

Arena Community
Registered Charity Limited
By Guarantee
REPORT AND
FINANCIAL STATEMENTS
for the Year Ended 31 March 2016

Charity Number 1115569
Company Number 5116407



**Arena Community
Registered Charity Limited by Guarantee**

Report of the Trustees for the year ended 31 March 2016

The Trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

Our Purposes

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 communities in Derbyshire and Nottinghamshire, in such a way that they are better able to identify and meet their needs and to participate more fully in society.

Public Benefit

The food bank operates on Tuesday and Fridays at Belfield Street. It gives out food parcels with sufficient food to cover three days worth of meals as well as serving a hot meal to its clients. There is also a furniture bank operating where people can purchase second hand furniture at affordable prices or, where necessary, clients will be given furniture to help them. With the growing awareness of food poverty we are getting more donations from local businesses and organisations.

We continue to work closely with Arena church (charity no 1052643) but we actively seek the support of other local agencies, charities, businesses, schools and councils in order to sustain and increase the impact of the foodbank operation.

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.

Arena Community also has links with Arena Church whose members and trustees support the work of the charity by way of donation and help. At Christmas all staff and volunteers were invited to the Dream Team Christmas party.

**Arena Community
Registered Charity Limited by Guarantee**

Report of the Trustees for the Year Ended 31 March 2016 (Continued)

Achievements and Performance

Charity Shops

It has been a challenging year for Arena Hope where sales have decreased year on year. The footfall on the high street has continued to decrease as well, following the closure of the Co-op on the Market Place. Sean Cumberland, the manager, left to start his own business at the end of October and Susan Deverill was promoted to the manager and we also employed Scott Hind, who was one of our volunteers at the Community Hub. Both are very enthusiastic about their roles and are keen to see sales increase. In an effort to do this, smaller items of furniture are being sold which have been donated to our furniture store, located at the Community Hub. Scott also works for a day here and through this connection is able to identify items suitable for the shop.

Open Door continues to do well even though it has a small footprint. Donations are constantly arriving and the small cafe area is a focal point for a regular group of local residents, who not only spend on refreshments but are regular purchasers of our merchandise. The staff joined forces with other local shops on Ladybrook Place for Christmas event, serving drinks and mince pies. During the Christmas holidays, the interior of the shop was painted by a group of people from the shop as well as Arena Church.

Both Hope and Open Door charity shops continue to be a social point for many people who are lonely within the two communities.

Leeming Street

There are still some areas on the ground floor which need refurbishing and the roof needed further work on it, so the trustees agreed to apply for a loan with Kingdom Bank, our mortgage provider. This was with the view of ensuring the building was totally water tight, giving greater access for disabled people and being able to provide a suitable venue for hire. Therefore during the year, the following work was undertaken: a new boiler and radiators have been fitted which has made a big difference on a Sunday evening. Also, the ladies toilets have been refurbished with new tiles and sinks, a disabled toilet has been created, but we still need to refurbish the men's toilets.

A lift has been installed in the bar area to go down into the pool area. More work has been undertaken on the roof, including drains and guttering being cleaned.

To undertake the necessary maintenance the trustees agreed to apply for a loan.

We have engaged the services of Sean Tully, Fruitful Funding, who is working with us to try and obtain funding for the refurbishment of parts of the building. This is an ongoing work and we anticipate this will take a few years. We would like to go for Lottery Funding for a large sum of money that would be required to turn it back into a working building but there are smaller funds that are available to help us along the work. Surveys have been undertaken with members of Arena Church congregation and local residents to seek their views on what they would like to see happen in the building.

It is hoped in summer to have someone working from the building who can make connections with local businesses, agencies etc to help increase the usage of the building. We are wanting to use the building for community work of some type and so we will be investigating where there are needs in the town where we may be able to offer a service e.g. helping homeless people. Arena Church has also been hosting some events, including Care for a Coffee and Superdads which brings new people into the building and raises the profile of both Arena Church and Arena Community.

**Arena Community
Registered Charity Limited by Guarantee**

Report of the Trustees for the Year Ended 31 March 2016 (Continued)

Community Hub

We have over 70 volunteers involved in the various activities which operate from the Hub.

Flourish

The garden is being overseen on our behalf by Wash Arts, which is a community-led arts organisation based in Ilkeston. They operate on a not-for-profit basis to develop and co-ordinate creative and cultural opportunities in the borough of Erewash and surrounding areas. They have recruited volunteers from the local community to help in the garden. Over the summer the crops which are harvested are brought to the Hub for use in the foodbank's kitchen.

Furniture Store

We received funding of £5000 from Santander and we were able to purchase a delivery van. This has meant that we have increased our deliveries and collections of furniture because we are able to collect larger items of furniture.

Foodbank

We continue to offer a service on Tuesdays and Fridays as there is still a great number suffering with food poverty for a variety of reasons. People are able to access the foodbank for a parcel Band hot meal and during the year we gave out a total of 850 adult parcels and 236 children's parcels as well as serving 3703 hot meals.

We continue to raise funds for foodbank through our food drive team who visit local supermarkets to help with bag packs and bucket collections and our sales table at the local hospital where we sell various items that have been donated to us. Our local Marks and Spencer store donate its unwanted stock to our kitchen twice a week, we have food collection points at Ilkeston Library, Sainsburys Wollaton as well as collection tins at various different places in the town.

Acorns

In February Keturah Bailey took over as the leader of Acorns and she is now building a new team of volunteers with a view to taking them on a summer a residential and longer term to run a second evening.

At Christmas they held a party for the children who each received a gift which had been donated by the Rotary Club Ilkeston. Toys were also given to Acorns from one of the local churches.

Follow up programme

The Community Hub continues to offer a follow up programme for those who need help in other areas than foodbank or furniture store. We support those who are homeless and where appropriate we can assist clients in accessing local services and contacting the local authorities; liaising with mental health workers. The Hub also offers an escorting/advocacy service assisting clients with official interview with agencies such as the police.

Supported Living

We are building up a team of staff and volunteers as we have now three houses in our portfolio. We employed Amelia Cumberland as a support worker in February and increased the hours of Debbie Hill, our Support Manager. This has enabled to rent a third property in the Ilkeston area and we were able to house two local homeless men. We also have a team of volunteers who help in various ways, for example taking the residents on trips or out for coffee. Some of the residents have now volunteered at the Hub and are working in the office and kitchen, helping at Acorns, all with the aim of building their confidence and trying to get them back to independent living.

The Project

The plan at the old Woolworths building has been to turn it into a retail operation and training workshops. The ground floor would house a coffee shop and a retail area selling upcycled furniture, vintage clothing, gifts, crafts and soft furnishings, whilst the first floor would be dedicated to a training workshop where the furniture would be refurbished for sale in the shop. This would involve training people who are unemployed and needing new skills to enable them to obtain employment.

We have been meeting with various departmental heads at Derby College with the view to get their students on board to give them experience for their college course whilst helping us to refurbish the building.

Funding is required to so we can bring the building back to life. We entered our project into Jewson's Building Better Communities competition with the potential of receiving £50,000 towards the project. We came second and received £10,000 towards the project. Also we received the support of Erewash Borough Council with a proposed £100k towards the refurbishment of the ground floor and also like for like match funding up to £10k on the shop front. This meant that we started work in January 2016 on the building and we have decided to call the shop The Project. We would hope to open the ground floor in the summer of 2016.

**Arena Community
Registered Charity Limited by Guarantee**

Report of the Trustees for the Year Ended 31 March 2016 (Continued)

Financial Review

The attached financial statements show the current state of the finances. The company had net incoming resources during the year of £193,282. The company's revenue general fund balance is a balance of £(40,775) at 31.03.16 ((£6,054) at 31.3.15). There is a loan outstanding to Arena Church of £66,500 not due by any planned repayment date. The company's deficit position for the year totalled £(33,091) (2015: £9,024).

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. This has not happened during the financial year, but we are taking steps to address this.

The aim is to have 2-3 months running costs available and the team are working towards putting firmer budgets in place, identify any areas where we can increase income realistically and also restrict non-essential spending in order that this 'pot' can be built up.

Plans for the Future

Short Term

- Increase sales at Arena Hope by introducing smaller items of furniture for sale
- Increase sales at both Arena Hope and Open Door via the use of social media
- Redecoration of Arena Hope
- Increase our portfolio of houses for supported living
- To launch a street work to engage with local children
- To employ someone to work from the Leeming Street building to make connections into the community and to bring in new businesses for the hiring out of the building
- To complete the refurbishment of the ground floor including relocation of the men's toilets
- To complete the refurbishment of the old Woolworths building and open The Project as a retail operation during autumn 2016
- To take the Acorns children on a residential trip during the summer holidays
- To apply for funding to enable to open a bike repair workshop at the Hub
- To increase sponsors of the 1000 Club to raise funds for the Hub
- To reduce the monies held in restricted funds
- To pay off outstanding loans

Longer Term

- To build relationships with local prisons
- To secure funding for the refurbishment of the first floor at The Project to turn into training workshops
- To secure funding for the further refurbishment and development of Leeming Street
- To increase our portfolio of housing for supported living accommodation, either by renting or purchasing
- To develop a retail operation to sell furniture and clothing via the internet
- To investigate the possibility of streamlining clothing donations from the charity shops into a central sorting area
- To create businesses which help us to be more sustainable as a charity

**Arena Community
Registered Charity Limited by Guarantee**

Report of the Trustees for the Year Ended 31 March 2016 (Continued)

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 S Scrimshaw (Appointed 17.3.16)	
SECRETARY:	S Marshall	
REGISTERED OFFICE:	22-26 Nottingham Road Stapleford Nottingham NG9 8AA	
OPERATIONAL ADDRESS:	1 Rutland Street, Ilkeston, Derbyshire DE7 8DG	
CHARITY SHOP ADDRESSES:	Hope Charity Shop 22-24 Market Place Ilkeston Derbyshire DE7 5QA	Open Door Charity and Coffee Shop 6 Ladybrook Place Mansfield Nottinghamshire NG18 5JP
COMMUNITY BUILDING	Community Hub Unit 1, Belfield Street Ilkeston Derbyshire DE7 8DU	
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 Geldards Dumfries House Dumfries Place Cardiff CF10 3ZF	

**Arena Community
Registered Charity Limited by Guarantee**

Report of the Trustees for the Year Ended 31 March 2016 (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.

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**

Report of the Trustees for the Year Ended 31 March 2016 (Continued)

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.

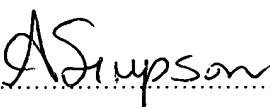
Members of the Board of Trustees

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 2016 was three (31 March 2015 - 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..........(A Simpson)

Dated.....20.12.16.....

Trustee and Director of the Company

**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 2016, which are set out on pages 9 to 18.

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.

D J Lockwood

Dated 22.12.2016

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 2016

	<u>Notes</u>	<u>Unrestricted</u> <u>Funds</u> <u>2016</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>2016</u> <u>£</u>	<u>Total</u> <u>Funds</u> <u>2016</u> <u>£</u>	<u>Total</u> <u>Funds</u> <u>2015</u> <u>£</u>
INCOME					
Income from Charitable Activities	2	153,205	13,031	166,236	121,261
Donations and Legacies	2	6,033	737	6,770	17,151
Other	2	20,276	-	20,276	19,112
TOTAL INCOMING RESOURCES		179,514	13,768	193,282	157,524
EXPENDITURE					
Fund Raising Costs		3,165	-	3,165	-
Charitable activities	3	211,070	12,138	223,208	148,500
TOTAL RESOURCES EXPENDED		211,235	12,138	226,373	148,500
NET INCOME/(EXPENDITURE) FOR THE FINANCIAL YEAR		(34,721)	1,630	(33,091)	9,024
TRANSFER BETWEEN FUNDS	15	-	-	-	-
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		(6,054)	16,558	10,504	1,480
TOTAL FUNDS CARRIED FORWARD	15	(40,775)	18,188	(22,587)	10,504

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 2016

	Notes	31.03.16		31.03.15	
		£	£	£	£
FIXED ASSETS:					
Tangible Assets	4		228,571		189,521
CURRENT ASSETS:					
Debtors & prepayments		21,791		3,550	
Cash at Bank and in Hand		2,960		16,759	
Investment in Subsidiary	12	1		1	
Intercompany Account – Arena Church		-		90	
		24,752		20,400	
CREDITORS: Amounts falling due within one year					
Sundry Creditors		22,993		4,863	
Kingdom Bank Mortgage	4	14,076		10,320	
Intercompany Account:					
- Anera Enterprises Limited		16,390		-	
- Arena Church	10	9,485		-	
		62,944		15,183	
NET CURRENT ASSETS/(LIABILITIES):			(38,192)		5,217
LOAN – repayable after 12 months					
Arena Church			(66,500)		(66,500)
Kingdom Bank Mortgage	4		(146,466)		(117,734)
NET ASSETS		£	(22,587)	£	10,504
THE FUNDS OF THE CHARITY					
Unrestricted	15	(40,775)		(6,054)	
Restricted		18,188		16,558	
TOTAL CHARITY FUNDS		£	(22,587)	£	10,504

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ending 31 March 2016.

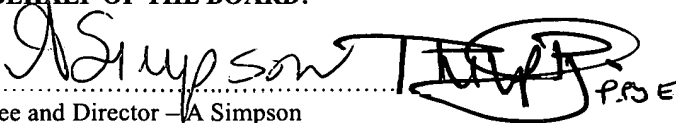
No notice has been deposited under Section 476 of the Companies Act 2006 in relation to its financial statements for the financial year.

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 22.12.2016

**Arena Community
Registered Charity Limited by Guarantee**

**Notes to the Financial Statements
for the Year Ended 31 March 2016**

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:-

a) Basis of Accounting

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities statement of recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16/7/14, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting note(s).

Going Concern

One of the main areas we had identified as a going concern was the need to reduce our restricted funding where possible as this was impacting our cash flow. The finance department have put measures in place to ensure any restricted funding is allocated immediately or as soon as possible. This will reflect in the year end accounts 2016-2017.

b) Incoming Resources

Represents charity shop sales, donations specifically for the Foodbank Project, Mansfield and Community Projects 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 10).

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.

Any known incoming resources yet to be received relating to the period before the year end date are included as debtors.

Donated Services and Facilities

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt

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.
- Liabilities recognised as due at the year end date but at that point not paid are included as creditors.

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 2016 (continued)**

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 Office Equipment – 20% reducing balance
Fixtures and Fittings – 20% reducing balance
Motor Vehicle – 25% of cost
Property – 10 years on cost

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.

Legal Status of the Trust

The Trust is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £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 2016 (continued)**

2. Income

		Restricted £	Unrestricted £	2016 £	2015 £
Income from Charitable Activities					
Operation of Community Projects	- Shop Sales	84,303	-	84,303	79,351
	- Donated Goods/ Furniture Sales	9,706	-	9,706	8,219
Shared Accommodation	- Housing Benefit	59,196	-	59,196	1,488
Grants	- Woolworths Project	-	12,781	12,781	-
	- Acorns	-	-	-	500
	- Foodbank	-	-	-	9,131
	- Flourish	-	-	-	2,000
	- Belfield Street	-	-	-	20,572
	- Leeming Street	-	250	250	-
		153,205	13,031	166,236	121,261
Other Income	- EBay Sales	5,616	-	5,616	2,135
	- Delivery Income	1,160	-	1,160	477
	- Room Hire	13,500	-	13,500	1,000
	- Rent	-	-	-	15,500
		20,276	-	20,276	19,112
Donations	- Foodbank and Community Bank	2,469	737	3,206	10,115
	- Mini Bus	-	-	-	1,100
	- 1000 Club	3,564	-	3,564	3,770
	- Acorns	-	-	-	770
	- Mansfield Building	-	-	-	882
	- Belfield Street	-	-	-	514
		6,033	737	6,770	17,151

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 2016 (continued)**

3. Resources Expenses

Charitable Activities	Unrestricted Costs £	Restricted Costs £	Total 2016 £	Total 2015 £
Operating Costs - Bosworth Street	-	-	-	139
Furniture Bank Costs	-	-	-	101
Purchases for resale & sale costs	2,168	-	2,168	3,662
Foodbank Supplies	1,234	737	1,971	3,261
Refuse Collection	3,063	-	3,063	2,149
Light & Heat	13,493	1,656	15,149	9,616
Water Rates	2,874	-	2,874	1,662
Rent & Rates	45,612	-	45,612	27,411
Telephone	890	-	890	813
Staff Wages & NIC	61,483	5,590	67,073	58,777
Sundry Costs (Inc. Training)	1,782	1,297	3,079	1,240
Office Costs	1,177	-	1,177	463
Shared Accommodation Costs	-	-	-	3,494
Repairs & Renewals	4,803	330	5,133	2,101
Cleaning	377	-	377	235
Insurance	9,859	-	9,859	7,605
Legal Fees and Licences	1,426	-	1,426	(222)
Travel and Transport Costs	6,850	-	6,850	3,245
Accountancy Fees	1,500	-	1,500	1,440
Consultancy Fees	8,675	-	8,675	1,000
Charitable Giving (see note below)	-	-	-	631
Bank and Interest Charges	98	-	98	162
Depreciation	24,321	2,528	26,849	2,187
Professional / Management Fees	10,736	-	10,736	4,452
Project Related Costs	-	-	-	4,096
Mortgage Interest	8,649	-	8,649	8,780
	<u>211,070</u>	<u>12,138</u>	<u>223,208</u>	<u>148,500</u>

Charitable Giving	2016 £	2015 £
Mercy	-	631
	<u>-</u>	<u>631</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 2016 (continued)**

4. Fixed Assets

	Equipment	Fixtures & Fittings	Leeming Street Property	Motor Vehicles	Woolworths Project	Total
	£	£	£	£		£
Cost b/fwd	8,874	6,149	181,755	3,000	-	199,778
Additions	333	-	37,814	5,750	22,002	65,899
	9,207	6,149	219,569	8,750	22,002	265,677
Less depreciation to date	(4,854)	(3,903)	-	(1,500)	-	(10,257)
Depreciation in the year	(821)	(449)	(21,957)	(1,420)	(2,202)	(26,849)
Net book value at 31.3.16	3,532	1,797	197,612	5,830	19,800	228,571

To fund the purchase of a property formerly known as 'Rileys' at Leeming Street Mansfield, the Kingdom Bank had previously loaned an amount of £131,000 over a period just in excess of 29 years. In August 2015 the loan was increased by £34,563.00. The loan is repayable:

Due	1 – 2 years	14,076
	2 – 5 years	42,228
Over	5 years	90,162

The bank holds a fixed and floating charge over the property at Leeming Street, Mansfield dated 16 April 2013.

5. Management and Administration costs

	2016	2015
	£	£
Average Number of Paid Employees in the Year	15	10

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

6. 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.

Related Party

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

Mr Thorpe rents to the charity a property at 138 Godfrey Drive and 32 Barlow Drive, Ilkeston at a monthly rent of £1,100.00 per month. The properties are used to deliver the Shared Accommodation Project. The rent for the period totalled £13,200 (2015: £1,300). This agreement is for a 24 month period.

7. 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.

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 2016 (continued)

8. Movement in Total Funds for the year

	2016	2015
	£	£
Independent Examination	1,500	1,440

9. 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.

10. 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 in part 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:-

A loan from Arena Church of £66,500 (2015: £66,500) was made in the previous year and is still outstanding at this year end date with no specified repayment date.

After the merger with the Mansfield Church, Arena Church acquired a property at Bosworth Street. This has been used by Arena Community at no charge but the charity has covered operating costs. The property was to be developed for a charitable project in the future. However, after the year end date the property was destroyed by fire and is currently being assessed by the Insurers for a valuation.

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

Arena Church charged a management fee to the charity of £Nil (2015: £4,452). This was for the use of the accounting staff, offices, light and heat etc. The balance owing at 31 March 2016 was £NIL (2015: £491).

Arena Church now conducts its services in Mansfield from the building on Leeming Street which belongs to Arena Community – a charge of £1,500 per month is made for the hire of the premises. The charge for the year was £18,000 (2015: £15,500).

Intercompany Accounts

Arena Community operated intercompany accounts with its related businesses, Arena Church and Anera Enterprises Limited, to share joint costs and to correctly allocate expenditure.

The intercompany balances at 31 March 2016 were:

Arena Community	£ 9,485
Anera Enterprises Limited	£ 16,390

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 2016 (continued)**

11. Future Commitments

The charity shop in Ilkeston known as 'Arena 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 £9,960. The lease has now been renewed. There is a six month break clause.

The charity shop in Mansfield known as 'Open Door' 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.

The charity operates a community hub and furniture project from premises at Belfield Street, Ilkeston, and has a 3 year lease which is at a cost per annum of £9,000 until September 2018.

Arena Community have taken lease at a peppercorn rent on premises at the old Woolworths store in Ilkeston, known as the Woolworths Project, this has not yet commenced but in July 2015 a £10,000 grant was awarded to the charity to develop this work further. Further monies have been granted since that date and a new project known as The Project Ilkeston Limited is due to commence on 1 November 2016.

12. 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:

	2016	2015
	£	£
Turnover	128,938	121,794
Cost of sales	28,917	32,582
Gross profit	100,021	89,212
The aggregate of the assets, liabilities and funds was:		
Assets	52,461	30,469
Liabilities	33,271	9,421
Funds (representing 1 ordinary share of £1 each)	19,190	21,048
Investment in subsidiary at cost		
1 Ordinary share of £1 each	1	1

On 1 July 2016 a new company known as The Project Ilkeston Limited was formed (see note 11). This will commence trading on 1 November 2016, its only share is held by Arena Community.

13. 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.

14. Open Door 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 Door.

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

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 2016 (continued)**

15. Movement in Funds

	At 1.4.15	Incoming Resources	Outgoing Resources	Transfers	At 31.3.16
Restricted Funds					
Leeming Street, Mansfield	-	250	250	-	-
Food Bank	4,194	737	4,931	-	-
1000 Club	-	-	-	-	-
After School Project (Acorns)	500	-	500	-	-
Belfield Street Project	3,382	-	3,382	-	-
Flourish	3,482	-	547	-	2,935
Woolworths Project	-	12,781	1,278	-	11,503
Belfield Project Van	5,000	-	1,250	-	3,750
	16,558	13,768	12,138	-	18,188

Restricted Fund – Foodbank

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.

Restricted Fund – Leeming Street, Mansfield (description)

Restricted Fund – Woolworths Project (description). An amount of £12,781 was given specifically for this project. The asset has been capitalised and the balance will be written off over a 10 year period. The balance at 31 March 2016 was £11,503.

Restricted Fund – 1000 Club – This fund relates to gifts and donations given to the operation and administration of the Community Hub at Belfield Street.

Restricted Fund – Afterschool Project (Acorns) – This fund relates to gifts and donations given to this project, which runs an afterschool activity for children who would not normally receive a proper meal at home. It is staffed by volunteers and they have activities for children as well as giving them a hot meal.

Restricted Fund – Belfield Street – This fund relates to gifts and donations given towards the refurbishment and rent associated with the Community Hub at Belfield Street. Additionally £5,000 was given to purchase a vehicle for the project. This was purchased in the year and will be written off over a 4 year period. The balance at 31 March 2016 was £3,750.

Restricted Fund – Flourish – This fund held specific donations received for the cultivation of the community garden which is overseen by Wash Arts. At 31.March 2016 a balance of £2,935 remained.

16. Analysis of Net Assets Between Funds

	General Funds	Restricted Funds	Total
	£	£	£
Fixed Assets	213,318	15,253	228,571
Current Assets	21,817	2,935	24,752
Current Liabilities	(62,944)	-	(62,944)
Long Term Liabilities	(212,966)	-	(212,966)
Net Assets at 31.3.16	(40,775)	18,188	(22,587)

The notes form part of these financial statements