

Registered number: 03364165
Charity number: 1063842

Action for Borstal Community Project
(A company limited by guarantee)

Unaudited

Trustees' report and financial statements
for the year ended 31 March 2019

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Action for Borstal Community Project
(A company limited by guarantee)

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Action for Borstal Community Project
(A company limited by guarantee)

Reference and administrative details of the Charity, its Trustees and advisers
for the year ended 31 March 2019

Trustees

E Baker
A G Kew (appointed 20 July 2010)
S A Tranter, Chair (appointed 20 July 2018)
F Lewis
C McCann
K Whitby (resigned 20 July 2018)
J Aylward (resigned 23 April 2018)

Company registered number

03364165

Charity registered number

1063842

Registered office

13 & 14 Mercury Close
Borstal
Rochester
Kent
ME1 3AT

Company secretary

Mrs L Kain

Chief executive officer

Mrs L Kain

Accountants

Kreston Reeves LLP
Chartered Accountants
Independent Examiner's
Montague Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QU

Bankers

Cafcash Limited
Kings Hill
West Malling
Kent
ME19 4TA

Action for Borstal Community Project
(A company limited by guarantee)

Trustees' report
for the year ended 31 March 2019

The Trustees present their annual report together with the financial statements of the Action for Borstal Community Project for the year 1 April 2018 to 31 March 2019. The Annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the Annual report and financial statements of the Charitable Company comply with the current statutory requirements, the requirements of the Charitable Company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The objects of the Charity are the advancement of education, the preservation and protection of health, the relief of poverty, sickness and distress and the provision of support for the benefit of local children, parents and other residents of Borstal and Rochester, Kent.

The principal activities by which the objects are pursued are:

- the running of a Family Centre providing a play group for toddlers and children and training courses for local parents;
- to undertake local public community development projects.

The Charity's registered number is 1063842 and the address of the registered office is 13 & 14 Mercury Close, Borstal, Rochester, Kent, ME1 3AT.

There have been no changes to the objectives since the last annual report.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)' when reviewing the Charity's aims and objectives and in planning future activities for the year.

b. Volunteers

The Charity is grateful for the unstinting efforts of its volunteers during the year. No remuneration is paid to them, expenses have been reimbursed.

Action for Borstal Community Project
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 March 2019

Achievements and performance

a. Review of activities

Funding for the year has been negatively impacted by the absence of a project manager and an inability to source funding.

We have seen a drop in children on roll with 34 children currently in attendance. This reduction was the result, in part, to changes made to session times, which had an impact on attendance. This has been reviewed and sessions increased to meet the needs of the local community.

Staffing in the pre-school has remained consistent, with one new member of staff appointed to accommodate the increase in the sessions offered; some members of staff have had an increase in contracted hours although remained at a level that allows adjustments to be made, where necessary, to meet business needs. The pre-school lost one member of staff due to personal reasons.

Financially the project has suffered some short-term cashflow problems, due to lack of funding, but that has been managed to ensure that the service provided was not impacted, with accommodation still being provided free of charge by MHS Homes, under the 3-year tenancy agreement in place with them.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Trustees have considered the level of reserves they need to hold to enable them to meet their charitable objectives. The Trustees are continually reviewing the services provided and the funding they are receiving.

Structure, governance and management

a. Constitution

Action for Borstal Community Project is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association dated 1 May 1997.

The Charity is constituted under a Memorandum of Association and is a registered charity, number 1063842.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. Enquiries

Any enquiries concerning the Charity should be addressed to the principal office at 13 & 14 Mercury Close, Borstal, Rochester, Kent.

Action for Borstal Community Project
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 March 2019

Structure, governance and management (continued)

d. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

Due to staff leave and short-term cashflow issues, it has not been possible to recruit an assistant for the centre and build our reserves. That is still a key strategy and to that end we have recruited a volunteer with finance experience to review the project. In conjunction with Medway Council, the Trustees have developed a five-year plan to secure funding and build that reserve.

Information on fundraising practices

The Charity has not undertaken any significant fundraising activities during the financial year.

Statement of Trustees' responsibilities


The Trustees (who are also the Directors of Action for Borstal Community Project for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Charity and of its income and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

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

Approved by order of the members of the Board of Trustees on 27 November 2019 and signed on their behalf by:



S A Tranter
Trustee

Action for Borstal Community Project
(A company limited by guarantee)

Independent examiner's report
for the year ended 31 March 2019

Independent examiner's report to the Trustees of Action for Borstal Community Project ('the Charity')

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2019.

Responsibilities and basis of report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: 

Dated: 18 November 2019

S Robinson BA FCA FCIE DChA MCMI

Kreston Reeves LLP
Chartered Accountants
Chatham Maritime

Action for Borstal Community Project
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 March 2019

		Unrestricted funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Income from:				
Donations and legacies	3	106,781	106,781	89,013
Charitable activities	4	1,420	1,420	4,851
Total income		108,201	108,201	93,864
Expenditure on:				
Charitable activities	5	88,479	88,479	97,530
Total expenditure		88,479	88,479	97,530
Net movement in funds		19,722	19,722	(3,666)
Reconciliation of funds:				
Total funds brought forward as restated		(5,807)	(5,807)	(2,141)
Net movement in funds		19,722	19,722	(3,666)
Total funds carried forward		13,915	13,915	(5,807)

The notes on pages 8 to 16 form part of these financial statements.

Action for Borstal Community Project
(A company limited by guarantee)
Registered number: 03364166

Balance sheet
as at 31 March 2019

	Note	2019 £	As restated 2018 £
Fixed assets			
Tangible assets	8	271	407
		<u>271</u>	<u>407</u>
Current assets			
Cash at bank and in hand		28,464	9,008
		<u>28,464</u>	<u>9,008</u>
Creditors: amounts falling due within one year	9	(8,064)	(8,022)
		<u>20,400</u>	<u>986</u>
Net current assets			
		<u>20,671</u>	<u>1,393</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	10	(6,756)	(7,200)
		<u>13,915</u>	<u>(5,807)</u>
Net assets / liabilities excluding pension asset			
		<u>13,915</u>	<u>(5,807)</u>
Total net assets		<u>13,915</u>	<u>(5,807)</u>
Charity funds			
Restricted funds	13	-	-
Unrestricted funds	13	13,915	(5,807)
		<u>13,915</u>	<u>(5,807)</u>
Total funds		<u>13,915</u>	<u>(5,807)</u>

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:

27 November 2019



S A Tranter
Trustee

The notes on pages 8 to 16 form part of these financial statements.

Action for Borstal Community Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2019

1. General information

Action for Borstal is a company limited by guarantee and is incorporated in England & Wales with the registration number 03364165. The address of the registered office is 13 & 14 Mercury Close, Borstal, Rochester, Kent, ME1 3AT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Action for Borstal Community Project meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Action for Borstal Community Project
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Notes to the financial statements
for the year ended 31 March 2019

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- 20% straight line
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2.7 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.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.9 Financial instruments

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

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Action for Borstal Community Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2019

3. Income from donations and legacies

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	14,354	14,354	14,572
Grants	-	-	1,538
Government grants	92,427	92,427	72,903
	<u>106,781</u>	<u>106,781</u>	<u>89,013</u>

All of the income from donations and legacies, in both 2019 and 2018, was to unrestricted funds.

4. Income from charitable activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Fees receivable	1,420	1,420	4,851
	<u>1,420</u>	<u>1,420</u>	<u>4,851</u>

All of the income from charitable activities, in both 2019 and 2018, was to unrestricted funds.

5. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Charitable activities	87,615	864	88,479	97,530
	<u>87,615</u>	<u>864</u>	<u>88,479</u>	<u>97,530</u>
Total 2018 as restated	96,708	822	97,530	
	<u>96,708</u>	<u>822</u>	<u>97,530</u>	

Action for Borstal Community Project
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Notes to the financial statements
for the year ended 31 March 2019

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2019 £	As restated Total funds 2018 £
Staff costs	64,749	58,329
Depreciation	136	137
Rent and rates	13,229	12,656
Heat and light	2,051	1,217
Telephone and internet	4,708	5,180
Insurances	486	59
Printing, postage and stationery	593	457
Legal and professional	613	1,873
Bank charges	60	145
Subscriptions	183	165
Sundry expenses	400	1,240
Staff training	150	600
Equipment	257	250
Pensions regulator fine	-	14,400
	87,615	96,708

All of the expenditure on direct costs, in both 2019 and 2018, was to unrestricted funds.

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Independent examination fees	864	822

All of the expenditure on support costs, in both 2019 and 2018, was to unrestricted funds.

Action for Borstal Community Project
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Notes to the financial statements
for the year ended 31 March 2019

6. Staff costs

	2019 £	2018 £
Wages and salaries	64,749	58,329
	64,749	58,329

The average number of persons employed by the Charity during the year was as follows:

2019 No.	2018 No.
11	11

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration and benefits received by key management personnel amounted to £2,989 (2018: £4,810), including employer's national insurance contributions.

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2018 - £NIL).

During the year ended 31 March 2019, no Trustee expenses have been incurred (2018 - £NIL).

Action for Borstal Community Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2019

8. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 April 2018	15,227
Disposals	(2,744)
At 31 March 2019	<u>12,483</u>
Depreciation	
At 1 April 2018	14,820
Charge for the year	136
On disposals	(2,744)
At 31 March 2019	<u>12,212</u>
Net book value	
At 31 March 2019	<u><u>271</u></u>
At 31 March 2018	<u><u>407</u></u>

9. Creditors: Amounts falling due within one year

	2019 £	As restated 2018 £
Other creditors	7,200	7,200
Accruals and deferred income	864	822
	<u><u>8,064</u></u>	<u><u>8,022</u></u>

10. Creditors: Amounts falling due after more than one year

	2019 £	As restated 2018 £
Other creditors	6,756	7,200
	<u><u>6,756</u></u>	<u><u>7,200</u></u>

Action for Borstal Community Project
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Notes to the financial statements
for the year ended 31 March 2019

11. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	28,464	9,008
	2019 £	As restated 2018 £
Financial liabilities		
Financial liabilities measured at amortised cost	(14,820)	(15,222)

Financial assets that are debt instruments measured at amortised cost comprise cash at bank and in hand.

Financial liabilities measured at amortised cost comprise accruals and other creditors.

12. Prior year adjustments

The 2018 figures have been restated as a result of the notification of two fines being received by the Charity from the Pensions Regulator, amounting to £400 and £14,000 respectively. These fines were raised in May 2017 and June 2017.

This has led to the creditors: amounts falling due within one year and the creditors: amounts falling due after more than one year increasing by £7,200 respectively, with the Trust's expenditure and total funds both reducing by £14,400.

Action for Borstal Community Project
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Notes to the financial statements
for the year ended 31 March 2019

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2018 £	Income £	Expenditure £	Balance at 31 March 2019 £
Unrestricted funds				
General funds	<u>(5,807)</u>	<u>108,201</u>	<u>(88,479)</u>	<u>13,915</u>

Statement of funds - prior year

	Balance at 1 April 2017 £	Income £	As restated Expenditure £	As restated Balance at 31 March 2018 £
Unrestricted funds				
General funds	<u>(2,141)</u>	<u>93,864</u>	<u>(97,530)</u>	<u>(5,807)</u>

Action for Borstal Community Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2019

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	271	271
Current assets	28,464	28,464
Creditors due within one year	(8,064)	(8,064)
Creditors due in more than one year	(6,756)	(6,756)
Total	13,915	13,915

Analysis of net assets between funds - prior year

	As restated Unrestricted funds 2018 £	As restated Total funds 2018 £
Tangible fixed assets	407	407
Current assets	9,008	9,008
Creditors due within one year	(8,022)	(8,022)
Creditors due in more than one year	(7,200)	(7,200)
Total	(5,807)	(5,807)

15. Members' liability

Each member of the Charity undertakes to contribute to the assets of the Charity in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £ 10 for the debts and liabilities contracted before he/she ceases to be a member.

16. Related party transactions

There have not been any related party transactions during the financial year and there are no balances in existence with any related parties at the balance sheet date.