on a receivable basis, and donations are credited as received.

**Tangible fixed assets**

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

Long term leasehold - 4% on cost

Whilst the fixed assets are used to generate investment income they have no residual value and have therefore been treated as depreciating fixed assets.

**Utilisation of Grants**

Grants are utilised to fund capital expenditure to the extent that it is not funded by borrowings, or the Association's own resources.

**Allocation of Expenditure**

Expenditure is allocated between charitable activities and administration, on the basis of specific items where applicable and an estimated apportionment of other expenditure.

**Investments**

Listed investments are included at the open market value, the gains or losses arising on any revaluation being taken to the SOFA.

**2. OPERATING SURPLUS**

The operating surplus is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	239,215	239,215
Auditors' remuneration	<u>5,014</u>	<u>4,514</u>
Directors' emoluments and other benefits etc	<u>-</u>	<u>-</u>

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**3. TANGIBLE FIXED ASSETS**

	<b>Long Leasehold Land &amp; Buildings</b>
	<b>£</b>
<b>COST:</b>	
At 1 January 2019	5,980,606
Additions	<u>500</u>
At 31 December 2019	<u>5,981,106</u>
<b>DEPRECIATION:</b>	
At 1 January 2019	4,968,913
Charge for year	<u>239,215</u>
At 31 December 2019	<u>5,208,128</u>
<b>NET BOOK VALUE:</b>	
At 31 December 2019	<u>772,978</u>
At 31 December 2018	<u>1,011,693</u>

**4. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2019 £	2018 £
Rent due from Bromford Housing Group	140,809	46,309
Rent in arrears	15,026	18,078
Prepayments and accrued income	14,119	20,804
Due from Subsidiary	20,217	9,713
	<u>190,171</u>	<u>94,904</u>

**5. CURRENT ASSET INVESTMENTS**

	2019 £	2018 £
72 Ordinary Shares in Lloyds Bank plc	49	49
Managed Investment Fund	3,179,031	2,594,742
Birmingham City Council Consolidated Loan Fund	<u>374,479</u>	<u>172,147</u>
	<u>3,553,559</u>	<u>2,766,938</u>

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**6. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2019 £	2018 £
Accrued Expenses	58,322	65,804
	<u>58,322</u>	<u>65,804</u>

**7. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	2019 £	2018 £
Expiring: Within one year	<u>4,740</u>	<u>4,740</u>

**8. RESTRICTED FUNDS**

	2019 £	2018 £
Capital Fund	286,691	430,082
Capital Grants	13,000	13,000
Community Watch	<u>39</u>	<u>39</u>
	<u>299,730</u>	<u>443,121</u>

The capital fund relates to a capital grant received which was used to purchase land and buildings. Depreciation on the grant element of land and buildings is initially charged to unrestricted funds, a transfer is then made from restricted funds to match this charge.

**9. DESIGNATED FUNDS**

	2019 £	2018 £
Major Repairs Sinking Fund	2,275,906	2,074,000
Unrealised Gains Sinking Fund	479,031	144,742
Cyclical Maintenance Sinking Fund	145,000	115,000
Disability Adaptation Sinking Fund	10,000	10,000
Community Facility Fund	<u>98,668</u>	<u>98,668</u>
	<u>3,008,605</u>	<u>2,442,410</u>



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**10. RELATED PARTY DISCLOSURES**

During the year various transactions were made with the company's subsidiary, Stockfield Community Association (Subsidiary) Limited, and at 31 December 2019 an amount of £20,217 (2018: £9,713) was owed to the company. During the year the subsidiary made charitable donations to the company amounting to £27,504 (2018: £20,749).

Birmingham City Council has the right to appoint 2 Directors and has provided non-repayable grants of £3,584,774. Bromford Housing Group also has the right to appoint 2 Directors. During the year, Bromford Housing Group paid rents to the company amounting to £587,925 (2018: £591,636) and received management charges of £65,228 (2018: £51,925) from the company. At 31 December 2019, £140,809 (2018: £46,309) was due to the company from Bromford Housing Group.

**Net income from trading subsidiary**

The results of the wholly owned subsidiary Stockfield Community Association (Subsidiary) Limited can be summarised as follows:

	2019 £	2018 £
Income	33,551	24,873
Administration and Finance Costs	<u>33,551</u>	<u>24,873</u>
Net Surplus	<u>-</u>	<u>-</u>
Aggregate of Capital and Reserves	<u>-</u>	<u>-</u>

**11. SHARE CAPITAL**

The company does not have a share capital as it is limited by guarantee. In the event of winding up, all members of the company are required to contribute a sum not exceeding £1 each.

**12. USE OF DESIGNATED FUNDS**

**Major Repairs Sinking Fund** - represents income set aside each year to enable gas fires, kitchen and bathroom fittings, central heating installations, electrical wiring and windows to be replaced on a planned basis.

**Unrealised Gains Sinking Fund** – reflects the unrealised element of gains on investments.

**Cyclical Maintenance Sinking Fund** - represents income set aside to fund a four year rolling programme of cyclical maintenance work to dwellings including repainting entrance doors and repainting railings and gates.

**Disability Adaptations Sinking Fund** - represents income set aside to fund adaptations to tenants' homes to assist in coping with particular disabilities. Expenditure is only authorised where appropriate medical evidence is provided and Birmingham City Council Social Services Department has agreed to carry out works but is unable to do so in a reasonable timescale.

**Community Facility Fund** - represents money set aside to fund the provision of a Community Facility and other community programmes for the benefit of the residents of the Stockfield estate.

**13. DIRECTORS' FEES**

There was £nil (2018: £nil) paid in respect of fees for the directors.

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**14. EMPLOYEES**

There are no employees employed by Stockfield Community Association.

**15. ULTIMATE CONTROLLING PARTY**

The company is controlled by the Board of Trustees.

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Tangible Fixed Assets £	Net Current Assets £	Total £
<b>Restricted Funds</b>	286,691	13,039	299,730
<b>Unrestricted Funds</b>	486,287	740,235	1,226,522
<b>Designated Funds</b>	-	3,008,605	3,008,605
	<u>772,978</u>	<u>3,761,879</u>	<u>4,534,857</u>