



# **DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST MARCH 2015**

## **CONTENTS**

	<b>Pages</b>
<b>Reference and Administrative Information</b>	<b>1</b>
<b>Directors' (&amp; Trustees') Report</b>	<b>2-12</b>
<b>Independent Examiner's Report</b>	<b>13</b>
<b>Statement of Financial Activities</b>	<b>14</b>
<b>Balance Sheet</b>	<b>15</b>
<b>Notes to the Financial Statements</b>	<b>16-20</b>

## REFERENCE AND ADMINISTRATIVE INFORMATION

**Working Names:** The Mill  
The Hub

**Registered Charity Number:** 1143365

**Registered Company Number:** 7596426

### Registered Office & Operational Address

7-11 Coppermill Lane  
Walthamstow  
London E17 7HA

### Directors

The directors of the charitable Company are also its trustees for the purposes of charity law, and are referred to throughout this Report as the directors.

The directors who held office during the year, unless otherwise indicated, were as follows:

Ms Kate MASRI	Chair from 3rd February 2015
Mr Danny HERBERT	Chair from August 2014 to 3rd February 2015
Ms Ruth DUNCAN	Chair from 4th Nov 2013 to 6th May 2014
Ms Hannah GUTHRIE	Treasurer from 10th November 2014
Mr Philip PARR	Treasurer from 13th Feb 2014 to 12 August 2014
Ms Alison HAY	Secretary from 14th October 2014
Ms Adele TINMAN	Secretary to 12th August 2014
Ms Keira POLAND	Member from 14 January 2014 to 15th October 2014
Ms Vanessa STANISLAS	Member from 14th October 2014 to 6th October 2015
Ms Karen HART	Member from 3rd February 2015 to 13th September 2015

### Independent Examiner

Mr Graham Taylor FCIE  
17 Newell Street  
London E14 7HP

### Bankers

Co-operative Bank  
192 Hoe Street  
Walthamstow  
London E17 4QN

## **DIRECTORS' (& TRUSTEES') REPORT FOR THE YEAR ENDED 31ST MARCH 2015**

### **Introduction**

The directors, who are also trustees in charity law, present their report and financial statements of the charitable company for the year ending 31st March 2015. The financial statements have been prepared in accordance with the accounting policies set out on page 16 and comply with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

### **Charitable Objectives**

The objectives of the Mill @ Coppermill ("The Mill") are:

To further or benefit the residents of Walthamstow and neighbouring areas by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and the arts and to provide facilities for a varied range of social, educational and recreational services in the interests of social welfare with the objective of improving the conditions of life for the residents.

To promote and provide for the public benefit the use of a community centre or centres in Walthamstow or neighbouring areas, for purposes including in order to promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society.

### **Structure, Governance and Management**

#### Governing Document

The charitable company is governed by its articles of association, and was incorporated on 7th April 2011 as a company limited by guarantee with no share capital (number 07596426) and, acting entirely as a non-profit making organisation, has a charitable status, registered as a charity with the Charity Commission on 15th August 2011 (charity number 1143365).

#### Directors

The number of directors shall be not less than five and shall be subject to a maximum of seven. The directors, as charity trustees, have control over and responsibility for the charitable company and its property and funds. Subject to the provisions of the Companies Act, the articles of association, and to any directions given by special resolution, the business of the charity is managed by the directors, who may exercise all the powers of the charitable company. They are unpaid and required to declare and attend to any conflicts of interest in accordance with law and best practice.

The articles of association lay out terms of directorship (trusteeship). One third of directors must retire every six months but may be reappointed for any number of new terms of office, each for a further six months. Appointment to directorship is on the basis of eligibility, personal competence and local availability, and is made according to nominations received from interested individuals.

Directors are inducted through training days and through informal and formal meetings with established or outgoing directors, and are provided with an induction pack and other relevant materials to familiarise themselves with the charity's operations.

### Organisation Management

The directors are legally responsible for the overall management and control of The Mill. The work of implementing their policies and the day-to-day management is carried out by themselves and the management team of staff and key volunteers of The Mill. Directors meet each month (or more), have regular meetings with the management team, and are chaired by their chair.

### Membership

The subscribers to the articles of association are admitted to membership in accordance with the rules made under Article 10, and shall be members of the charitable company. Membership is open only to the directors and is terminated if the member ceases to be a director. The form and the procedure for applying for membership is to be prescribed by the directors. No person shall be admitted a member of the charitable company unless his/her application is approved by the directors. Under the Articles of Association each Member is required to contribute an amount not exceeding £1 towards the liabilities of the charitable company in the event of it being wound up whilst they are Members, or within one year of their ceasing to be Members.

## **Chair's Report 2014- 2015**

It has been another busy year for The Mill with more people coming through our doors to take part in a wide range of activities. Members of our local community use The Mill in different ways; some pop in regularly to volunteer or meet friends, others visit to view our art exhibitions, others use the library or toy room and others get involved in a particular group or activity. We strive to continue to be open and relevant to our diverse community's needs and interests.

Over this period we have created two new roles, a Volunteer Coordinator and a Grant Fundraiser, to recruit and support more volunteers and to identify funding opportunities to support our work. Behind the scenes, trustees and the management team (staff and key volunteers) have been working together through a series of away days. The turnover of trustees has been an ongoing challenge, with individuals struggling with the time demands of the role. I hope to address this as Chair by growing the board, focusing on key priorities and a strengthened partnership with the management team.

One highlight for me over this year was the Fun Palace, two days of creativity, music and sharing stories and experiences. A determined team worked hard to get funding, plan, promote and run the activities. The Fun Palace encapsulated what The Mill is all about.

On a personal level, during this year I had a baby and went on maternity leave from my day job. This enabled me to spend more time at The Mill, getting to know more of our dedicated and friendly volunteers and getting more of a flavour for the range of issues our Front of House volunteers might need to deal with. My personal experiences also gave me a renewed appreciation of the need for a community space, available for all.

I would like to thank all of the volunteers and staff at The Mill for the continued passion and hard work which ensure The Mill continues to be a friendly and thriving community space. I thank all those organisations who have supported us over the year. Finally I would like to thank our users who add to The Mill's purpose and vibrancy.

**Kate Masri**  
**Chair from 3rd February 2015**

**Our Vision is of a strong local community where people love to live, and know and care for their neighbours.**

**Our Mission is to provide a welcoming, positive and inclusive space at the heart of Walthamstow, and work with the community locally to make things happen.**

*The Mill Strategy 2013-2015*

## **Objectives and Achievements 2014-2015**

**Impact 1 - Connect: 'More local people are connected to each other, and can know their neighbours and community better.'**

We aim to make The Mill as accessible as possible to the whole community, and to run events which reflect community priorities and interests.

In 2014-2015:

- we exceeded our ambitious target of keeping The Mill open for 5 ½ days per week for 48 weeks per year - staffed by an average of 60-70 volunteers a week
- having committed to run four events a year for the whole community, we ran seven from our own resources, and a further thirteen with project and council funding
- with a view to the future, we raised funding to contract a specialist company to review our space and how we could make better use of it. Our current building limits our accessibility and range of activities.

### **Mill events**

Mill events are very popular and well-attended and some, such as Apple Day, have become annual community celebrations. Everyone is welcome: cakes from The Mill Bakers, stalls, and themed creative activities for all ages are regular features. Volunteer teams take on the demanding work of planning and delivery with gusto, and anyone suggesting an event will be invited to organise it, with support on hand. The 2014-15 events calendar started in spring with the Mosaic Spring Celebration and Easter Egg Painting for families, moved through the Summer Bee-zar to Apple Day, the Fun Palace and Halloween, and ended with the Winter Fair.

## Older People's Pop-Ups

We wanted more local activities for older people, and succeeded in gaining Ward Forum funding to make this happen. Building on the success of the 'Grow Your Idea' project, winners of a competition were offered six weeks' free use of a Mill room once a week and a small grant to try out their idea. Older people shared their stories with a local playwright, recorded radio programmes, practised crafts and Chi Kung, and trained as Memory Catchers. As a result, continuing relationships have been forged with group leaders, some of the older participants have gone on to initiate their own ideas and many have become regular Mill users.

'Basing ourselves at The Mill gives us access to a wide cross section of local people, as contributors, helpers and originators of new programme ideas. We record our programmes and distribute them free of charge to people visiting The Mill, and to less mobile residents.'  
(David, Mill Radio Group Leader)

## Impact 2 - Share and Act: 'More local people share their skills and are empowered to act on their ideas'.

We aim to encourage more people to volunteer their time, skills and experience within the community, and to encourage volunteers to mentor and support each other. We also aim to support more people in building their skills and ideas, and help them continue to run activities and groups.

In 2014-15:

- we engaged 35 new volunteers in a wide range of roles including Reception & Front of House, Events, Art Club Helpers, Marketing, General Assistant, Cake Bakers and Fundraising
- we recruited a dedicated Volunteer Coordinator to grow our volunteering opportunities and support our new and existing volunteers.
- our dedicated front of house volunteers provided 55 hours of admin and reception time per week, acting as welcoming hosts to encourage new visitors to get involved in all our activities
- we provided training and development for volunteers, including Fire Safety, Safeguarding, Mental Health Awareness, Dealing with Difficult Customers, as well as in-house training and inductions. We gathered volunteers together for 8 volunteer meetings during the year, to discuss their ideas and concerns
- we developed and expanded our package of support for local people to run new groups or activities through the 'Grow Your Idea' project.

## Grow Your Idea:

Funded by the Health Lottery through the People's Health Trust, *Grow Your Idea* built on our experiences with community competitions, and gave us the opportunity to develop a more comprehensive package of support for local people to make their ideas happen. This - crucially - included the support of a dedicated Mill Mentor and a comprehensive toolkit of information for planning, delivering and troubleshooting new community activities, in addition to support with resources and room hire costs.

Eleven mentors completed specially designed training to build their skills in working with other people to make their ideas happen. Each mentor met with a group leader from the competition winners at least once a month for six months, providing tailored support with the help of the toolkit. Nine mentors have agreed to continue in this role, ensuring that the learning extends to future projects.

Nearly two dozen local people wanting to run new groups took part in our community competition. The ten projects selected included building employability skills; IT training; Deaf Awareness workshops; art projects for children and young people with learning difficulties; theatre, singing and performance groups and animation. At least 76 local people benefitted by attending the groups: all this developed and run by other local people.

‘I found it very rewarding and it has connected me with people from different walks of life with a variety of interests who I would probably not meet otherwise. It was interesting to meet all the mentors during the training and spark off each other.’

(Lesley, Mill Mentor)

‘Lesley – my mentor – was brilliant, and was always just a phone call or email away’.

(Kiechelle, Competition Winner ‘First Steps to Employability’)

### **Impact 3 - Create: ‘More local people share their skills and are prepared to act on their ideas.’**

Creativity is at the heart of the Mill’s engagement with its community. We want to see more people connected to each other through creating things, and recognise this as a powerful way of increasing confidence and well-being. To this end, we aim to deliver a programme of creative activities and events that bring together local people of all ages, and involve local artists in sharing techniques and approaches. By providing access to art through a rolling programme of exhibitions in our art space we aim to inspire more people to get involved.

In 2014-2015:

- we successfully mounted six exhibitions, and hosted two more
- more than 60 artists contributed artworks, accepted on a basis of equality from experienced and novice artists of all ages from our diverse community
- successful fundraising ensured we could continue to offer our exhibitions free to all
- our Kids Art Club provided a year-long after-school opportunity for children
- we consolidated our partnership working with local organisations, in particular the William Morris Gallery and Whitefield School, both of whom we continue to work with
- there was increasing demand from community organisations to use our friendly and accessible exhibition space for displays and consultations
- we attracted national attention to our creative work when we became a Fun Palace in October.

### **Kids Art Club**

A group of 8-15 children and their parents come together weekly on a drop-in basis to join in informal and fun art activities. Most are aged 6-8, although any child over 2 is welcome. It’s an opportunity to enjoy being creative and messy, welcomed by children and parents alike. Our wonderful Art Director Mo Gallaccio provides ideas space, materials and lots of support and encouragement from herself and other volunteers. Families pay £1 a session: many of the materials are donated, and the club covers its costs. Finding skilled volunteers with time isn’t easy: we hope to fundraise for an activity leader.

### **The Fun Palace**

For one weekend, The Mill became a Fun Palace in a joyous celebration of Joan Littlewood's 100th birthday. Over 400 people of all ages and backgrounds attended. Young and old joined local artists to "draw Walthamstow" on the paper-covered walls, while older residents - and many younger ones - shared fun memories prompted by old photos of Walthamstow. Art activities for children and families included making a giant papier-mache elephant. The grand finale was a concert by three local choirs, ending with choirs and audience singing together fit to raise the roof.

### **The Story Machine**

Our community co-design project with the Royal College of Arts linked researchers and designers with local people to create the Story Machine now in our library. Technology and creativity come together, allowing Mill visitors to share their stories and experiences with the wider public.

### **Impact 4 - Inform and Represent: 'The activities and information available at the Mill reflect the interests of the community.'**

As a welcoming community hub, we host a large number of groups in our building, some run by Mill volunteers and others by local people hiring our spaces. We also aim to provide a supportive platform for local people to start groups and activities for others, and to be an accessible, friendly and reliable source of information for people needing help with personal problems. As an organisation, we work with others to bring about positive change in our local community. Effective communications are essential to achieving all these aims.

In 2014-2015:

- we continued to provide a year-round weekly programme of groups, activities and services, and gained funding to support the development of our offer to older, isolated people
- we delivered a training, mentoring and support programme for local people through the 'Grow your Idea' project, incorporating a step by step toolkit on how to set up a group. Eleven mentors were trained, and ten new groups and activities created, benefitting at least 76 local people
- we continued to signpost people to appropriate help and information through our trained front-of-house volunteers, and to build the resources which support this
- we strengthened our partnership working to bring in new services to The Mill and worked with the local authority and local organisations to improve the area
- we reviewed our communications effectiveness at an away-day event, and began work on a new Communications Strategy.

### **Partnership working**

The Mill provided support to London Borough of Waltham Forest with its successful bid to the Heritage Lottery Fund for restoration of local heritage buildings, public realm improvements and related community projects. We look forward to being the project information hub and hosting many of the community and business activities expected to get underway in early 2016. Partnership working is also key to bringing additional sources of information and support to Mill users. Regular councillors' surgeries and a Job Shop use the Mill as a base, and we host ELATT's 'Welcome to the UK' English classes for women.

## A Community Hub

A total of 43 groups met regularly at The Mill during the year. 13 were self-managed by Mill users, and the remainder set up and run by local people. In addition, both the St James Big Local and the Art Trail used us as a venue for meetings, and a number of other one-off events took place here. The Mill is also a distribution and pick-up point for both the Organiclea Organic Box scheme and the Heat or Eat Food Bank. The list which follows demonstrates the wide range of subjects, ages and different interests catered for.

## Groups 2014-2015

Knitting Drop-in, day and evening; Mill Voices; Mill Bike group; Chess at the Mill; English Conversation; Beginner Ving Tsun Kung Fu; Asian Women's Support Group; Job Shop; Manemoki Bunko; WF DA Adults with Dyslexia Support Group; English for Beginners/Improvers; Community Breakfast; Gardening Group; Astrology for beginners; Hola chicos; Hackjammit; Grow your own Theatre; Tales from the Marsh; Speed Sketching; Wriggly Rhythms; Little Yogis; Parents and older baby yoga; Tiny Talk: Baby signing; Mill Book Club; Movement group; ESOL for Women; Spanish for you; Ashtanga Yoga; Mindfulness @ the Mill; Collective/Creative Life Skills; 1:1 Basic Computing; Mill Bakers; Cultivate; Puppet Making taster; Write Network; Atty's musical steps; Gentle Yoga; Parents and little baby yoga; Baby massage; Coppermill Poets; Mosaic Mural

## Impact 5 - Sustain: 'The Mill is sustainable and has a future as a trusted part of the community.'

As The Mill grows, we need to increase our capacity to run the organisation, and to support this by a diverse and sustainable funding mix. We aim also to maximise the potential for revenue and community use of our building. Transparency and community engagement are key to our being seen as a trusted part of the community. A further priority is to maintain and embed our culture of safeguarding, especially of children and vulnerable adults.

In 2014-2015:

- we recruited a grant fundraiser and dedicated volunteer coordinator in spring 2014
- we increased our total grants income and received grants from a greater range of funders, thereby making possible project work in support of our strategic aims
- we secured significant income from consultancy, building on our established local reputation
- we continued to generate income by renting our offices and hiring out our public spaces, and through a variety of fundraising activities
- we received £2,521 of donations and the continuation of our Friends scheme raised £1,615
- we completed an access audit of the building to inform future capital development
- regular meetings kept volunteers up to date and engaged them in feedback and decision making
- safeguarding training for staff and volunteers led to a review of policies and procedures.

## Fundraising

A freelance Grants Fundraiser was recruited in June to boost capacity for fundraising through grants and charitable trusts. This investment has already paid off in the form of grants for projects planned to progress our strategic development. £10,000 from Awards for All will fund the Step Up project to support new creative groups to meet at The Mill in the daytime, and £10,000 from Comic Relief Local Communities Fund will fund the Wellbeing Champions project to explore the impact The Mill has on the wellbeing of users and volunteers.

### **Consultancy income**

Mill Consultancy had another successful year in 2014-2015. Our support for the London Borough of Waltham Forest with a successful Heritage Lottery Fund bid for around £1.5m to regenerate our local area earned £4,740, and we also benefitted from other consultancy income. We have reviewed the consultancy and started looking for additional resources to grow its potential to expand our impact and generate income for The Mill.

### **Sustaining the building**

After three years we were able to do much needed maintenance work, painting the outside of the building and repairing window frames. A new eye-catching and friendly sign was installed in February 2015. Waltham Forest Council also made safety improvements to the building including upgrading fire doors and cupboards. Our office tenants continue to support The Mill, and the regular rental income forms an essential contribution towards our running costs.

### **Objectives for 2015-2016**

The Mill's objectives for 2015-2016 are to

- continue to work towards delivering our current Strategy
- put in place new and improved systems for financial management and reporting
- identify new income streams to fund our activities
- strengthen and grow the board of trustees and focus their work
- develop a new Strategy for our activities
- establish a new 'working group' structure to enable us to prioritise our efforts and pull in additional resources and volunteers to support our operations.

### **Public benefit statement**

In shaping The Mill's objectives and planning activities, the directors have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The directors give careful consideration to the accessibility and benefit of The Mill for all, and prioritise openness and inclusivity to enable this to happen. The Mill's User Charter supports this, as does ensuring a balance of activities takes place, providing free-access communal public space, and encouraging free or low cost access for activities and groups.

### **Financial Review**

The charitable company had total income of £78,985 (2014 was £103,172) and total expenditure of £96,808 (2014 was £89,347).

There was a deficit of £17,823 (2014 was a surplus of £13,825).

### **Funds and Reserves**

Total funds carried forward were £46,191 (2014 were £64,014). This comprised £43,602 unrestricted funds of which £8,500 were designated reserves and £35,102 were general reserves (2014 was £50,524 unrestricted funds of which £8,500 were designated and £42,024 were general reserves).

The balance of £2,589 under restricted funds was for a capital fund. (2014 was £13,490 comprised £3,452 for a capital fund and £10,038 for two income funds).

It is the policy of the charitable company to maintain reserves of the charitable company at a level to provide sufficient funds to cover unforeseen circumstances. In future we may also decide to retain, and increase, reserves to put towards match funding for a capital build project. The charitable company aims to maintain free reserves of between 3 to 6 months running costs. The free reserves at the end of the year were £35,102 (2014 was £42,024), which meets our reserves policy.

### **Investment Policy**

There are no restrictions on the charitable company's power to invest. Investment is not part of The Mill's current financial strategy.

### **Risk Review**

The directors are aware of their obligations to make a statement in respect of the management of risks faced by The Mill. A risk register has been set up, and the directors are developing a structured approach to risk management. This will promote a greater recognition of risk management at all levels within The Mill.

They believe that by monitoring reserve levels, ensuring controls exist over key financial systems and examining the operations and business risks faced by the charitable company, they will have established effective systems to mitigate those risks.

The major risks to which the charitable company is exposed have been reviewed and systems are being established to mitigate those risks. Also, funding risk is being addressed by a better spread among the various funders and with a fundraising strategy.

The directors are engaging experts to support this process, including financial accounting and reporting, wherever possible on a voluntary basis from within supporters.

### **Employees**

The Mill strives to be an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are in place to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunities and training to enable them to develop their skills and knowledge. The Mill is committed to a programme of action to make this policy effective, and brings it to the attention of all employees.

### **Contribution and Appreciation of Volunteers**

The directors would like to place on record the significant contributions of the volunteers of The Mill in securing further funding and in the delivery of the community centre activities, which will help the local community and future generations. The Mill would not operate without its volunteers.

Volunteers are used in a number of innovative ways to enable The Mill to make use of the skills and willingness of a wide range of people, from experts in fundraising and communications who work in special teams. There are those who want to gain new work experience, and older people who are happy to share theirs and who run groups or provide a friendly face in reception.

### **Contribution and Appreciation of Supporters**

The directors appreciate the continued support of Nesta, FSI, London Borough of Waltham Forest, the People's Health Trust, the Royal College of Arts, Ford Britain Trust, Michael Davies Charitable Trust, Stow Brothers, City Bridge Trust, Jacksons, E17 Picture House and the local voluntary and community sector towards the achievement of the set goals and objectives of the charitable company. The directors appreciate all contributions from the community, local partners and our valuable tenants.

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the directors' report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year, 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 income and expenditure, of the charitable company for that year.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then 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 the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate

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

**Directors' Interests**

There are no directors' interests requiring disclosure under the Company's Act 2006. The company is limited by guarantee with no share capital.

**Audit Exemption**

The directors have decided to take advantage of the audit exemption provisions of the Companies Act 2006, whereby charitable companies with a gross income of no more than £1,000,000 are exempt from full auditing requirements. Under the provisions of section 145 of the Charities Act 2011, Mr Graham Taylor, accountant, has been appointed as a qualified Independent Examiner of the accounts, and his report is on page 13.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued by the Charity Commission in March 2005 and updated in May 2008), and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**Approved by the directors on the following date and signed on their behalf by:**

**Kate Masri**

**Date:**

**(Director) Chair from 3rd February 2015**

**INDEPENDENT EXAMINER'S REPORT  
TO THE DIRECTORS OF THE MILL @ COPPERMILL**

I report on the accounts of The Mill @ Coppermill for the year ended 31 March 2015 which are set out on pages 14 to 20.

**Respective Responsibilities of Directors and Independent Examiner**

The Directors (who are also the Trustees for the purposes of company law) are responsible for the preparation of the accounts. The Directors 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 charitable company 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 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commissioners 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 general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charitable company 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 Directors 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 financial statements 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 to enable a proper understanding of the financial statements to be reached.

**Graham Taylor FCIE**  
17 Newell Street  
London E14 7HP

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2015**  
(Incorporating an Income & Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	2015 TOTAL FUNDS £	2014 TOTAL FUNDS £
<b>INCOMING RESOURCES</b>					
<b>Incoming Resources From Generated Funds</b>					
Voluntary Income		9,771	16,240	<b>26,011</b>	26,422
Activities for Generating Funds		4,854	-	<b>4,854</b>	8,290
Investment Income		98	-	<b>98</b>	96
<b>Incoming Resources From Charitable Activities</b>					
		46,247	-	<b>46,247</b>	67,189
<b>Other Activity Income</b>		1,775	-	<b>1,775</b>	1,175
<b>Total Incoming Resources</b>	<b>2</b>	<b>62,745</b>	<b>16,240</b>	<b>78,985</b>	<b>103,172</b>
<b>RESOURCES EXPENDED</b>					
<b>Fundraising Costs</b>		-	-	-	115
<b>Charitable Expenditure</b>					
Community Centre Programmes		68,396	27,141	<b>95,537</b>	85,822
<b>Governance Costs</b>		1,271	-	<b>1,271</b>	3,410
<b>Total Resources Expended</b>	<b>3</b>	<b>69,667</b>	<b>27,141</b>	<b>96,808</b>	<b>89,347</b>
<b>Net Incoming Resources - Net Income for the Year</b>	<b>4</b>	<b>(6,922)</b>	<b>(10,901)</b>	<b>(17,823)</b>	<b>13,825</b>
Total Funds at the Start of the Year		50,524	13,490	<b>64,014</b>	50,189
<b>Total Funds at the End of the Year</b>	<b>12</b>	<b>43,602</b>	<b>2,589</b>	<b>46,191</b>	<b>64,014</b>

The Charitable company's income and expenditure all relate to continuing activities.

Movements in reserves and all recognised gains and losses are shown above.

**BALANCE SHEET AS AT 31ST MARCH 2015**

	Notes	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible Assets	8	<u>2,589</u>	<u>3,452</u>
<b>CURRENT ASSETS</b>			
Debtors & Prepayments	9	14,254	11,711
Bank & Cash at Hand		<u>56,643</u>	<u>54,231</u>
		<b>70,897</b>	<b>65,942</b>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	10	<u>(27,296)</u>	<u>(5,380)</u>
<b>NET CURRENT ASSETS</b>		<u>43,602</u>	<u>60,562</u>
<b>NET ASSETS</b>	11	<u>46,191</u>	<u>64,014</u>
<b>FUNDS</b>			
<b>Unrestricted</b>			
General		35,102	42,024
Designated Funds - Emergencies		5,000	5,000
Designated Funds - Dilapidation		<u>3,500</u>	<u>3,500</u>
<b>Total unrestricted funds</b>		<u>43,602</u>	<u>50,524</u>
<b>Restricted Funds</b>			
Capital Fund		2,589	3,452
Revenue Fund		-	10,038
<b>Total Restricted funds</b>		<u>2,589</u>	<u>13,490</u>
<b>TOTAL FUNDS</b>	12	<u>46,191</u>	<u>64,014</u>

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

The Directors acknowledge their responsibilities for:

- (i) ensuring that the charitable Company keeps adequate accounting records which comply with section 386 of the Companies Act 2006, and
- (ii) preparing accounts 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 surplus or deficit for the financial year in accordance with the requirements of section 396, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the charitable 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.

**Approved by the Directors on the following date and signed on their behalf by:**

**Ms Kate Masri (Director)**

**Date:**

## **NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH 2015**

### **1 Accounting Policies**

The charitable Company has adopted the following accounting policies which should be read in conjunction with the Financial Statements set out on pages 14 to 15.

#### **(a) Basis of preparation**

The financial statements have been prepared under the historical cost conversion and in accordance with the Companies Act 2006, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice: Reporting and Accounting by Charities (issued in March 2005 and updated in May 2008) as modified for smaller charities.

#### **(b) Fund accounting**

Unrestricted funds are funds available for use or retention at the discretion of the Board of Directors in accordance with the charity's objectives.

Designated funds comprise funds which have been set aside by the Board of Directors for specific purposes.

Restricted funds are funds subject to specific restrictive conditions imposed by the donors or by the declared purposes.

#### **(c) Incoming resources**

Incoming resources are included in the Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Voluntary income, by way of grants and donations, is recognised in full when receivable and the charitable Company has unconditional entitlement.

Incoming resources from charitable activities are recognised when the related services have been provided.

Where income is received in advance of the provision of activities to which it relates it is deferred until the charitable company is entitled to that income.

#### **(d) Resources expended**

Resources expended are recognised in the Statement of Financial Activities when the liability is incurred and includes VAT that cannot be recovered.

Expenditure is allocated between the categories in the Statement of Financial Activities on the basis of how the resources are used. Expenditure relating to a particular activity is allocated directly to that activity.

Other expenditure is included under support costs and then apportioned to activities.

Charitable activities comprise expenditure incurred on providing facilities for social, educational and recreational services. It includes the direct costs and support costs relating to these activities.

Governance costs are the costs incurred on overall governance of the charitable company. As such, they mainly comprise costs of accounts scrutiny, professional and legal advice and trustee's costs.

#### **(e) Volunteers**

No amounts are included in the financial statements for services donated by volunteers.

#### **(f) Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation, which is provided on a reducing balance basis over the useful life of the asset at 25% per annum for all assets, except when purchased with capital grant whose terms and conditions specify otherwise. Full depreciation is provided in the year of purchase. The cost of items less than £2,000 each is written off in the year of purchase.

2	<b>Total Incoming Resources</b>	<b>Grant</b>	<b>Activity</b>	<b>Other</b>	<b>2015</b>	<b>2014</b>
	Analysis of Incoming Resources	<b>Income</b>	<b>Income</b>	<b>Income</b>	<b>Total</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Community Centre Programmes	23,490	51,101	4,394	<b>78,985</b>	103,172
		<u>23,490</u>	<u>51,101</u>	<u>4,394</u>	<u><b>78,985</b></u>	<u>103,172</u>
					<b>2015</b>	<b>2014</b>
			<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
			<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Voluntary Income</b>					
	<b>Grants &amp; Donations</b>					
	LB Waltham Forest		-	5,090	<b>5,090</b>	5,830
	City Bridge Trust		-	5,000	<b>5,000</b>	-
	Michael Davies Charitable Trust		5,000	-	<b>5,000</b>	-
	Ford Britain Trust		250	-	<b>250</b>	-
	Stow Brothers		2,000	-	<b>2,000</b>	-
	People's Health Trust		-	6,150	<b>6,150</b>	18,450
	<b>Total Grants</b>		<u>7,250</u>	<u>16,240</u>	<u><b>23,490</b></u>	<u>24,280</u>
	<b>Other Donations</b>		2,521	-	<b>2,521</b>	2,142
	<b>Total Voluntary Income</b>		<u><u>9,771</u></u>	<u><u>16,240</u></u>	<u><u><b>26,011</b></u></u>	<u><u>26,422</u></u>
	<b>Activities for Generating Funds</b>					
	Fund Generation		4,400	-	<b>4,400</b>	7,892
	Fundraising Income		453	-	<b>453</b>	398
	<b>Total Activities for Generating Funds</b>		<u>4,854</u>	<u>-</u>	<u><b>4,854</b></u>	<u>8,290</u>
	<b>Incoming from Charitable Activities</b>					
	Hiring Income		41,507	-	<b>41,507</b>	46,756
	Projects and Consultancy		4,740	-	<b>4,740</b>	20,433
	<b>Total Incoming from Charitable Activities</b>		<u>46,247</u>	<u>-</u>	<u><b>46,247</b></u>	<u>67,189</u>
	<b>Investment Income</b>					
	Bank Interest		98	-	<b>98</b>	96
	<b>Other Income</b>		1,775	-	<b>1,775</b>	1,175
	<b>Total Income</b>		<u><u>62,745</u></u>	<u><u>16,240</u></u>	<u><u><b>78,985</b></u></u>	<u><u>103,172</u></u>
	<b>3 Total Resources Expended</b>		<b>Direct</b>	<b>Support</b>	<b>2015</b>	<b>2014</b>
			<b>Costs</b>	<b>Costs</b>	<b>Total</b>	<b>Total</b>
			<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Fundraising</b>			-	-	115
	<b>Charitable Expenditure</b>					
	Community Centre Programmes		68,874	26,663	<b>95,537</b>	85,822
	Grant Payments		-	-	-	-
	<b>Total Charitable Expenditure</b>		<u>68,874</u>	<u>26,663</u>	<u><b>95,537</b></u>	<u>85,937</u>
	<b>Governance</b>			1,271	<b>1,271</b>	3,410
	<b>Total Costs</b>		<u>68,874</u>	<u>27,934</u>	<u><b>96,808</b></u>	<u>89,347</u>
	<b>3(a) Governance Costs</b>				<b>2015</b>	<b>2014</b>
	These comprise the following:				<b>Total</b>	<b>Total</b>
					<b>£</b>	<b>£</b>
	Independent Examiner's Fees				<b>1,100</b>	1,100
	Professional Fees				<b>171</b>	2,310
					<u><u>1,271</u></u>	<u>3,410</u>

<b>3(b) Direct Costs</b>	<b>2015</b>	<b>2014</b>
	£	£
Fundraising Costs	8,105	115
Wages	43,096	44,335
Other Staff Costs	539	254
Volunteer Costs	573	538
Health & Safety	-	88
Advertising	-	723
Projects & Consultancy Expenditure	11,290	11,940
Merchandise for Resale Cost	28	254
Activities Costs	4,757	1,009
Other Costs	486	186
<b>Total Direct Costs</b>	<b>68,874</b>	<b>59,442</b>

<b>3(c) Support Costs</b>	<b>2015</b>	<b>2014</b>
	£	£
Rent and Rates	8,357	8,386
Heat & Light	4,436	2,275
Printing & Stationery	1,690	1,917
Telephone & Computer Consumables	2,542	1,598
Building Maintenance & Cleaning	5,099	3,769
Insurance	1,115	1,199
General Expenses	440	621
Legal & Professional Fees	171	3,664
Accountancy	2,120	2,552
Independent Examination	1,100	1,100
Fixed Assets Disposal	-	1,652
Depreciation	863	1,172
<b>Total Support Costs</b>	<b>27,934</b>	<b>29,905</b>

<b>3(d) Expenditure Analysis</b>	<b>Wages</b>	<b>Depreciation</b>	<b>Other</b>	<b>2015</b>	<b>2014</b>
	£	£	£	£	£
<b>Restricted</b>					
LB Waltham Forest	-	863	6,175	7,038	4,965
City Bridge Trust	-	-	5,000	5,000	-
People's Health Trust	12,159	-	2,944	15,103	9,497
<b>Total Restricted</b>	<b>12,159</b>	<b>863</b>	<b>14,119</b>	<b>27,141</b>	<b>14,462</b>
<b>Unrestricted</b>					
General	30,937	-	38,730	69,667	(14,462)
<b>Total Unrestricted</b>	<b>30,937</b>	<b>-</b>	<b>38,730</b>	<b>69,667</b>	<b>(14,462)</b>
<b>Total Expenditure</b>	<b>43,096</b>	<b>863</b>	<b>52,849</b>	<b>96,808</b>	<b>-</b>

<b>4 Net Incoming Resources</b>	<b>2015</b>	<b>2014</b>
	£	£
This is stated after charging:		
Depreciation	863	1,172
Independent Examiner's Fees	1,100	1,100
	<b>1,963</b>	<b>2,272</b>

<b>5 Staff Cost and Numbers</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Gross pay	42,693	41,849
Social security costs	403	2,486
<b>Total</b>	<b><u>43,096</u></b>	<b><u>44,335</u></b>

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

	<b>2015</b>	<b>2014</b>
Average number of employees during the year was:	2.4	2.5

<b>6 Directors and Related Party Transactions</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
	<u>-</u>	<u>9,647</u>

There were no payments made during the year to Directors and related parties (2014 - there was a total of £9,647 paid to one Director and a party related to that Director).

**7 Taxation**

No provision has been made for taxation of the charitable company, because any surplus from its trading activities has been applied solely to its charitable purposes and most of the trading activities have occurred in the actual carrying out of its primary charitable purposes.

<b>8 Tangible Fixed Assets</b>	<b>Plant &amp; Machinery</b>	<b>Office Equipment</b>	<b>Fixture &amp; Fittings</b>	<b>Garden Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>					
As at 1st April 2014	7,998	-	-	-	7,998
Disposals	-	-	-	-	-
At 31st March 2015	<u>7,998</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,998</u>
<b>Depreciation</b>					
As at 1st April 2014	4,546	-	-	-	4,546
Charge for the Year	863	-	-	-	863
Disposals	-	-	-	-	-
At 31st March 2015	<u>5,409</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,409</u>
<b>Net Book Value</b>					
As at 1st April 2014	<u>3,452</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,452</u>
At 31st March 2015	<u><b>2,589</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>2,589</b></u>

<b>9 Debtors &amp; Prepayments</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade Debtors	11,497	9,108
Grant receivable	1,230	750
Prepayments	1,528	468
Rent	-	1,385
	<u>14,254</u>	<u>11,711</u>

<b>10 Creditors: Amounts Falling Due Within One Year</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade Creditors	2,330	653
Accruals	2,030	2,010
Taxation and Social Security Costs - PAYE	2,061	2,717
Deferred income - grants and donations received in advance	20,875	-
	<u>27,296</u>	<u>5,380</u>

<b>11 Net Assets</b>	<b>Unrestricted Funds</b>		<b>Restricted</b>	<b>2015</b>
Analysis between Funds	<b>General</b>	<b>Designated</b>	<b>Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed Assets	-	-	2,589	2,589
Current Assets	62,397	8,500	-	70,897
Less Current Liabilities	(27,296)	-	-	(27,296)
Net Assets	<u>35,102</u>	<u>8,500</u>	<u>2,589</u>	<u>46,191</u>

<b>12 Total Funds</b>	<b>At 1/4/14</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>At 31/3/15</b>
Analysis of Movement in Funds	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted</b>				
LB Waltham Forest				
Capital (a)	3,452	-	(863)	2,589
Revenue (b)	1,085	5,090	(6,175)	-
City Bridge Trust (c)	-	5,000	(5,000)	-
People's Health Trust (d)	8,953	6,150	(15,103)	-
<b>Total Restricted Funds</b>	<u>13,490</u>	<u>16,240</u>	<u>(27,141)</u>	<u>2,589</u>
<b>Unrestricted</b>				
Designated Emergencies (e)	5,000	-	-	5,000
Designated Dilapidations (f)	3,500	-	-	3,500
General	42,024	62,745	(69,667)	35,102
<b>Total Unrestricted Funds</b>	<u>50,524</u>	<u>62,745</u>	<u>(69,667)</u>	<u>43,602</u>
<b>Total Funds</b>	<u>64,014</u>	<u>78,985</u>	<u>(96,808)</u>	<u>46,191</u>

(a) The LB Waltham Forest Capital fund represents the cost of tangible fixed assets purchased through capital grant, less the related depreciation of these assets.

(b) The LB Waltham Forest Revenue fund was a number of small projects including Older People Activities, Asian Women, Computer Training and Oral History.

(c) The City Bridge Trust fund was to carry out an Access Audit for the Mill and prepare outline designs for improvement by an Architect, with a cost check by a Quantity Surveyor.

(d) People Health Trust provided funding for a Mentoring Scheme and Grow Your Idea. Training was provided for mentors who then went onto mentor new projects out of the Grow Your Idea competition, resulting in new groups being given room hire and expenses.

(e) The Designated Revenue fund has been set aside to ensure that redundancies and closure costs can be met at any one time and to allow coping with unforeseen circumstances.

(f) The Designated Dilapidations fund has been set aside to ensure that payments due at the end of the lease in respect of repairing and reinstatement obligations can be met.

<b>13 Contingencies and Contractual Commitments</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
At the end of the year there were no contingent liabilities. There were contractual commitments under a non-cancellable operating lease which expires as follow:		
Expiring in more than 5 years - premises rental payments	<u>6,000</u>	<u>6,000</u>