

COMPANY REGISTRATION NUMBER: NI037440
CHARITY REGISTRATION NUMBER: NIC100193

**Northdown Communityworks
Company Limited by Guarantee
Consolidated Financial Statements
30 June 2023**

Northdown Communityworks

Company Limited by Guarantee

Financial Statements

Year ended 30 June 2023

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Northdown Communityworks

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 June 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30 June 2023.

Reference and administrative details

Registered charity name Northdown Communityworks

Charity registration number NIC100193

Company registration number NI037440

Principal office and registered office 3 Glenford Way
Newtownards
Co Down
BT23 4BX

The trustees

Mr A Beattie
Ms J Bailie
Ms E Bell (resigned 21 October 2022)
Mr R Bell
Mr R Craig
Mr J McClelland

Company secretary Mr R Craig

Auditor Johnston Graham Limited
Chartered accountants & statutory auditor
216/218 Holywood Road
Belfast
BT4 1PD

Structure, governance and management

Northdown Communityworks, which is registered as a charity with the Charity Commission for Northern Ireland, was incorporated as a company limited by guarantee in Northern Ireland on 29 November 1999, registration number NI37440, with the objective of undertaking charitable activities for the benefit of the inhabitants of Northern Ireland.

In the event of the Company being wound up members are required to contribute an amount not exceeding £10 each.

The first trustees were appointed by the members. Additional and replacement trustees are appointed by a simple majority resolution of the board or members. Trustees do not have a term of office and are not subject to retirement by rotation or re-election.

Northdown Communityworks

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 June 2023

Objectives and activities

The objectives of the charity include:

- The relief of poverty
- Advancement of education
- Promoting the welfare of the aged
- Preservation and protection of health through the provision of counselling
- Provision of facilities in the interests of social welfare

In the past year the Trustees of Northdown Communityworks, its staff, volunteers and members have remained committed to developing the work of the charity and ensuring that the objectives of the charity are delivered on.

The trustees remain committed to developing and promoting good governance as this allows us, and the entire team at Northdown Communityworks, our staff, volunteers, and members to deliver activities which meet our objectives. We remained committed to continual development of our policies, strategic plans and monitoring reports which are needed to ensure that the standard of the work remains high and any areas for improvement can be properly identified. We have also continued to work with outside professional organisations to deliver appropriate assistance for the members of the community. Staff, volunteers and trustees are trained to ensure skilled services are delivered to members and to the wider community in line with our objectives as a charity.

The direct benefits flowing from our purposes throughout the year are varied. They include, but are not limited to, those listed below.

- We continued to deliver our range of food programmes including providing food to those who are unable to provide food for their families.
- We continued in our partnership with the South-Eastern Regional College and other local providers to ensure the advancement of education locally.
- We provided placements for SERC in our kitchen overseen by our professional chef, and in Wear & Share to develop retail training.
- We provided training for our volunteers and members which facilitated the advancement of education.
- We continued to deliver a range of drop-in services. These drop ins have included our very successful breakfast drop in, activity-based groups and programmes which have allowed a range of ages, including older people, space to join in community projects which promoted their welfare and provided facilities in the interests of social welfare.
- We worked in partnership with Community Advice and Ards and North Down Borough Council to provide an advice service which meets a range of our objectives.
- We provided a range of summer clubs and projects for younger people and their families which included a holiday lunch scheme throughout the summer and a range of activities throughout the year.
- We continued to deliver Wear & Share offering free clothing and household items ensuring that people experiencing poverty and crisis could access clothing suitable for their immediate needs.
- We were able to promote the welfare of elderly people by engaging the local community to write cards and provide gifts for them through the 'Silver Santa' scheme.
- Our social supermarket - Well Fed - was launched in conjunction with Ards & North Down Borough Council. This is a pilot scheme to understand how best to meet the needs of our community. Users of the scheme have access to support services, in addition to a fully stocked supermarket.
- We purchased 3 Glenford Way during the year. Plans are underway for the redevelopment of the building to provide a suitable and comfortable space to continue the projects in the years to come.

Northdown Communityworks

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 June 2023

Overall, it was another busy year which developed, and evolved, the activities that the charity provides.

The direct benefits flowing from these purposes include reducing the impact of social deprivation, addressing poverty, providing well-balanced meals, improving educational outcomes, improving the health and quality of life of older people, improving mental health and family relationships and improved physical and mental health outcomes.

The charity also owns the entire share capital of Openhouse Enterprises Limited and Northdown Enterprises Limited, both of which are companies registered in Northern Ireland.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

The Charity continued to provide oversight to affiliated charities and provide guidance and financial support where appropriate.

Northdown Enterprises Limited, one of the Charity's subsidiary undertakings, continued to deliver counselling services and personnel development services including the Independent Counselling Schools Service (ICSS) contract for post-primary schools throughout Northern Ireland for the Education Authority for Northern Ireland. It also provides counselling to approximately 40 primary schools as well as a large number of individual clients.

During the year, this company assisted with donations to the parent company to enable it to achieve its charitable objectives.

The trustees thank all those involved for their hard work in developing Communityworks.

Reserves Policy

The trustees have not set a minimum level of reserves higher than the amount required for its fixed asset investments since all expenditure is currently discretionary.

The trustees regularly review the level of reserves held and consider opportunities to apply them in line with, and in furtherance of, its charitable objectives.

Financial review

Incoming resources for Northdown Communityworks and its subsidiary companies totalled £3,036,712 compared to £2,727,868 for the year to 30 June 2022, with outgoing resources of £2,588,018 (£2,300,006 in 2022). At 31 March 2023 the group showed a consolidated net asset position of £2,039,832.

Plans for future periods

The company plans to achieve sustainable growth in the coming year. They plan to build on the current successes in order that they maintain and develop the range of services aimed at serving the local community.

Northdown Communityworks

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 June 2023

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting 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 charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 26 March 2024 and signed on behalf of the board of trustees by:



Mr A Beattie
Trustee

Northdown Communityworks

Company Limited by Guarantee

Independent Auditor's Report to the Members of Northdown Communityworks

Year ended 30 June 2023

Opinion

We have audited the consolidated financial statements of Northdown Communityworks (the 'charity') and its subsidiaries (the "group") for the year ended 30 June 2023 which comprise the consolidated statement of financial activities (including income and expenditure account), consolidated statement of financial position, company statement of financial position, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity and the group's affairs as at 30 June 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Northdown Communityworks

Company Limited by Guarantee

Independent Auditor's Report to the Members of Northdown Communityworks

(continued)

Year ended 30 June 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity and the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Northdown Communityworks

Company Limited by Guarantee

Independent Auditor's Report to the Members of Northdown Communityworks (continued)

Year ended 30 June 2023

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Northdown Communityworks

Company Limited by Guarantee

Independent Auditor's Report to the Members of Northdown Communityworks

(continued)

Year ended 30 June 2023

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

E Mulholland

Ms E Mulholland (Senior Statutory Auditor)

For and on behalf of
Johnston Graham Limited
Chartered accountants & statutory auditor
216/218 Holywood Road
Belfast
BT4 1PD

26 March 2024

Northdown Communityworks

Company Limited by Guarantee

Consolidated Statement of Financial Activities (including income and expenditure account)

Year ended 30 June 2023

| | | 2023 | 2023 | 2022 |
|---|--------------|------------------|----------------|------------------|
| | Unrestricted | Restricted | Total funds | Total funds |
| Note | funds | funds | £ | £ |
| | £ | £ | | |
| Income and endowments | | | | |
| Donations and legacies | 5 | 16,911 | 140,825 | 157,736 |
| Other trading activities | 6 | 2,870,861 | – | 2,870,861 |
| Investment income | 7 | 8,115 | – | 8,115 |
| Total income | | <u>2,895,887</u> | <u>140,825</u> | <u>3,036,712</u> |
| Expenditure | | | | |
| Expenditure on raising funds: | | | | |
| Costs of other trading activities | 9 | 2,328,501 | – | 2,328,501 |
| Expenditure on charitable activities | 10,11 | 123,506 | 134,438 | 257,944 |
| Taxation | | 1,573 | – | 1,573 |
| Total expenditure | | <u>2,453,580</u> | <u>134,438</u> | <u>2,588,018</u> |
| Net income and net movement in funds | | <u>442,307</u> | <u>6,387</u> | <u>448,694</u> |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 1,588,946 | 2,192 | 1,591,138 |
| Total funds carried forward | | <u>2,031,253</u> | <u>8,579</u> | <u>2,039,832</u> |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Northdown Communityworks
Company Limited by Guarantee
Consolidated Statement of Financial Position
30 June 2023

| | Note | 2023 £ | 2022 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible fixed assets | 15 | 332,002 | 17,308 |
| Current assets | | | |
| Debtors | 16 | 736,954 | 821,888 |
| Cash at bank and in hand | | 1,631,293 | 1,352,605 |
| | | <u>2,368,247</u> | <u>2,174,493</u> |
| Creditors: amounts falling due within one year | 17 | <u>658,663</u> | <u>598,683</u> |
| Net current assets | | <u>1,709,584</u> | <u>1,575,810</u> |
| Total assets less current liabilities | | <u>2,041,586</u> | <u>1,593,118</u> |
| Provisions | 18 | <u>1,754</u> | <u>1,980</u> |
| Net assets | | <u>2,039,832</u> | <u>1,591,138</u> |
| Funds of the charity | | | |
| Restricted funds | | 8,579 | 2,192 |
| Unrestricted funds | | 2,031,253 | 1,588,946 |
| Total charity funds | 19 | <u>2,039,832</u> | <u>1,591,138</u> |

These financial statements were approved by the board of trustees and authorised for issue on 26 March 2024, and are signed on behalf of the board by:



Mr A Beattie
Trustee

Northdown Communityworks**Company Limited by Guarantee****Company Statement of Financial Position****Year ended 30 June 2023**

| | Note | 2023 | | 2022 |
|---|------|------------------|------------------|------------------|
| | | £ | £ | £ |
| Fixed assets | | | | |
| Tangible fixed assets | 15 | | 322,774 | 6,884 |
| Investments | | | <u>20,001</u> | <u>20,001</u> |
| | | | 342,775 | 26,885 |
| Current assets | | | | |
| Debtors | 16 | 585,822 | | 563,583 |
| Cash at bank and in hand | | <u>1,077,897</u> | | <u>975,294</u> |
| | | 1,663,719 | | 1,538,877 |
| Creditors: amounts falling due within one year | 17 | <u>62,823</u> | | <u>64,772</u> |
| Net current assets | | | <u>1,600,896</u> | <u>1,474,105</u> |
| Total assets less current liabilities | | | <u>1,943,671</u> | <u>1,500,990</u> |
| Net assets | | | <u>1,943,671</u> | <u>1,500,990</u> |
| Funds of the charity | | | | |
| Restricted funds | | | 8,579 | 2,192 |
| Unrestricted funds | | | <u>1,935,092</u> | <u>1,498,798</u> |
| Total charity funds | | | <u>1,943,671</u> | <u>1,500,990</u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 26 March 2024, and are signed on behalf of the board by:



Mr A Beattie
Trustee

Northdown Communityworks

Company Limited by Guarantee

Consolidated Statement of Cash Flows

Year ended 30 June 2023

| | 2023 £ | 2022 £ |
|---|------------------|------------------|
| Cash flows from operating activities | | |
| Net income | 448,694 | 427,862 |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible fixed assets | 12,445 | 18,663 |
| Other interest receivable and similar income | (8,115) | (620) |
| Interest payable and similar charges | 1,292 | 1,222 |
| Taxation | 1,573 | 1,419 |
| Accrued expenses/(income) | 4,503 | (3,036) |
| <i>Changes in:</i> | | |
| Trade and other debtors | 643,668 | (1,028,208) |
| Trade and other creditors | (502,095) | 582,044 |
| Cash generated from operations | 601,965 | (654) |
| Interest paid | (1,292) | (1,222) |
| Interest received | 8,115 | 620 |
| Tax paid | (2,735) | (545) |
| Net cash from/(used in) operating activities | <u>606,053</u> | <u>(1,801)</u> |
| Cash flows from investing activities | | |
| Purchase of tangible assets | (327,139) | (14,622) |
| Net cash used in investing activities | <u>(327,139)</u> | <u>(14,622)</u> |
| Net increase/(decrease) in cash and cash equivalents | 278,914 | (16,423) |
| Cash and cash equivalents at beginning of year | 1,352,605 | 1,370,359 |
| Cash and cash equivalents at end of year | <u>1,631,519</u> | <u>1,353,936</u> |

Northdown Communityworks

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 June 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Northern Ireland and a registered charity in Northern Ireland. The address of the registered office is 3 Glenford Way, Newtownards, Co Down, BT23 4BX.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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 (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Consolidation

The financial statements consolidate the financial statements of North Down Community Works and its subsidiary undertakings.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and had not presented its individual statement of financial activities.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period.

Current tax is recognised on taxable income or expenditure for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Northdown Communityworks

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

3. Accounting policies *(continued)*

Income tax *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Northdown Communityworks

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

| | | |
|------------------------|---|----------------------------------|
| Fixtures and fittings | - | 20%, 25% or 33.33% Straight line |
| Premises fit out costs | - | 10% straight line |

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Northdown Communityworks

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in income or expenditure unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in the statement of financial activities in the period it arises, and is allocated to the appropriate expenditure heading.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

4. Limited by guarantee

The charity does not have a share capital and is limited by guarantee.

Northdown Communityworks

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

5. Donations and legacies

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2023 £ |
|----------------------------|----------------------------|--------------------------|--------------------------|
| Donations | | | |
| Offerings and donations | 4,043 | 5,132 | 9,175 |
| Grants and other donations | 12,868 | 135,693 | 148,561 |
| | <u>16,911</u> | <u>140,825</u> | <u>157,736</u> |
| | | | |
| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ |
| Donations | | | |
| Offerings and donations | 3,688 | 8,025 | 11,713 |
| Donations - Other | 19,996 | - | 19,996 |
| | <u>23,682</u> | <u>8,025</u> | <u>31,707</u> |

6. Other trading activities

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|---------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Northdown Enterprises Ltd | <u>2,870,861</u> | <u>2,870,861</u> | <u>2,723,761</u> | <u>2,723,761</u> |

7. Investment income

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|--------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Bank interest receivable | <u>8,115</u> | <u>8,115</u> | <u>620</u> | <u>620</u> |

8. Costs of raising donations and legacies

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|--|----------------------------|--------------------------|----------------------------|--------------------------|
| Costs of raising donations and legacies - Donations | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

Northdown Communityworks

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

9. Costs of other trading activities

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|--------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| North Down Enterprises Limited | <u>2,328,501</u> | <u>2,328,501</u> | <u>2,177,936</u> | <u>2,177,936</u> |

10. Expenditure on charitable activities by fund type

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2023 £ |
|-----------------------|----------------------------|--------------------------|--------------------------|
| Charitable activities | <u>123,506</u> | <u>134,438</u> | <u>257,944</u> |

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ |
|-----------------------|----------------------------|--------------------------|--------------------------|
| Charitable activities | <u>143,038</u> | <u>5,833</u> | <u>148,871</u> |

11. Expenditure on charitable activities by activity type

| | Activities undertaken directly £ | Total funds 2023 £ | Total fund 2022 £ |
|-----------------------|---|--------------------------|-------------------------|
| Charitable activities | <u>257,944</u> | <u>257,944</u> | <u>148,871</u> |

12. Net income

Net income is stated after charging/(crediting):

| | 2023 £ | 2022 £ |
|---------------------------------------|---------------|---------------|
| Depreciation of tangible fixed assets | <u>12,445</u> | <u>18,663</u> |

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

| | 2023 £ | 2022 £ |
|--------------------|------------------|------------------|
| Wages and salaries | <u>2,093,401</u> | <u>1,920,016</u> |

The average head count of employees during the year was 135 (2022: 136).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

Northdown Communityworks

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

14. Trustee remuneration and expenses

No remuneration was received by the trustees in respect of their role as trustee. However two of the trustees Ms J Bailie and Mrs E Bell (up to the date of resignation as a trustee) received remuneration from the group for professional services rendered in these companies in the collective amount of £42,353.

15. Tangible fixed assets

| | Freehold property £ | Fixtures and fittings £ | Premises fit out costs £ | Total £ |
|------------------------|---------------------------|-------------------------------|--------------------------------|----------------|
| Cost | | | | |
| At 1 July 2022 | – | 105,606 | 28,361 | 133,967 |
| Additions | 315,000 | 12,139 | – | 327,139 |
| At 30 June 2023 | <u>315,000</u> | <u>117,745</u> | <u>28,361</u> | <u>461,106</u> |
| Depreciation | | | | |
| At 1 July 2022 | – | 89,716 | 26,943 | 116,659 |
| Charge for the year | – | 11,027 | 1,418 | 12,445 |
| At 30 June 2023 | <u>–</u> | <u>100,743</u> | <u>28,361</u> | <u>129,104</u> |
| Carrying amount | | | | |
| At 30 June 2023 | <u>315,000</u> | <u>17,002</u> | <u>–</u> | <u>332,002</u> |
| At 30 June 2022 | <u>–</u> | <u>15,890</u> | <u>1,418</u> | <u>17,308</u> |

Company

| | Land and buildings £ | Fixtures and fittings £ | Total £ |
|------------------------|----------------------------|-------------------------------|----------------|
| Cost | | | |
| At 1 July 2022 | – | 11,953 | 11,953 |
| Additions | 315,000 | 4,723 | 319,723 |
| At 30 June 2023 | <u>315,000</u> | <u>16,676</u> | <u>331,676</u> |
| Depreciation | | | |
| At 1 July 2022 | – | 5,069 | 5,069 |
| Charge for the year | – | 3,833 | 3,833 |
| At 30 June 2023 | <u>–</u> | <u>8,902</u> | <u>8,902</u> |
| Carrying amount | | | |
| At 30 June 2023 | <u>315,000</u> | <u>7,774</u> | <u>322,774</u> |
| At 30 June 2022 | <u>–</u> | <u>6,884</u> | <u>6,884</u> |

Northdown Communityworks

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

| 16. Debtors | Group | | Company | |
|--------------------------------------|----------------|----------------|----------------|----------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Trade debtors | 688,579 | 791,714 | - | - |
| Amounts owed from group undertakings | - | - | 534,774 | 558,734 |
| Prepayments and accrued income | 13,542 | 24,624 | 19,142 | - |
| Other debtors | 34,833 | 5,550 | 31,906 | 4,489 |
| | 736,954 | 821,888 | 585,822 | 563,583 |

17. Creditors: amounts falling due within one year

| | Group | | Company | |
|---------------------------------|----------------|----------------|---------------|---------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Trade creditors | 56,826 | 61,294 | 31,011 | 37,466 |
| Accruals and deferred income | 25,193 | 20,690 | 25,196 | 20,690 |
| Corporation tax | 1,563 | 2,725 | - | - |
| Social security and other taxes | 171,688 | 150,720 | - | - |
| Other creditors | 403,393 | 363,254 | 6,616 | 6,616 |
| | 658,663 | 598,683 | 62,823 | 64,772 |

18. Provisions

| | Deferred tax (note) £ |
|--------------------------|------------------------------|
| At 1 July 2022 | 1,980 |
| Charge against provision | (226) |

Northdown Communityworks

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

19. Analysis of charitable funds

Unrestricted funds

| | At 1 July 22 | Income | Expenditure | At 30 June 23 |
|---------------|------------------|------------------|--------------------|------------------|
| | £ | £ | £ | £ |
| General funds | <u>1,588,946</u> | <u>2,895,887</u> | <u>(2,453,580)</u> | <u>2,031,253</u> |

| | At 1 July 21 | Income | Expenditure | At 30 June 22 |
|---------------|------------------|------------------|--------------------|------------------|
| | £ | £ | £ | £ |
| General funds | <u>1,163,276</u> | <u>2,719,843</u> | <u>(2,294,173)</u> | <u>1,588,946</u> |

Restricted funds

| | At 1 July 2022 | Income | Expenditure | At 30 June 2023 |
|-----------------|----------------|----------------|------------------|-----------------|
| | £ | £ | £ | £ |
| Restricted Fund | <u>2,192</u> | <u>140,825</u> | <u>(134,438)</u> | <u>8,579</u> |

| | At 1 July 2021 | Income | Expenditure | At 30 June 2022 |
|-----------------|----------------|--------------|----------------|-----------------|
| | £ | £ | £ | £ |
| Restricted Fund | <u>—</u> | <u>8,025</u> | <u>(5,833)</u> | <u>2,192</u> |

20. Analysis of net assets between funds

| | Unrestricted Funds | Total Funds |
|----------------------------|--------------------|------------------|
| | £ | £ |
| Tangible fixed assets | 332,002 | 332,002 |
| Current assets | 2,368,247 | 2,368,247 |
| Creditors less than 1 year | (658,663) | (658,663) |
| Provisions | (1,754) | (1,754) |
| Net assets | <u>2,039,832</u> | <u>2,039,832</u> |

| | Unrestricted Funds | Total Funds |
|----------------------------|--------------------|------------------|
| | £ | £ |
| Tangible fixed assets | 17,349 | 17,349 |
| Current assets | 2,733,182 | 2,733,182 |
| Creditors less than 1 year | (1,157,417) | (1,157,417) |
| Provisions | (1,980) | (1,980) |
| Net assets | <u>1,591,134</u> | <u>1,591,134</u> |

21. Analysis of changes in net debt

| | At 1 Jul 2022 | Cash flows | At 30 Jun 2023 |
|--------------------------|------------------|----------------|------------------|
| | £ | £ | £ |
| Cash at bank and in hand | <u>1,352,605</u> | <u>278,688</u> | <u>1,631,293</u> |