

Arena Community
Registered Charity Limited
By Guarantee
REPORT AND
FINANCIAL STATEMENTS
For the year ended 31 March 2012

Charity Number 1115569
Company Number 5116407



**Arena Community
Registered Charity Limited by Guarantee**

**Financial Statements
for the year ended 31 March 2012**

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**Arena Community
Registered Charity Limited by Guarantee**

Report of the Trustees for the year ended 31 March 2012

The Trustees present their report and financial statements for the year ended 31 March 2012

Reference and Administrative Information

| | | |
|---|--|---|
| CHARITY NAME: | Arena Community | |
| TRUSTEES OF THE CHARITY WHO ALSO SIT ON THE BOARD OF GOVERNORS AND ARE DIRECTORS OF THE COMPANY: | A Simpson P Pye S Marshall | |
| SECRETARY: | S Marshall | |
| REGISTERED OFFICE: | 22-26 Nottingham Road Stapleford Nottingham NG9 8AA | |
| OPERATIONAL ADDRESS: | 1 Rutland Street, Ilkeston, Derbyshire DE7 8DG | |
| CHARITY SHOP ADDRESS: | Hope Chanty Shop 22 – 24 Market Place Ilkeston Derbyshire DE7 5QA | Open Doors Shop 6 Lady Brook Place Mansfield Nottinghamshire NG18 5JP |
| REGISTERED COMPANY NUMBER: | 5116407(England & Wales) | |
| REGISTERED CHARITY NUMBER: | 1115569 | |
| INDEPENDENT EXAMINER: | LING PHIPP Chartered Accountants Cliffe Hill House 22-26 Nottingham Road Stapleford Nottingham NG9 8AA | |
| BANKERS: | Nat West Plc Ilkeston Branch 42 Bath Street Ilkeston Derbyshire DE7 8HF | Santander UK Plc BBA Bridle Road Bootle Merseyside M30 4GB |
| SOLICITORS: | S Marshall Robinsons St James Court Friar Gate Derby DE1 1BT | |

**Arena Community
Registered Charity Limited by Guarantee**

Trustees' Report for the year ended 31 March 2012 continued

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, not having a share capital and having obtained exemption under Section 60 of the Companies Act 2006 to dispense with the word limited as part of the company name. The company was incorporated on 29 April 2004 and registered as a charity on 25 July 2006.

The company was established under a Memorandum of Association which established the objectives and powers of the charitable company and 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.

Change of Name

On the 25 November 2009 the Arena in Ilkeston changed its name to Arena Community.

Transfer of Open Doors Shop

On the 27 July 2010 a legal agreement was made between the trustees of Arena Church and the trustees of Bosworth Street Church, Mansfield which incorporated a charity shop known as Open Doors.

The assets of both the church and the shop were transferred in full to Arena Church. The shop is run by the charity and its trustees, the income and expenses were initially incorporated into the accounts to 31 March 2011.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of Charity Law and under the company's Articles are known as members of the management committee. Under the requirements of the Memorandum and Articles of Association the members of the management committee are elected to serve for a period of two years after which they must be re-elected at the next Annual General Meeting.

Trustee Training

The trustees have served for a considerable period of time not only with this charity but are also involved with other charities as directors and trustees and are familiar with the practical work of this charity and their responsibilities as trustees.

Risk Management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Organisational Structure

Arena Community has a board of three trustees. They meet on a regular basis to review current issues and at these meetings decisions concerning the running of the charity are made. A full record of all meetings is kept.

**Arena Community
Registered Charity Limited by Guarantee**

Trustees' Report for the year ended 31 March 2012 Continued

Public Benefit

The trustees have begun work within the community through the use of the charity shop to support local activities. The trustees confirm that they have complied with their duties under section 4 of the 2006 Charity Act with regard to public benefit. During the year a foodbank has been set up in Ilkeston to help underprivileged individuals with the supply of food parcels.

A portacabin has been purchased to house stocks of food and toiletries. The foodbank is opened twice a week on a Tuesday and Friday and people in need will be supplied with a food parcel, as well as some basic toiletries, which will feed them for three days. We are working with various agencies in the town who will refer their clients who are in need of food. Donations of food are received, not only from church members, but also the local business community and the trustees acknowledge these gifts.

We are working in partnership with Arena Church (charity 1052643) and are also looking to engage the support of other local charities, businesses and schools from within the community to help sustain and increase the impact of the foodbank project.

Objectives and Activities

The Charity's objectives and principal activities are to develop the capacity and skills of the members of the socially and economically disadvantaged community of Ilkeston, Derbyshire, in such a way that they are better able to identify, and meet, their needs and to participate more fully in society.

Related Party

Arena Community is a charitable company set up to support the work of its trading company known as Anera Enterprises Ltd of which it owns the whole of the share capital.

The Arena Community also has links with Arena Church whose members and trustees support the work of the charity by way of donation and help.

Achievements and Performance

Arena Community was set up by a group of people from many different professional backgrounds and gained charity status in July 2006. The purpose of the charity is to help, assist, educate and support local needs in the community.

At 31 March 2011 the charity was running two charity shops in the localities of Mansfield and Ilkeston, and also running a foodbank project in Ilkeston to help those on low incomes to sustain and maintain themselves.

During this financial year, we have seen the work of the foodbank increase within the community. We have given out 2162 parcels during the financial year and have helped 415 adults/families, most of which live within the community of Ilkeston, although we do have people who walk from outside the town just to get food. We have connected with more referral agencies and we now partner with 25 who operate within the area.

We are finding that people are not only in need of food, but some have other needs e.g. furniture and clothing. For adhoc clothing items, we are able to help by giving vouchers which can be redeemed at our Arena Hope charity shop. Also, some of our clients have just come out of prison or have escaped from an abusive relationship and find themselves without any furniture, soft furnishings, bedding etc, so they are put into accommodation without these basic necessities. We have been offered different items of furniture to help in these situations and we have managed to secure storage space in Stapleford where we can keep furniture to satisfy these needs.

**Arena Community
Registered Charity Limited by Guarantee
Trustees' Report for the year ended 31 March 2012 Continued**

We have made some strong connections with local schools and churches within Ilkeston, who have kindly given us their harvest festival donations. This has helped us keep stocks topped up. We have also found that we have had random donations from organisations who have contacted us via the website. We have built up a relationship with several businesses who supply us with unwanted food, which has enabled us to offer a hot snack for our clients when foodbank runs.

We have been trying to secure funding and we were successful in receiving £5,000 from Toyota for the foodbank project, which helped us to continue to buy food, as well as produce a video in order that we can promote our services, so we can mail out to different organisations to obtain more funding and support.

Our aim is to replicate the Ilkeston foodbank operation in Mansfield and we now have a small team of volunteers in place. However as there is a possibility that Bosworth Street premises will be sold, this may be put on hold until we find a suitable venue as a base for the operation.

The toddler group and friendship plus group have now ceased to run from Bosworth Street and the building has been mothballed. It will either be sold or let out.

In May 2011, we held an event called The Big Idea in partnership with Arena Church. Approximately 80 volunteers gave their time to help with different activities to benefit the community which were held around Ilkeston. In Cotmanhay there were several teams of maintenance people who decorated, tidied up gardens and did minor repair jobs in several homes in Cotmanhay, as well as at Hazelwood Old People's Home. A team of people went on a litter pick which had been organised with Erewash Borough Council. On Beauvale Drive, Cotmanhay, we held children's activities, which included crafts, inflatable's and sports events. At The Arena building, there was also a children's activity day held with games, crafts and inflatables.

Both the shops at Ilkeston and Mansfield continue to be a presence within their respective communities. We have regular customers at both whom come mainly from a social point of view because they are lonely, who have built up a rapport with our staff.

Financial Review

The attached financial statements show the current state of the finances. The company had net incoming resources during the year of £102,511. The company's revenue general fund balance is a balance of £2,709 at 31 03 12 (£666 at 31 3 11). There is a loan outstanding to Arena Church of £20,000 not due by any planned repayment date. The company's excess income for the year totalled £2,043 (2011 £9,045).

The Board of Trustees consider the current state of the company's finances to be sound.

Reserves Policy

It is the policy of the trustees to build up and maintain unrestricted reserves of £10,000.

**Arena Community
Registered Charity Limited by Guarantee**

Trustees' Report for the year ended 31 March 2012 Continued

Plans for the Future

One of our aims is to obtain a community building in Ilkeston which can be used to run not only the foodbank operation, but also a furniture and clothing bank and a children's after school feeding programme along with debt counselling, furniture reclamation. In September we took possession of a building on Belfield Street, Ilkeston with a view to build on the foodbank operation.

To increase the portfolio of charity shops

To have a community hub type building in Mansfield, from which we can develop a programme of community services and events into the area

Responsibilities of the Trustees

Company Law requires the management committee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the Balance Sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year. In preparing those financial statements, the management committee should follow best practice and

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis

The management committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The management committee is 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.


Members of the Board of Trustees

Members of the management committee, who are directors for the purpose of Company Law and trustees for the purpose of Charity Law, who served during the year and up to the date of this report are set out on page 1.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2012 was three (31 March 2011 - three).

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to small entities.

On behalf of the Board of Trustees

Signature 
Trustee and Director of the Company

(A Simpson)

Dated

12-12-12

**Arena Community
Registered Charity Limited by Guarantee**

Independent examiner's report to the Trustees of Arena Community

I report on the accounts of the company charity for the year ended 31 March 2012, which are set out on pages 7 to 14

Respective responsibilities of trustees and examiner

The trustees, (who are also the directors of the company for the purposes of company law), are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

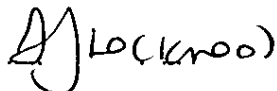
Independent examiner's statement

In connection with my examination, no matter has come to my attention

- 1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met, or

- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



Dated 13-12-2012

D J Lockwood ACA, FCCA ATT
Chartered Accountant

Messrs Ling Phipp
Chartered Accountants
Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham NG9 8AA

Arena Community
Registered Charity Limited by Guarantee

Statement of Financial Activities (Including Income and Expenditure Account)

For the year ended 31 March 2012

| | <u>Notes</u> | <u>Unrestricted</u> <u>Funds</u> <u>2012</u> <u>£</u> | <u>Restricted</u> <u>Funds</u> <u>2012</u> <u>£</u> | <u>Total</u> <u>Funds</u> <u>2012</u> <u>£</u> | <u>Total</u> <u>Funds</u> <u>2011</u> <u>£</u> |
|---|--------------|--|--|---|---|
| INCOMING RESOURCES | | | | | |
| Incoming resources from generated funds: | | | | | |
| Voluntary income | | | | | |
| Shop Sales | | 84,561 | | 84,561 | 65,888 |
| Other Income & Grants | | 1,796 | | 1,796 | |
| Grant | | 4,905 | | 4,905 | 6,801 |
| Future Jobs Fund | | - | 10,449 | 10,449 | 2,101 |
| Donations inc Gift Aid - Foodbank | | 800 | - | 800 | 4,000 |
| Donations – Arena Enterprises Ltd | | - | - | - | 19,338 |
| Transfer of fund from 'Open Doors' | 13 | - | - | - | |
| TOTAL INCOMING RESOURCES | | 92,062 | 10,449 | 102,511 | 99,162 |
| RESOURCES EXPENDED | | | | | |
| Charitable activities | 2 | 79,678 | 7,154 | 86,832 | 86,573 |
| Governance costs | 2 | 13,636 | | 13,636 | 3,544 |
| TOTAL RESOURCES EXPENDED | 2 | 93,314 | 7,154 | 100,468 | 90,117 |
| NET INCOMING/(NET OUTGOING) | | (1,252) | 3,295 | 2,043 | 9,045 |
| RESOURCES FOR THE FINANCIAL YEAR | | | | | |
| TRANSFER BETWEEN FUNDS | | | - | | - |
| RECONCILIATION OF FUNDS | | 578 | 88 | 666 | (8,379) |
| TOTAL FUNDS BROUGHT FORWARD | | | | | |
| TOTAL FUNDS CARRIED FORWARD | 15 | (674) | 3,383 | 2,709 | 666 |

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

**Arena Community
Registered Charity Limited by Guarantee**

Balance Sheet as at 31 March 2012

| | Notes | 31.03.12 | 31.03.11 |
|--|-------|----------------|---------------|
| | | £ | £ |
| FIXED ASSETS: | | | |
| Tangible Assets | 3 | 4,625 | 5,489 |
| CURRENT ASSETS: | | | |
| Debtors & prepayments | | 1,114 | 1,970 |
| Cash at Bank and in Hand | | 19,456 | 17,397 |
| | | <u>20,570</u> | <u>19,367</u> |
| CREDITORS Amounts falling due within one year | | | |
| Sundry Creditors | | 2,486 | 4,190 |
| | | <u>2,486</u> | <u>4,190</u> |
| NET CURRENT ASSETS/(LIABILITIES): | | 18,084 | 15,177 |
| LOAN – repayable after 12 months | | (20,000) | (20,000) |
| Arena Church | | | |
| NET ASSETS | | <u>£ 2,709</u> | <u>£ 666</u> |
| TOTAL FUNDS | | | |
| Unrestricted | 15 | (1,298) | 578 |
| Restricted | | 4,007 | 88 |
| | | <u>£ 2,709</u> | <u>£ 666</u> |

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ending 31 March 2012

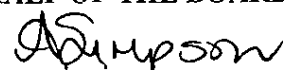
No notice has been deposited under Section 476 of the Companies Act 2006 in relation to its financial statements for the financial year

The Directors acknowledge their responsibilities for

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

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:



Trustee and Director – A Simpson

Approved by the Directors who are the Trustees of the Charity on

11-12-12

Arena Community
Registered Charity Limited by Guarantee
Notes to the Financial Statements
For the year ended 31 March 2012

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), the Companies Act 2006 and the Statement of Recommended Practice Accounting and Reporting by Charities issued in March 2005

b) Incoming Resources

Represents charity shop sales, donations specifically for the Foodbank Project and Gift Aid reclaims. All donations and sales are included in full in the Statement of Financial Activities when receivable. The value of services by volunteers has not been included in these accounts or the value of items gifted for resale at the charity shop. Amounts annually are donated by Anera Enterprises Ltd the shares of this company are held entirely by this charity (see note 11)

A grant has been received in the year to support staff this is known as the 'future job fund'

Donations of food are made by both church members and local businesses for the "foodbank" project. It is not possible to quantify or value these gifts

c) Resources Expended

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

Expenditure includes VAT which is not recoverable

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be directly allocated to such activities and those costs of an indirect nature necessary to support them
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include fees and costs linked to the strategic management of the charity
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource

d) Interest Receivable

Interest is included when receivable by the Charity

e) Fixed Assets

These are applied if they have a life expectancy exceeding one year. They are valued at cost, or if gifted at the value to the charity on receipt. Depreciation is provided at the following rates in order to write off each asset over its useful life

Plant and Equipment – 20% reducing balance
Fixtures and Fittings – 20% reducing balance

**Arena Community
Registered Charity Limited by Guarantee**

**Notes to the Financial Statements
For the year ended 31 March 2012 continued**

Fund Accounting

Unrestricted Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds

Designated Funds

Designated funds are unrestricted funds earmarked by the management committee for particular purposes

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund, together with a fair allocation of management and support costs

Arena Community
Registered Charity Limited by Guarantee

Notes to the Financial Statements
For the year ended 31 March 2012 continued

2. Resources Expenses

| | Charitable Activity | Governance Costs | Total 2012 | Total 2011 |
|------------------------------------|--------------------------------|-----------------------------|-----------------------|-----------------------|
| Purchases for resale – sale costs | 3,799 | | 3,799 | 4,054 |
| Foodbank Supplies | 6,262 | | 6,262 | 2,013 |
| Refuse Collection | 1,635 | | 1,635 | 1,128 |
| Light & Heat | 4,761 | | 4,761 | 4,272 |
| Water Rates | 1,156 | | 1,156 | 764 |
| Rent | 15,858 | | 15,858 | 11,180 |
| Telephone | 831 | | 831 | 592 |
| Staff Wages & NIC | 45,907 | | 45,907 | 41,824 |
| Sundry Costs | 1,131 | | 1,131 | 512 |
| Postage & Stationery | 370 | | 370 | 287 |
| Website & IT Costs | 178 | | 178 | 60 |
| Repairs & Renewals | 1,171 | | 1,171 | 682 |
| Cleaning | 204 | | 204 | 124 |
| Insurance | 1,406 | | 1,406 | 1,355 |
| Legal Fees and Licences | | 169 | 169 | 870 |
| Travel Costs | 428 | | 428 | 456 |
| Training Costs | - | | - | 165 |
| Accountancy Fees | | 1,140 | 1,140 | 1,140 |
| Consultancy Fees | | 7,263 | 7,263 | 1,359 |
| Charitable Giving (see note below) | 100 | | 100 | 15,610 |
| Bank Charges | - | 64 | 64 | 53 |
| Depreciation | 1,155 | | 1,155 | 1,617 |
| Management Fees | | 5,000 | 5,000 | - |
| Storage Costs | 480 | | 480 | - |
| | <u>86,832</u> | <u>13,636</u> | <u>100,468</u> | <u>90,117</u> |

| Charitable Giving | 2012 £ | 2011 £ |
|--------------------------|-------------------|-------------------|
| His Church Charity | 50 | - |
| Arena Church | - | 15,000 |
| AOG World Ministry | - | 200 |
| King David Hospital | - | 200 |
| CERBRA | - | 30 |
| RNIB | - | 30 |
| Macmillan Cancer | 50 | 100 |
| Sherwood Forest Hospital | - | 50 |
| | <u>£100</u> | <u>£15,610</u> |

The notes form part of these financial statements

**Arena Community
Registered Charity Limited by Guarantee**

**Notes to the Financial Statements
For the year ended 31 March 2012 continued**

3. Fixed Assets

| | Equipment | Fixtures & Fittings |
|---------------------------|------------------|------------------------------------|
| | £ | £ |
| Cost b/fwd | 4,963 | 3,613 |
| Additions | 291 | - |
| | <u>5,254</u> | <u>3,613</u> |
| Less depreciation to date | (1,787) | (1,300) |
| Depreciation in the year | (693) | (462) |
| Net book value | <u>2,774</u> | <u>1,851</u> |

4. Management and Administration costs

| | 2012 | 2011 |
|--|-------------------|-------------------|
| | £ | £ |
| Average Number of Paid Employees in the Year | 5 | 4 |
| | <u> </u> | <u> </u> |

No employee received emoluments of more that £60,000 in the year

5. Emoluments of Trustees

No emoluments were received by the Trustees either in their capacities as Trustees or as members of the Board of Trustees

There were no other emoluments or expenses paid to any charity trustee or persons connected with such a trustee directly or indirectly from the funds of the Company or from the property of any institution or body corporate connected with the Company

Mr Kristian Thorpe who is a member and trustee of the Arena Church receives consulting income from the charity

6. Taxation

The Company is a registered Charity and as such no taxation is payable on the excess of income over expenditure

All income generated by the charitable shop is regarded as non – primary purpose trading, generating funds to support its charitable work alone

7. Movement in Total Funds for the year

| | 2012 | 2011 |
|-------------------------|-------------|-------------|
| | £ | £ |
| Independent Examination | 1,140 | 1,140 |

The notes form part of these financial statements

Arena Community
Registered Charity Limited by Guarantee
Notes to the Financial Statements
For the year ended 31 March 2012 continued

8. Limited Liability

Arena Community is a company limited by guarantee and every member undertakes to contribute such an amount, not exceeding one pound as may be required in the event of the company being wound-up while he is a member, or within one year after he ceases to be a member, for payment of debts and liabilities of the company and the cost of winding-up

9. Related Party

Arena Community is a charitable company set up to support the work of its trading company known as Anera Enterprises Ltd of which it owns the whole share capital. The charity operates from premises owned by Arena Church – the costs for this are not quantified

During the year there have been the following transactions between the Arena Church and the charity -

The church pay the costs of insuring the Portacabin used for the “foodbank” and the charge is included on the policy for Arena Church

2011 Donation of £15,000 (2012 NIL) For general purposes made by Arena Community to Arena Church after the merge with ‘Hope Charity Shop’

Loan from Arena Church of £20,000 All outstanding at the year end date with no specified repayment date

Mr K Thorpe is appointed both minister and trustee of the Arena Church

The Arena Church charges a management fee to the charity of £500 per month. This is for the use of the offices, light and heat etc total in the year £5,000 (2011 NIL).

10. Future Commitments

The charity shop in Ilkeston known as ‘Hope’ opened on the 2 August 2009 and has a three year lease now extended to 2 August 2015, which is at a cost per annum of £9,360

The charity shop in Mansfield known as ‘Open Doors’ had a lease until March 2012 which is at a cost per annum of £6,460, the renegotiation of the lease is continuing and not finalised at present

11. Investment in subsidiary

The charity wholly owns a subsidiary Anera Enterprises Ltd and the charity holds the issued ordinary shares in the company representing 100% of the equity of the company. The principal activity of Anera Enterprises Ltd is the operation of a conference centre, room hire, events and coffee shops. A summary of the results of the subsidiary is shown below. An amount of £800 (£4,000 2011) has been received from the subsidiary in the year

| | 2012 | 2011 |
|--|-------------|-------------|
| | £ | £ |
| Turnover | 123,292 | 158,610 |
| Cost of sales | 29,839 | 38,595 |
| Gross profit | 93,453 | 120,015 |
| The aggregate of the assets, liabilities and funds was | | |
| Assets | 30,994 | 35,383 |
| Liabilities | 29,196 | 36,555 |
| Funds (representing 1 ordinary share of £1 each) | 1,798 | (1,172) |

Investment in subsidiary at cost

| | | |
|-----------------------------|---|---|
| 1 Ordinary share of £1 each | 1 | 1 |
|-----------------------------|---|---|

The notes form part of these financial statements

**Arena Community
Registered Charity Limited by Guarantee**

**Notes to the Financial Statements
For the year ended 31 March 2012 continued**

12. Group Accounts

The company has taken advantage of examples provided by the Companies Act 2006 in not preparing Group Accounts on the basis that the group qualifies as a small group

13. Open Doors Charity Shop

On the 27 July 2010 a legal agreement was made between the trustees of Arena Church and the trustees of Bosworth Street Church, Mansfield which incorporated a charity shop known as Open Doors

The assets of both the church and the shop were transferred in full to Arena Church

The shop is now run by the charity and its trustees and expenses incorporated into these accounts to 31 March 2011

At transfer there was a balance of funds held within the bank account totalling £19,338.38 these were incorporated into Arena Community for general purposes and the running of the charity shop. A balance of £15,000 was then donated to Arena Church from the account (see note 9)

14. Starfish Ministries

A project run by a church member is running at present using the charity number for Arena Community. This charity works with the homeless locally and is also involved with the poor in Romania. Income and expenditure for the project has not been combined into these accounts but, were it to be included, the following would be noted

| | | |
|--------------------------|-------------------|--------------------------|
| | £ | |
| Bank Balance at 1 4 2011 | 2,200 46 | |
| Income (Donations) | 1,829 61 | |
| Charitable Expenditure | <u>(3,301 92)</u> | |
| | £ 728 15 | Bank balance at 31 03 12 |

15. Restricted Fund – Foodbank £3,383 (balance held in bank account)

This is a fund related to special offerings and gifts received from individuals and local businesses to be spent providing food to underprivileged individuals and is administered through the "Foodbank Project". This project is run in partnership with Arena Church.

Specific donations during the year have been received from -

| | |
|-------------------------|----------|
| | £ |
| Toyota | 5,000 00 |
| Erewash Borough Council | 600 00 |
| Round Table Ilkeston | 200 00 |
| Long Eaton Churches | 207 45 |

The notes form part of these financial statements