

PADDOCK COMMUNITY TRUST
(a company limited by guarantee)

FINANCIAL STATEMENTS

31 MARCH 2014

CONTENTS

	Page
Trustees' report	1-5
Independent examiner's report	6
Statement of financial activities	7
Balance sheet	8
Notes to the financial statements	9-13

Company registration number : 04253006
Charity registration number : 1093998

PADDOCK COMMUNITY TRUST

TRUSTEES' REPORT

The trustees submit their report and financial statements for the year ended 31 March 2014.

Reference and administrative information

Charity name:	Paddock Community Trust
Charity registration number:	1093998
Company registration number:	04253006
Registered office and operational address:	Paddock Village Hall West View Paddock Huddersfield HD1 4TX

Trustees and directors

The following persons served as trustees of the charity and as directors of the company during the year:

P M Bower
R Guthrie
B R Jones

Company secretary

B R Jones

Independent examiner

Michael Bland ACA
For and on behalf of:

Wheawill & Sudworth Limited
Chartered Accountants
35 Westgate
Huddersfield
HD1 1PA

Bankers

The Cooperative Bank plc
PO Box 101
1 Balloon Street
Manchester
M60 4EP

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

PADDOCK COMMUNITY TRUST

TRUSTEES' REPORT (continued)

Structure, governance and management

The charity is a company limited by guarantee and was formed on 16 July 2001. It is governed by a memorandum and articles of association amended 13 October 2010. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £1.

Recruitment, appointment and training of trustees

The trustees of the charity are also the directors for the purposes of company law and are appointed by the members at the AGM.

One third (or the number nearest to one third) of the trustees must retire at each AGM.

Trustees are inducted by attending general and trustees' meetings, personal discussion with the secretary and other trustees and involvement in one or more particular aspects of the charity's activity.

Objectives and activities

The charity's objects are:

The promotion for the public benefit of urban or rural regeneration in areas of social and economic regeneration within the Kirklees Metropolitan District of West Yorkshire by all or any of the following means:

- the advancement of education, training or re-training, particularly among non-employed people, and providing non-employed people with work experience;
- the relief of unemployment for the benefit of the public in such ways as may be thought fit, including assistance to find employment;
- for the public benefit to promote learning for pleasure by people no longer in full time employment through the continuous development of their individual capabilities, competencies, skills and understanding in subjects of educational value;
- the maintenance, improvement or provision of public amenities;
- the provision of assistance, in the provision of recreational facilities for the public at large and/or those who, by reason of their youth, age infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;
- the protection or conservation of the environment;
- the provision of public health facilities and childcare;
- the promotion of public safety and the prevention of crime; and
- such other means as may, from time to time, be determined subject to the prior consent of the Charity Commissioner for England and Wales.

Change of name

The charity changed its name by resolution on 16 November 2011 from Paddock Community Forum to Paddock Community Trust.

PADDOCK COMMUNITY TRUST

TRUSTEES' REPORT (continued)

The charity's main activities

Paddock Community Trust offers lifelong learning and support for residents of Kirklees, particularly those from the most deprived communities facing the greatest disadvantage. The Trust provides community based learning both at its centre and in outreach work throughout Kirklees in a range of community venues. This includes informal and accredited learning awarded through the Trust's membership of the Open College Network. Paddock Community Trust is an approved supplier of training for Kirklees Council and, is subject to OFSTED inspections and maintains a high standard of quality assurance. A significant part of the Trust's work includes innovation and the development of new products and services to help deliver its core aims. This year the Trust has also developed a new partnership with the NHS in North Kirklees. The Digital Health Guide programme will help more vulnerable adults access online health services and reduce hospital admissions.

Public benefit statement

In setting our objectives and planning our activities our trustees have given serious consideration to the Charity Commission's general guidance on public benefit and in particular: 1) Advancement of education and training 2) Preparation for adults to return to employment 3) Encouragement of healthy lifestyles 4) Enhancement and appreciation of the urban environment and 5) Furtherance of community cohesion.

Achievements and performance

The Trust has made significant progress in consolidating training and employment support provision throughout this year. A major achievement has been the award of an Outstanding OFSTED grade in December 2013 for our community learning programme as part of a leading partner in the Kirklees Community Learning Trust. The Trust has also been recognised as the most improved training provider in 2013 – 2014 and we are committed to continuing this quality momentum into following years through on-going staff development, high quality performance monitoring and reporting and excellent teaching and learning practice.

Further success this year include the securing of new funding to deliver the Step by Step Employment Support Service in 22 community venues throughout Kirklees which has provide many job outcomes for local residents. Our work with young people has also greatly increased this year with an effective working partnership with Kirklees Council Integrated Youth Support Service in delivering skills training to young people and winning a key role in the Lottery funded Talent Match programme to support 18 – 24 year olds in Kirklees for the next five years. Digital inclusion continues to be a major challenge for the area and the Trust has responded by entering into a partnership with Kirklees Neighbourhood Housing to provide digital skills outreach training for social housing tenants. This major project over the next five years will enable tenants to access online services much more effectively and the Trust will play a key role in helping residents overcome the barriers in using technology.

In our environmental and community gardening work, the two year Lottery-funded Community Kitchen project came to an end in March 2014 and the Trust has successfully built on the legacy of this work with plans to develop new unused land offered by Kirklees Council into further allotment spaces. The existing allotments at Branch Street Community Allotments now benefit from the work of a very effective volunteer-led group of local gardeners and our on-going partnership with other community groups.

Financial review

The net surplus for the year ended 31 March 2014 was £3,929 (year ended 31 March 2013: surplus of £6,043), comprising a surplus of £3,144 on unrestricted funds and a surplus of £785 on restricted funds.

PADDOCK COMMUNITY TRUST

TRUSTEES' REPORT (continued)

Future activities

Future activities for the Trust will focus on two important strategic approaches. These are:

1. Development of Paddock Village Hall into a "Community Hub" with new capital investment
2. Extending the reach of Trust services into the wider Leeds City Region

1. Community Hub Development

Progress has been made into exploring the potential to develop and extend the Village Hall with new activity spaces, a new front entrance and reception area and improve circulation in the building including the installation of a new lift to the first floor. Plans have been drawn up in 2014 by the Trust architect, costed by a quantity surveyor and recommendations made by a structural engineer. Working with Locality, the Trust has identified a number of sources for future capital investment which is currently estimated at around £450,000. Underpinning this strategy is the freehold asset transfer of Paddock Village Hall from Kirklees Council which we aim to complete in early 2015. The outcome of these works will be our ability to deliver a wider range of community services and improve, enhance and extend the Trust's current offer.

2. Extending the reach of Trust services

There is increasing demand for the professional expertise, experience and delivery models offered by the Trust throughout Kirklees in other local authorities within the Leeds City region. The Trust will explore how to best take advantage of these new opportunities and how to develop the capacity to meet these challenges.

Reserves policy

The charity's unrestricted reserves, excluding fixed assets, at 31 March 2014 were £24,363 (2013: £14,835). The charity's reserves policy is to hold a sufficient level of reserves to cover three months running costs plus redundancy payments which would become due should the centre have to close.

Statement of trustees' responsibilities

The trustees (who are also the directors of Paddock Community Trust for the purposes of company law) are responsible for preparing the Trustees report and the financial statements in accordance with the applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

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

The trustees are responsible for keeping adequate accounting records that 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PADDOCK COMMUNITY TRUST**TRUSTEES' REPORT** (continued)**Statement of trustees' responsibilities** (continued)

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005) and in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Signed on behalf of the board of trustees:

P M BOWER
Director and trustee
18 August 2014

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PADDOCK COMMUNITY TRUST

I report on the accounts of the company for the year ended 31 March 2014 which are set out on pages 7 to 13.

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 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

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

- examine the accounts under section 43 of the 1993 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 43(7)(b) of the Act, as amended); and
- 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 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 (SORP 2005)

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.

MICHAEL BLAND ACA

For and behalf of:
WHEAWILL & SUDWORTH LIMITED

35 Westgate
Huddersfield
HD1 1PA
18 August 2014

PADDOCK COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES

(including summary income and expenditure account)

for the year ended

31 MARCH 2014

Notes		Year ended 31 March 2014		Year ended 31 March 2013	
		Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
	INCOMING RESOURCES				
2	Grants and donations	193,965	785	194,750	255,196
	Café and shop sales	23,088	-	23,088	22,874
	Sales and fees	116	-	116	236
	Service level agreements and contracts	93,191	-	93,191	89,885
	Step by Step contract	51,691	-	51,691	-
	Rental income	11,992	-	11,992	10,684
	Miscellaneous income	935	-	935	828
	Bank interest	40	-	40	53
	Total incoming resources	375,018	785	375,803	379,756
	RESOURCES EXPENDED				
3	Salaries and NIC	212,053	-	212,053	228,985
	Café and shop purchases	15,237	-	15,237	13,940
	Tutors	1,176	-	1,176	4,581
	Sessional workers	6,552	-	6,552	331
	Childcare costs	-	-	-	4,960
	Advertising and publicity	-	-	-	1,405
	Heat and light	16,205	-	16,205	13,844
	Training and recruitment	5,215	-	5,215	10,830
	Vehicle costs	5,512	-	5,512	3,926
	Travel expenses	5,336	-	5,336	7,719
	OCN registration fees	2,486	-	2,486	3,689
	Administrative expenses	16,662	-	16,662	15,731
	Rent and room hire	7,969	-	7,969	16,358
	Insurance	4,615	-	4,615	5,003
	Equipment	4,396	-	4,396	2,859
	Events and hospitality	379	-	379	809
	Project expenses	2,088	-	2,088	7,699
	Quality assurance	3,060	-	3,060	3,060
	Repairs and servicing	4,765	-	4,765	2,092
	Cleaning	11,064	-	11,064	9,758
	Consultancy fees	10,070	-	10,070	-
	Website development	25,960	-	25,960	5,000
	Accountancy/Independent examination	1,320	-	1,320	1,320
	Legal fees	168	-	168	780
	Sundries	1,060	-	1,060	884
	Depreciation	13,175	-	13,175	12,799
	Amortisation of capital grants	(4,649)	-	(4,649)	(4,649)
	Total resources expended	371,874	-	371,874	373,713
	Net incoming resources	3,144	785	3,929	6,043
4	Transfers between funds	1,500	(1,500)	-	-
	Net movement in funds	4,644	(715)	3,929	6,043
	Fund balances brought forward	62,722	715	63,437	57,394
4	Fund balances carried forward	67,366	-	67,366	63,437

All incoming resources and resources expended derive from continuing activities.
The notes on pages 9 to 13 form part of these financial statements.

PADDOCK COMMUNITY TRUST**BALANCE SHEET****31 MARCH 2014**

Notes		Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
	Fixed assets				
5	Tangible fixed assets	42,903	-	42,903	47,787
6	Investment	100	-	100	100
		<u>43,003</u>	<u>-</u>	<u>43,003</u>	<u>47,887</u>
	Current assets				
7	Debtors	43,990	-	43,990	25,056
8	Cash at bank and in hand	27,707	-	27,707	46,122
		<u>71,697</u>	<u>-</u>	<u>71,697</u>	<u>71,178</u>
9	Creditors: amounts becoming due and payable within one year	(24,632)	-	(24,632)	(28,277)
10	Deferred capital grants	(22,702)	-	(22,702)	(27,351)
	Net current assets	<u>24,363</u>	<u>-</u>	<u>24,363</u>	<u>15,550</u>
	Net assets	<u>67,366</u>	<u>-</u>	<u>67,366</u>	<u>63,437</u>
	Funds				
4	Restricted funds	-	-	-	715
	Unrestricted funds	67,366	-	67,366	62,722
	Total funds	<u>67,366</u>	<u>-</u>	<u>67,366</u>	<u>63,437</u>

The trustees (who are also directors for the purpose of company law) are satisfied that the charitable company was 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/directors acknowledge their responsibilities for:

- i. ensuring that the charitable company keeps adequate accounting records which comply with Section 386 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 its financial year and of its surplus or deficit for the financial year in accordance with the requirements of sections 394 and 395, and which otherwise comply 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 at a meeting of trustees on 18 August 2014 and are signed on its behalf by

B R JONES
Director and trustee

Company Registration Number: 04253006

The notes on pages 9 to 13 form part of these financial statements.

PADDOCK COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2014

1 Accounting policies

Basis of accounting

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

There has been no change to the accounting policies since the previous accounting period.

No changes have been made to the financial statements for previous accounting periods.

Incoming resources

All incoming resources are included in the SOFA when the charity becomes entitled to the resources, the trustees are virtually certain they will receive the resources and the monetary value can be measured with sufficient reliability.

Grants

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Grants to fund capital expenditure

Grants in respect of expenditure on tangible fixed assets are treated as deferred income which is credited to the SOFA by instalments over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out the resources.

Taxation

As a registered charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Tangible fixed assets and depreciation

Tangible fixed assets are capitalised if they can be used for more than one year. Gifted assets are shown at the value to the charity on receipt. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Property refurbishment	– 10% on cost
Fixtures and fittings	– 10% on cost
Kitchen equipment	– 20% on cost
Computer hardware	– 33⅓% on cost
Motor vehicles	– 25% on cost

In the period of acquisition tangible fixed assets are depreciated from the beginning of the financial period.

PADDOCK COMMUNITY TRUST**NOTES TO THE FINANCIAL STATEMENTS (continued)****31 MARCH 2014****1 Accounting policies (continued)****Pensions**

Contributions are paid to the employee to pay into their own pension fund.

Fund accounting

Funds held by the charity are either:

Unrestricted funds

These are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Further explanations of the nature and purpose of each fund is included in the notes to the financial statements.

2 Grants and donations	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
KMC – IT Buddies	-	-	-	2,106
Donations	4,396	-	4,396	102
UK Online – CCB project	30,000	-	30,000	40,000
Low Carbon Living & Working project	-	-	-	42,676
KMC – Weekend Activities programme	2,480	-	2,480	-
JISC Advance	72,000	-	72,000	72,500
Big Lottery – Local Food project	65,577	-	65,577	75,788
NAS – Apprenticeship grant	-	785	785	715
KMC – West View Social Club	-	-	-	17,015
KMC – Local Food project	-	-	-	2,126
North Kirklees – Health grants	19,512	-	19,512	2,168
	<u>193,965</u>	<u>785</u>	<u>194,750</u>	<u>255,196</u>

PADDOCK COMMUNITY TRUST**NOTES TO THE FINANCIAL STATEMENTS (continued)****31 MARCH 2014**

3	Staff costs and numbers	2014 £	2013 £
	Gross salaries and pensions	197,769	213,615
	Social security costs	14,284	15,370
		<u>212,053</u>	<u>228,985</u>

No employee earned £60,000 per annum or more in the current accounting year (2013: None).

The average number of employees during the year was 12 (2013: 13 average).

	Restricted funds summary	Balance b/f £	Incoming £	Outgoing £	Transfers £	Balance c/f £
	NAS – Apprenticeship grant	715	785	-	(1,500)	-
		<u>715</u>	<u>785</u>	<u>-</u>	<u>(1,500)</u>	<u>-</u>

Purpose of restricted funds**Fund name****Purpose of restriction**

NAS – Apprenticeship grant

To fund the necessary training for an employee of the Trust to attain an NVQ qualification.

PADDOCK COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 MARCH 2014

5 Tangible fixed assets

	Property refurbishment £	Motor vehicles £	Computers and equipment £	Fixtures and fittings £	Total £
Cost:					
At 1 April 2013	23,980	3,900	50,109	2,577	80,566
Additions	-	3,995	4,296	-	8,291
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2014	23,980	7,895	54,405	2,577	88,857
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation:					
At 1 April 2013	2,398	975	29,148	258	32,779
Charge for year	2,398	1,974	8,545	258	13,175
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2014	4,796	2,949	37,693	516	45,954
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book amount at:					
31 March 2014	19,184	4,946	16,712	2,061	42,903
31 March 2013	21,582	2,925	20,961	2,319	47,787
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

6 Investment

The charity's investment comprises a holding of 100 shares in Slaithwaite Cooperative Limited.

7 Debtors

	2014 £	2013 £
Debtors	31,659	19,261
Accrued income	7,902	5,295
Prepayments	4,429	500
	<hr/>	<hr/>
	43,990	25,056
	<hr/> <hr/>	<hr/> <hr/>

8 Cash at bank and in hand

	2014 £	2013 £
Current account	20,033	37,866
Deposit account	7,379	7,369
Cash in hand	295	887
	<hr/>	<hr/>
	27,707	46,122
	<hr/> <hr/>	<hr/> <hr/>

9 Creditors: amounts becoming due and payable within one year

	2014 £	2013 £
Creditors	13,448	3,144
Deferred income	6,280	19,512
PAYE/NIC creditor	3,704	4,421
Accruals	1,200	1,200
	<hr/>	<hr/>
	24,632	28,277
	<hr/> <hr/>	<hr/> <hr/>

PADDOCK COMMUNITY TRUST**NOTES TO THE FINANCIAL STATEMENTS (continued)****31 MARCH 2014**

10	Deferred capital grants	2014
		£
	Receivable	
	At 1 April 2013 and 31 March 2014	32,000
		<hr/>
	Amortisation	
	At 1 April 2013	4,649
	Credit to SOFA	4,649
		<hr/>
	At 31 March 2014	9,298
		<hr/>
	Net balance at:	
	31 March 2014	22,702
	31 March 2013	27,351
		<hr/> <hr/>

11 Transactions with trustees

No trustee received any remuneration either directly or indirectly.

No trustee received any payments for expenses in this year (2013: £Nil).

12 Related party transactions

There were no related party transactions during this or the previous accounting period.