

THE FRIENDS OF SUMMERHILL LIMITED
(a company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

Company registration number 07476591
Charity registration number 1140081

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The Friends of Summerhill Limited
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For the Year Ended 31 March 2013

Members of the Board and Professional Advisers

Registered Charity Number 1140081

Company Number 07476591

Trustees/Directors Dr Dow Smith (Chair)
Caroline Gant
Carla Walker Farmer
Lionel Joyce OBE, CBE
Laura Foster
Paul Miskin
Sue Kennedy (appointed 12th October 2012)
Dr Daniel Nettle (appointed 12th October 2012)
Richard Greenwell (appointed 12th October 2012)

Development Manager Hugh Stolliday

Principal/Registered Office Summerhill Bowling Club
Winchester Terrace
Newcastle upon Tyne
NE4 6EH

Examiners Ellison Services
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF

Bankers The Co-operative Bank
Norfolk House
84-86 Grey Street
Newcastle upon Tyne

Solicitors Dickinson Dees LLP
St Ann's Wharf
112 Quayside
Newcastle upon Tyne
NE1 3DX

The Friends of Summerhill Limited
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For the Year Ended 31 March 2013

The trustees have pleasure in presenting their report and the financial statements of the charity for the period Year Ended 31 March 2013.

Structure, Governance and Management

Governing Documents

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. At 31st March 2013 there were 242 members, 9 of whom are trustees.

Method of Recruitment of Trustees

Trustees are nominated and elected at the AGM (held in October). At each AGM, at least 1/3 of trustees must stand down, though they can stand for re-election. 1 further trustee may be recruited by the existing trustees without having to be elected, by recommendation to meet specific needs in the organisation for specialist expertise, business skills and professional standing within relevant fields.

Induction and Training of Trustees

New Trustees and Advisory Group members are individually inducted by the Development Manager. The Development Manager is accountable to the Trustees for the day-to-day running of the organisation.

Risk Management

As part of the risk management process, the trustees have implemented a risk management strategy which comprises:

- An annual review of the risks the charity may face
- Detailed action plans to mitigate those risks identified
- The implementation of procedures designed to minimise any potential impact on the charity should any of those risks arise.

Objectives and Activities

The Charity's objects are specifically restricted to the following:

1) To promote any charitable purpose for the benefit of the community in Newcastle upon Tyne and the surrounding areas (the area of benefit) particularly but not exclusively by advancing education, promoting the protection and preservation of good health and relieving poverty, distress and sickness.

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2) In furtherance of these objects but not otherwise, the Trustees shall have the power to establish or secure the establishment of community facilities and centre in and around Summerhill pavilion, park and greens and to maintain and manage the same.

The trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit when reviewing the Friends of Summerhill Limited aims and objectives and in planning the future activities. In particular, the trustees considered how planned activities would contribute to the aims and objectives they had set.

Achievements and Performance

Our second full year has been one of consolidation and growth.

Our primary aim for the year was to make The Friends of Summerhill a self-sustaining community entity. The trustees are unanimous that this aim has been achieved. The focus of our activity was the development of Summerhill Bowling Club, which the Friends acquired for the community in April 2011.

Building Community Benefit

For the Year Ended 31st March 2013 a total of 3120 people attended 195 events in the pavilion and lawns. We were surprised at how much demand existed for our space, which we endeavoured to improve throughout the year with new equipment and ongoing maintenance, including significant work to tackle dry rot and roofing problems.

Events included:

Regular dance groups
Wedding Receptions
Ward Council Meetings
Training
Birthday parties
Family and Community Celebrations
Fundraising events and Open Days
Antenatal Classes
Professional Team Building Days
Arts events

Some of our regular users include:

Newcastle City Council
The Cyrenians
Swing Tyne

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Tango on Tyne
Streetwise Opera
Alan Scott Training Services
The Comfrey Project
Newcastle University Circus Skills Society
National Childbirth Trust

We ensured that our premises licence was put to good use – many of the events we held benefited from our bar facility and this provided a key source of revenue for the organisation.

Furthermore, we enjoyed better-than-expected uptake of our parking facilities and about 10 regular parking customers renting car parking spaces.

Building financial sustainability

When we received a grant from Newcastle City Council for the part-time development manager post, it was made clear that we should use the funding to achieve financial sustainability.

Over the course of 2012/13, 85% of our income was earned, with the remainder coming from donations, small grants and membership fees. This was a better figure than we had anticipated and we are confident that we will be able to continue this success in the coming year.

Building a community

2012/13 saw significant steps towards building a stronger community in the heart of Newcastle. We developed strong partnerships with a number of key organisations, including Newcastle City Council, The Cyrenians, Newcastle Science City, Newcastle Council for Voluntary Service and Business in the Community. We held a number of successful community events including a table-top sale, a spring fair, concerts and parties.

Our membership grew to 242, the majority of whom live in and around the Summerhill area.

Within the grounds of the bowling club, work has started on a new community garden and a community allotment. We hope that both these projects will bring increased involvement from residents.

One area which we found harder was volunteer engagement – we struggled to recruit a wider volunteer base and relied perhaps too much on an existing core of committed regular volunteers. We hope to rectify this situation in the coming year.

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Summerhill Park

Against a background of local authority spending constraints, we worked with the council to secure the future of Summerhill Park. Discussions are still taking place about how the Friends might best contribute to its maintenance and improvement.

Hostel Garden

We have been negotiating with the council to take over a small plot of land to the rear of the bowling club which forms part of the garden of one of the Westgate Road hostels. Our ambition is to use this land as an orchard and we hope to be able to finalise negotiations in the coming months.

Organisational Development

We recruited three new trustees to the board; we are grateful for their contribution and for that of the existing trustees who have given up their time for meetings and countless emails.

Having a development manager has enabled the board to take a more appropriate governance role, and the board has provided excellent support for Hugh in his role.

We have also been able to recruit a part-time caretaker/administrator. We are delighted to welcome Sam Shotton to the team and hope that she will be able to take a more formalised role in the coming year.

Whilst we started the year with ambitions for a number of working groups to address specific issues, we haven't yet got all these working as effectively as we had hoped. Individual Marketing, Ground maintenance and Community Allotment Groups are working efficiently, but this is an area we need to focus on in 2013.

Plans for the coming year

Our goal for the coming year is to continue to grow the organisation for community benefit. We will need to address some key building concerns including a renovation of the bar and a new roof for the main pavilion.

We will need to address some of the work capacity issues faced by the development manager as we grow, although we hope that this situation will be greatly improved by the recruitment of a part-time administrator.

We have taken over a site that had not had significant investment in maintenance or capital works for many years, in consequence, we are at increased risk of future significant outlay, e.g. should any of our perimeter wall collapse. We thus aim to accumulate a building fund so that we are not imperilled by a sudden call for major repairs, and can undertake necessary works on a planned basis.

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Conclusion

Overall, the year was far more successful and fulfilling than we ever could have anticipated. We hope very much to be able to carry hard-won momentum into the coming year.

Financial Review

The Friends of Summerhill's reserves policy is to aim to maintain sufficient levels of reserves to enable operating activities to be maintained, taking account of potential risks and contingencies that may arise from time to time. The policy is reviewed annually by Trustees.

The financial viability of the Charity is dependent upon the ability to secure the forecast levels of voluntary income and income earned under contracts for services (hall hire, parking etc).

The Trustees have assessed the financial position of the Charity for the Year Ended 31st March 2013 based on known levels of funding and reasonable assumptions of future funding and are forecasting that the charity will be in surplus at 31st March 2014.

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For the Year Ended 31 March 2013

Statement of Trustee Responsibilities

The trustees, who are also directors for the purposes of the Companies Act, are also responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity for the year. In preparing those financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. 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 the trustees on 20.05.13 and signed on their behalf by:



Dr Dow Smith
Chair

THE FRIENDS OF SUMMERHILL LIMITED
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Independent examiners report to the trustees' of
The Friends of Summerhill Limited
for the period year ended 31 March 2013

I report on the financial statements of The Friends of Summerhill Limited for the year ended 31 March 2013 set out on pages 9 to 15.

Respective responsibilities of trustees and examiner

The trustees (who are also 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 the 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 general 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 statement

My examination was carried out in accordance with 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 the 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 and 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 Maltman
Ellison Services Limited
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF


4-6-2013

THE FRIENDS OF SUMMERHILL LIMITED
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Statement of Financial Activities
For the Year ended 31 March 2013

	Notes	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
<u>Incoming resources</u>					
Incoming resources from generated funds					
Voluntary Income		3,061	-	3,061	7,482
Activities for generating funds		37,944	-	37,944	6,075
Investment income	2	22	-	22	72
Incoming resources from charitable activities					
Grants	3	-	300	300	77,758
Memberships		26	-	26	219
Other incoming resources		1,569	-	1,569	651
Total incoming resources		42,623	300	42,923	92,257
<u>Resources expended</u>					
Cost of generating funds	4	13,822	-	13,822	1,751
Charitable activities	4	14,522	11,612	26,134	20,597
Governance costs	4	744	-	744	933
Total resources expended		29,088	11,612	40,700	23,281
Net incoming resources		13,534	-11,312	2,222	68,976
Net movement in funds		13,534	-11,312	2,222	68,976
Opening Funds		57,664	11,312	68,976	-
Fund balances carried forward at 31st March 2013		71,198	-	71,198	68,976

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Balance sheet
As at 31 March 2013

	Notes	2013		2012	
		£	£	£	£
Fixed assets					
Tangible fixed assets	7		56,126		52,679
Current assets					
Debtors	8	1,653		1,510	
Cash at bank and in hand		<u>16,544</u>		<u>16,940</u>	
		18,197		18,450	
Creditors: amounts falling due within one year	9	3,125		2,153	
Net current assets			15,072		16,297
Total assets less current liabilities			<u>71,198</u>		<u>68,976</u>
Funds					
Unrestricted Funds					
General unrestricted	10		15,664		5,679
Designated funds	10		<u>55,534</u>		<u>51,985</u>
			71,198		57,664
Restricted Funds	10		-		11,312
			<u>71,198</u>		<u>68,976</u>

The trustees are satisfied that the charitable company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The Trustees acknowledge their responsibilities for:

- (i) ensuring that the charitable company keeps proper accounting records which comply with section 380 of the Act; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its incoming resources and application of resources, including its surplus or deficit for the financial year in accordance with the requirements of the Act relating to financial statements so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the trustees on and are signed on their behalf by:


Lionel Joyce OBE CBE

30/5/13

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Notes to the accounts
For the Year ended 31 March 2013

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the special provisions of Part 15 of the Companies Act 2006, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

1.2 Incoming resources

Voluntary Income

Voluntary income received by way of donations, legacies and gifts to the charity is included in the Statement of Financial Activities when received.

Activities for Generating Funds

Income derived from hiring the premises and organising events is included in the accounts when receivable.

Investment Income

Investment income is accounted for when receivable and includes the related tax recoverable.

Grants Receivable

Grants receivable are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specific future period, in which case they are deferred.

1.3 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of any VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Alterations to freehold property - straight line over 25 years
Equipment - straight line over 5 years

1.5 Fund Accounting

Funds held by the Charity are either:

Unrestricted General funds - Funds which can be used in accordance with the charitable objects at the discretion of the trustees. Designated unrestricted funds are funds allocated by the trustees for a particular purpose.

Restricted funds - funds that can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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Notes to the accounts
For the Year ended 31 March 2013

2 Investment Income

	2013 £	2012 £
Interest receivable	22	72

3 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Grants				
Newcastle City Council	-	300	300	64,596
Big Lottery Fund Grant	-	-	-	9,162
Sir James Knott Trust	-	-	-	4,000
	-	300	300	77,758

4 Total resources expended

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Costs of generating funds				
Event Costs	13,822	-	13,822	1,751
Charitable activity costs				
Consultancy Fees	2,138	11,312	13,450	12,088
Admin/Caretaker Costs	332	-	332	0
Training	-	-	-	120
Repairs and maintenance	4,355	-	4,355	1,277
Insurance	1,288	-	1,288	940
Utilities	2,016	-	2,016	1,868
Rates	238	-	238	109
Equipment	372	300	672	0
Room hire	-	-	-	160
Publicity	729	-	729	211
licences	246	-	246	626
Subscriptions	100	-	100	0
Printing and stationery	-	-	-	359
Miscellaneous	102	-	102	500
Depreciation	2,606	-	2,606	2,339
	14,522	11,612	26,134	20,597
Governance				
Independent examination fee	744	-	744	620
Legal fees	-	-	-	313
	744	-	744	933

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5 Consultancy

A consultant continued to oversee the development. Total Fees for the period amounted to £13,450.00

6 Related parties

There were no related party transactions during the period.

7 Tangible fixed assets

	Alterations to freehold Property £	Equipment £	Total £
Cost	54151	867	55018
Additions	5,964	89	6,053
At 31st March 2013	60,115	956	61,071
Depreciation	2,166	173	2,339
Charge for period	2,415	191	2,606
At 31st March 2013	4,581	364	4,945
Net book value			
At 31st March 2013	55,535	592	56,126
At 1st April 2012	51,985	694	52,679

The ownership of the property and land at Summerhill Bowling Club was transferred to The Friends of Summerhill Limited on 31st March 2011 by Summerhill Bowling Club. There was no consideration involved for this transaction. The costs shown above as alterations to freehold property relate to refurbishment costs including planning and legal fees involved in bringing the property into a state of repair. There has been no valuation carried out of the premises for the purpose of these accounts and because of covenants in relation to the land and buildings, an open market valuation would be difficult to establish.

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Notes to the accounts
For the Year ended 31 March 2013

8 Debtors

	2013 £	2012 £
Trade Debtors	670	-
Prepayments	245	859
Accrued Income	738	651
	<u>1,653</u>	<u>1,510</u>

9 Creditors: amounts falling due within one year

	2013 £	2012 £
Hire deposits and Rentals in advance	350	150
Accruals	2,775	2,003
	<u>3,125</u>	<u>2,153</u>

10 Funds

Restricted Funds

	Opening Funds 1st April 2012 £	Incoming resources £	Resources expended £	Closing funds 31st March 2013 £
Newcastle Neighbours Fund	-	300	-300	-
Sir James Knott Trust / Newcastle City Council - Development manager	11,312	-	-11,312	-
	<u>11,312</u>	<u>300</u>	<u>-11,612</u>	<u>-</u>

The Sir James Knott Trust and Newcastle City Council Contributed to the costs of a 1 year consultant development manager.

Newcastle Neighbours Fund grant of £300 was given to fund equipment for a Jubilee Party.

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Notes to the accounts
For the Year ended 31 March 2013

10 Funds (continued)

Unrestricted Funds

	Opening funds 1st April 2012 £	Incoming resources £	Resources expended £	Closing funds 31st March 2013 £
General Unrestricted	5,679	36,662	-26,677	15,664
Designated - Value of Building Refurbishments	51,985	5,964	-2,415	55,534
	<u>57,664</u>	<u>42,626</u>	<u>-29,092</u>	<u>71,198</u>

11 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	2013 Total £	2012 Total £
Fund balances at 31 March 2012 are represented by:				
Tangible fixed assets	56,126	-	56,126	52,679
Current assets	18,197	-	18,197	18,450
Creditors: amounts falling due within one year	-3,125	-	-3,125	-2,153
	<u>71,198</u>	<u>-</u>	<u>71,198</u>	<u>68,976</u>

12 Company Limited by Guarantee

The Company is limited by guarantee in that every member undertakes to contribute such amounts as may be required in the event of the company being wound-up, for the payments of debts, liabilities and the cost of the winding up not exceeding £1 per member.