

**HAINAULT FOREST COMMUNITY ASSOCIATION**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST MARCH 2024**

**Charity No: 308119**

## **HAINAULT FOREST COMMUNITY ASSOCIATION**

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**HAINAULT FOREST COMMUNITY ASSOCIATION  
LEGAL AND ADMINISTRATIVE INFORMATION  
FOR THE YEAR ENDED 31ST MARCH 2024**

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**Trustees**

Chair                    Mr R Orrowe (to May 2023)  
                             Ms L Cray (from May 2023)

Vice Chair            Mr S Hindle (to June 2023)  
                             Mr L Heffernan (from June 2023)

Treasurer            Ms L Cray (to May 2023)  
                             Mr L Heffernan (from June 2023)

Secretary             Mrs B Willis (to March 2024)  
                             Ms J Hurley (from September 2024)

Mr G Papworth (from June 2023)	Miss F Farrell (from November 2024)
Ms J Wing (from June 2023)	Mrs K Rainey (from October 2024)
Cllr M Santos (from March 2023)	Mr K Lowe (from October 2024)
Cllr J Hehir (from March 2023)	Mr L Harty (from November 2024 to February 2025)
Cllr R Emmett (from March 2023)	Mr R Hardiman (from October 2024)
Cllr S Ali (from April 2023)	Mr S Rainey (from October 2024)
Cllr S Gould (from April 2023)	Mrs S Burton (from October 2024)
Cllr L Rahman (from April 2023)	Mr D Jones (from October 2024)

**Holding Trustees**

Mrs I Webb (to February 2025)  
Mr D Tower (to February 2025)  
Mr C Mitchell (died May 2023)

**Principal Office**

100B Manford Way, Chigwell, Essex, IG7 4DF

**Independent Examiner**

Lorraine Catherine Purdy FCCA  
Clay Ratnage Daffin & Co Limited  
Chartered Accountants and Statutory Auditors  
Suite D, The Business Centre  
Faringdon Avenue  
Romford  
Essex  
RM3 8EN

**Bankers**

Lloyds Bank Plc, 1-3 Market Place, Romford, Essex, RM1 3AA

**REPORT OF THE TRUSTEES OF  
HAINAULT FOREST COMMUNITY ASSOCIATION  
FOR THE YEAR ENDED 31ST MARCH 2024**

The trustees present their report along with the financial statements of the charity for the year ended 31<sup>st</sup> March 2024. The financial statements have been prepared in accordance with the accounting policies set out on page 9 to 10 and comply with the charity's trust deed and applicable law.

**Constitution and objectives**

Hainault Forest Community Association is constituted under a trust deed and is a registered charity No 308119.

The objects of the charity are to promote the benefit of the inhabitants of Hainault and the neighbourhood by associating the local authorities, voluntary organisations and inhabitants in common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure-time occupation with the object of improving the conditions of life for the said inhabitants.

**Organisational Structure**

The trustees who have served during the year and since the year end are set out on page 1. The charity is administered by a management committee, also set out on page 1, who are elected at the charity's Annual General Meeting. The management committee meet regularly to discuss the state of the charity and to decide on the future decisions that the charity should take.

**Financial review, Achievements, Performance and Investment Policy**

The results for the year are set out in the Statement of Comprehensive Income on page 5. The charity has generated income of £469,537 during the year and has expended £473,352.

During the year the charity received grants of £26,850 (2023: £27,893). Of the 2024 grants received, all were from the London Borough of Redbridge. Nursery fee income for this year is £332,532 compared to £299,699 in 2023. Amounts paid to employees have increased this year to £365,086 from £343,764 in 2023.

Income from hire of the facilities has improved in 2023-24 as we continue to move away from the restrictions in place during the Covid-19 pandemic. A covenanted receipt has been received from the Social Club although at a lower level than last year due to the impact of cost of living pressures that have been seen across the hospitality industry. Management continue to face the challenges of managing costs in an inflationary environment, so have been working with representatives from the London Borough of Redbridge to devise an action plan to manage the charity's reserves.

The charity has no future plans that will affect the balance sheet as at the year end, nor have there been any significant financial transactions since the balance sheet date.

There are no restrictions on the charity's power to invest.

**Reserves Policy**

At the balance sheet date the charity has unrestricted reserves of £327,030 (2023 - £330,845). The committee consider reserves of no less than fifty percent of the charity's running costs should be held as usable reserves.

**REPORT OF THE TRUSTEES OF  
HAINAULT FOREST COMMUNITY ASSOCIATION  
FOR THE YEAR ENDED 31ST MARCH 2024 (cont)**

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**Risk management**

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen the risks. The trustees have assessed the risks and uncertainties relating to the Coronavirus and the challenges that the fast-moving guidance represents and have put in plans to mitigate these risks with safety as a priority.

**Public Benefit**

With reference to the stated objectives and activities, the trustees provide public benefit to the residents of Hainault and the surrounding area by providing pre-school education and social welfare for recreation and leisure time occupations which improves the fabric of life for those that use the facility.

The trustees are, accordingly, able to confirm that they have complied with section 4 of the 2006 Charities Act to have regard to guidance published by the Charity Commission.

**Trustees' responsibilities in relation to the financial statements**

The trustees are 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 law applicable to charities in England and Wales requires the trustees 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 of the charity for that period. 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 and estimates that are reasonable and prudent;
- state whether applicable standards and statements of recommended practice have been followed, subject to any 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 business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 and signed on their behalf on 20/2/2025

by:

Ms L Cray  
Chair



**REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF  
OF HAINAULT FOREST COMMUNITY ASSOCIATION  
FOR THE YEAR ENDED 31ST MARCH 2024**

**Page 4**

I report to the charity trustees on my examination of the financial statements of Hainault Forest Community Association for the year ended 31<sup>st</sup> March 2024 which are set out on pages 5 to 13.

**Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

*Clay Ratnage Daffin + Co Ltd*

**Mrs Lorraine Catherine Purdy FCCA  
Clay Ratnage Daffin & Co Limited**

**Chartered Accountants**  
Suite D, The Business Centre  
Faringdon Avenue  
Romford, RM3 8EN

Date: 25/2/2025

**HAINAULT FOREST COMMUNITY ASSOCIATION  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED ON 31ST MARCH 2024**

**Page 5**

		<b>Unrestricted funds</b>	<i>Unrestricted funds</i>
	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
<b>INCOME AND EXPENDITURE</b>			
<b>Income</b>			
<b>Activities in furtherance of the Charity's objects</b>			
Grants Received	<b>4</b>	26,850	27,893
<b>Activities for generating funds:</b>			
Sundry Income	<b>5</b>	442,296	411,123
Interest Received		391	30
<b>Total Income</b>		<u>469,537</u>	<u>439,046</u>
<b>Expenditure</b>			
<b>Charitable expenditure</b>			
Management and Administration	<b>6</b>	473,352	456,444
<b>Total Expenditure</b>		<u>473,352</u>	<u>456,444</u>
<b>Total Comprehensive Expenditure for the year</b>		<u>(3,815)</u>	<u>(17,398)</u>

**HAINAULT FOREST COMMUNITY ASSOCIATION  
STATEMENT OF CHANGES IN RESERVES  
FOR THE YEAR ENDED ON 31ST MARCH 2024**

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	<b>Income and expenditure reserve £</b>	<b>Restricted reserve £</b>	<b>Total £</b>
Balance as at 1 <sup>st</sup> April 2023	330,845	-	330,845
Total comprehensive expenditure for the year	<u>(3,815)</u>	-	<u>(3,815)</u>
Balance as at 31 <sup>st</sup> March 2024	<u>327,030</u>	-	<u>327,030</u>

**HAINAULT FOREST COMMUNITY ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST MARCH 2024**

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**ASSOCIATION ASSETS**

	Note	<u>31.3.24</u>	<u>31.3.23</u>
		£	£
FIXED ASSETS			
Centre Equipment and Furniture	10	7,065	8,850
Leasehold Improvements	10	220,943	228,757
		<u>228,008</u>	<u>237,607</u>
CURRENT ASSETS			
Sundry Debtors	7	7,223	1,505
Bank Accounts		38,772	23,107
Cash in Hand		500	500
Owed by HFCA Social Club Limited		77,310	81,650
		<u>123,805</u>	<u>106,762</u>
CREDITORS: due within one year			
Trade Creditors		450	966
Sundry Creditors	8	24,333	12,558
		<u>24,783</u>	<u>13,524</u>
NET CURRENT ASSETS		99,022	93,238
NET ASSETS		<u>327,030</u>	<u>330,845</u>
SOURCE OF FUNDS			
Accumulated Fund	11	<u>327,030</u>	<u>330,845</u>

Approved by duly authorised members of the Management Committee



L CRAY



L HEFFERNAN



J HURLEY

Date: 20/2/2025

**HAINAULT FOREST COMMUNITY ASSOCIATION  
STATEMENT OF CASHFLOWS  
AS AT 31ST MARCH 2024**

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	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net expenditure for the reporting period (as per the statement of comprehensive income)	(3,815)	<i>(17,398)</i>
<b>Adjustments for</b>		
Depreciation charges	10,166	<i>10,758</i>
Interest received	(391)	<i>(30)</i>
(Increase)/decrease in debtors	(1,378)	<i>6,304</i>
Increase/(decrease) in creditors	11,259	<i>(10,948)</i>
<b>Net cash provided by / (used in) operating activities</b>	<b><u>15,841</u></b>	<b><u><i>(11,314)</i></u></b>
<b>Cash flows from investing activities</b>		
Dividends, interest and rents received	391	<i>30</i>
Purchase of property, plant and equipment	(567)	<i>(1,410)</i>
<b>Net cash used in investing activities</b>	<b><u>(176)</u></b>	<b><u><i>(1,380)</i></u></b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>15,665</b>	<b><i>(12,694)</i></b>
<b>Cash and cash equivalents at 1st April 2023</b>	<b><u>23,607</u></b>	<b><u><i>36,301</i></u></b>
<b>Cash and cash equivalents at 31st March 2024</b>	<b><u><u>39,272</u></u></b>	<b><u><u><i>23,607</i></u></u></b>
<b>Represented by:</b>		
<b>Cash at bank and in hand</b>	<b><u><u>39,272</u></u></b>	<b><u><u><i>23,607</i></u></u></b>

**HAINAULT FOREST COMMUNITY ASSOCIATION**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH 2024**

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**1. ACCOUNTING FRAMEWORK AND ACCOUNTING POLICIES**

**a) Accounting framework**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

**b) Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

**c) Income recognition**

Income is brought into account when it is more likely than not that the economic benefit of the income will accrue to the Charity.

**d) Expenditure**

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Charity to pay out resources.

**e) Tangible fixed assets and depreciation**

These are capitalised if they can be used for more than one year. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost over their expected useful lives as follows:

Centre Equipment and Furniture	25% Reducing balance (Excluding the VerandaCanopy – 10 years straight line)
Leasehold Improvements	2% Straight line

**f) Government Grants**

Grants are recognised annually only as and when any performance conditions attaching to the award are met. Government grants include grants receivable from the London Borough of Redbridge in respect of Nursery fees for children registered with the Charity. Government grants received for capital expenditure are recognised as income over the useful life of the asset and, where applicable, its individual components, under the accruals model. Coronavirus support grants are recognised when the eligibility criteria has been met.

**HAINAULT FOREST COMMUNITY ASSOCIATION**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH 2024**

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**g) VAT**

Since the Charity is not VAT registered, all input VAT is charged with the expenses to which it relates.

**h) Debtors and creditors; bank and cash**

Debtors are stated at the amounts owed to the Charity or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or amount advanced to the Charity. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit account balances are shown at the realisable values.

**i) Pensions**

The Charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Charity pays fixed contributions into a separate entity. Once the contributions have been paid the Charity has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Charity in independently administered funds.

**j) Financial instruments**

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

**k) Going concern**

The charity's performance has been impacted by the Covid-19 pandemic and subsequent inflationary environment, reducing income and increasing costs at a significant rate. Management have devised an action plan to improve income and manage costs and have secured additional grant funding to bolster cash reserves.

At the time of approving the financial statements, the trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for a period of 12 months from the approval of the financial statements. In arriving at their conclusion on going concern, the trustees have prepared a cashflow forecast through to 31 March 2026 based on reasonable assumptions and best estimates of monthly income and expenditure and reviewed the charity's current level of cash reserves. The trustees have not identified material uncertainty with regard to going concern, and therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

**2. GENERAL INFORMATION**

Hainault Forest Community Association is constituted under a trust deed and is a registered charity No 308119. The Charity's principal place of business is 100B Manford Way, Chigwell, Essex, IG7 4DF.

**3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATED UNCERTAINTY**

There are no significant judgements contained in these accounts.

**HAINAULT FOREST COMMUNITY ASSOCIATION**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH 2024**

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	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>4. GRANTS RECEIVED</b>		
London Borough of Redbridge	26,850	27,893
	<u>26,850</u>	<u>27,893</u>

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>5. SUNDRY INCOME</b>		
Regular Hire and Room Hire	96,575	85,295
Membership Fees	4,704	4,166
Nursery Charges	332,532	299,699
Fundraising Income	-	97
Covenanted Receipt	8,485	21,866
	<u>442,296</u>	<u>411,123</u>

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>6. MANAGEMENT AND ADMINISTRATION</b>		
Wages	365,086	343,764
Business and Water Rates	3,337	5,210
Gas and Electricity	24,695	24,893
Telephone	5,533	5,536
Insurance	2,821	2,625
Maintenance and Repairs	22,911	20,728
Office Supplies and Stationery	4,515	4,014
Postage	15	31
Grass Cutting	550	580
Independent Examiners Fees	2,724	2,520
Nursery Expenses	20,821	26,570
Bank Charges and Interest	749	949
Refuse Collection	4,716	3,514
Rentokil	1,334	1,435
Sundry Expenses	35	35
TV Licence	159	159
Computer Expenses	3,185	2,848
Writers Group	-	250
Donations	-	25
Depreciation – Leasehold Improvements	7,814	7,814
Depreciation – Centre Equipment and Furniture	2,352	2,944
	<u>473,352</u>	<u>456,444</u>

**HAINAULT FOREST COMMUNITY ASSOCIATION**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH 2024**

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	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>7. SUNDRY DEBTORS</b>		
Nursery Fees	952	864
Other Debtors	6,271	641
	<u>7,223</u>	<u>1,505</u>

**8. CREDITORS**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Due within one year:		
Nursery Fees Prepaid	2,209	806
HM Revenue & Customs - PAYE & NIC	8,710	4,583
Independent Examiners Fees	2,724	2,520
Net Wages	5,572	-
Light and Heat	2,400	2,365
Membership Fees	2,718	2,284
	<u>24,333</u>	<u>12,558</u>

**9. EMPLOYEES**

The average number of persons employed during the year was:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Administration	<u>20</u>	<u>20</u>

Employees costs were as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	342,275	322,251
Social security costs	17,621	16,286
Pension costs	5,190	5,227
	<u>365,086</u>	<u>343,764</u>

During the year no remuneration or expenses were paid to the trustees (2023 - £nil).

**HAINAULT FOREST COMMUNITY ASSOCIATION**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH 2024**

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**10. FIXED ASSETS**

<b>COST</b>	<b>Leasehold Improvements</b>	<b>Centre Equipment</b>
	<b>£</b>	<b>£</b>
At 31 <sup>st</sup> March 2023	390,703	166,119
Additions	-	567
Disposals	-	-
At 31 <sup>st</sup> March 2024	<u>390,703</u>	<u>166,686</u>

**DEPRECIATION**

At 31 <sup>st</sup> March 2023	161,946	157,269
Charge for Year	7,814	2,352
Depreciation on disposals	-	-
At 31 <sup>st</sup> March 2024	<u>169,760</u>	<u>159,621</u>

**NET BOOK VALUE**

At 31 <sup>st</sup> March 2023	<u>228,757</u>	<u>8,850</u>
At 31 <sup>st</sup> March 2024	<u>220,943</u>	<u>7,065</u>

**11. FUNDS**

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objectives, subject to the reserves policy referred to in the trustees report.

**12. RELATED PARTY TRANSACTIONS**

There are no related party transactions that require disclosure.

**13. PENSION COMMITMENTS**

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost represents contributions payable by the Charity to the fund and amounted to £5,190 (2023 - £5,227). Contributions totalling £1,577 (2023 - £999) were payable to the fund at the balance sheet date and are included in creditors.