

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

ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2015

Company Registration Number 07476591
Registered Charity Number 1140081

THE FRIENDS OF SUMMERHILL LIMITED

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ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2015

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THE FRIENDS OF SUMMERHILL LIMITED

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TRUSTEES ANNUAL REPORT

For the year ended 31 March 2015

The trustees for The Friends of Summerhill Limited, who are also directors for the purposes of company law, have pleasure in presenting their report and financial statements of the charity for the year ended 31 March 2015.

Members of the Board and Professional Advisers

Registered Charity Number 1140081

Company Number 07476591

Trustees/Directors Dr Dow Smith (Chair)
Caroline Gant
Carla Louise Walker
Lionel Joyce OBE, CBE
Rebecca Eves
Neil Canavan
Dr Daniel Nettle
Richard Greenwell

Development Manager Hugh Stolliday

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

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

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

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

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TRUSTEES ANNUAL REPORT

For the year ended 31 March 2015

Structure, Governance and Management

Governing Documents

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. At 31st March 2015 there were 378 members, 8 of whom are trustees.

Method of Recruitment of Trustees

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

Induction and Training of Trustees

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

Risk Management

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

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

Objectives and Activities

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

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

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

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

Achievements and Performance

Our fourth full year has been one of ongoing development and growth.

Building and maintaining a community organisation requires continuous effort and enthusiasm. After the initial excitement of having a new project has dampened, we have ensured that we continue to keep our pace of development up. Our fourth full year of activity saw a number of new areas of work; most notably the acquisition of and work on our new orchard space.

Building Community Benefit

For the Year Ended 31st March 2015 over 7500 people attended nearly 300 events in the pavilion and lawns. These events and activities have had an incredibly broad range, from community uses to larger festivals and weddings. It is the breadth and diversity of activity at Summerhill that make it a treasured resource. As in previous years, private hire of the pavilion and lawns has helped subsidise the smaller community activities that use the space. This 'Robin Hood' model has helped us maintain very low hire fees for community activity whilst receiving no revenue funding from external funders.

As in previous years we also hosted a summer fair, a Christmas fair and a Fireworks night event.

Events included:

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

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Professional Team Building Days
Arts events and, Food and Cooking workshops

Some of our regular users include:

Food Nation
Swing Tyne
Tango on Tyne
The Comfrey Project
National Childbirth Trust

Building financial sustainability

Over the course of the year, 89% of our income was earned from room hire, parking and the bar. Whilst this is a great achievement, we were disappointed that a number of large funding bids for essential renovations to the pavilion were unsuccessful. A top priority for 2015/16 is to raise money to replace the roof and toilets.

Building a community

During 2014/15 we continued to play an important role at the heart of our Newcastle Community. We continued to develop our partnerships with the city Council and other third sector organisations, despite a bleak funding outlook in the public sector.

Our membership grew to 378, the majority of whom live in and around the Summerhill area. Membership uptake was assisted by the introduction of an online membership signup facility

Thanks to the tireless efforts of our volunteers, great progress was made on our community growing space and wildlife garden. We also saw the first steps made on the development of our orchard space (acquired in June 2014) including a successful tree-planting day in November 2014.

Whilst we continue to rely on a relatively small cadre of volunteers, a number of successful volunteer days and events have encouraged more regular volunteers to work on the site. With the help of the Newcastle Volunteer Centre, we were able to hold a number of corporate volunteer days which helped us to get a lot done in our outside spaces.

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For the year ended 31 March 2015

Organisational Development

Hugh Stolliday (Development Manager – 4 days per week) and Sam Shotton (co-ordinator – 16 hours per week) continued in their roles. The board are conscious of the heavy workload that falls upon the staff and will continue to monitor whether staff provision is sufficient.

During the course of the year, we put in place better reporting and appraisal systems, including monthly one to one meetings and a formal appraisal process with staff to monitor and review performance.

Plans for the coming year

Our key aims for 2015/16 are to:

- * Repair/replace the roof of the pavilion
- * Improve toilet facilities, including disabled loos and baby change
- * Rebuild our bar and bar storage to create more space in the pavilion.
- * Resurface the car park and replace the main gate
- * Undertake repairs to the boundary walls

Conclusion

The year was another successful one. We are very lucky to be able to stand on our own two feet as an organisation and not depend on grants or support for our revenue costs. Nevertheless we are aware of the importance of raising funds for essential building and renovation works.

Financial Review

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

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

The Trustees have assessed the financial position of the Charity for the Year Ended 31st March 2015 based on known levels of funding and reasonable assumptions of future funding and are forecasting that the charity will be in surplus at 31st March 2016.

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TRUSTEES ANNUAL REPORT

For the year ended 31 March 2015

Statement of Trustee Responsibilities

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

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

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small Companies Provisions

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

Approved by the trustees on: 20/10/2015 and signed on their behalf by:

Dr Dow Smith (Chair)

Date:

THE FRIENDS OF SUMMERHILL LIMITED

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2015

I report on the financial statements of The Friends of Summerhill Limited for the year ended 31 Mar 2015, which are set out on pages 8 to 15

Respective responsibilities of trustees and examiner

The trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for the year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met ; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Doug Maltman
Ellison Services Limited
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date: 25/11/2015

THE FRIENDS OF SUMMERHILL LIMITED

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STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING THE INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 March 2015

	Note	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Incoming resources					
From generated funds					
Voluntary income	3	2,801	-	2,801	3,188
Activities for generating funds	4	70,897	-	70,897	58,644
Investment income (bank interest)		33	-	33	20
From charitable activities	6	1,192	1,425	2,617	13,011
Total incoming resources		74,923	1,425	76,348	74,863
Resources expended					
Cost of generating funds					
Cost of generating voluntary income	7	19,697	175	19,872	16,454
Charitable activities	8	60,140	-	60,140	34,925
Governance costs	9	867	-	867	744
Other resources expended	10	1,204	1,250	2,454	592
Total resources expended		81,908	1,425	83,333	52,715
Net income/(expenditure) for the year		(6,985)	-	(6,985)	22,148
Total funds brought forward		91,346	2,000	93,346	71,198
Total funds carried forward		84,361	2,000	86,361	93,346

The Statement of Financial Activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006

The notes on pages 10 to 15 form an integral part of these accounts.

THE FRIENDS OF SUMMERHILL LIMITED

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Company Registration Number 07476591

BALANCE SHEET

As at 31 March 2015

	Note	£	Total 2015 £	£	Total 2014 £
Fixed assets					
Tangible assets	16		70,976		73,766
Total fixed assets			70,976		73,766
Current assets					
Debtors and prepayments	17	786		887	
Cash at bank and in hand	18	19,576		21,849	
Total current assets		20,362		22,736	
Less:					
Creditors: amounts falling due within one year	19	(4,977)		(3,156)	
Net current assets			15,385		19,580
Total assets less current liabilities			86,361		93,346
Funds of the charity					
Unrestricted income funds			84,361		91,346
Restricted income funds			2,000		2,000
Funds of the charity			86,361		93,346

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

The Trustees acknowledge their responsibilities for:

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

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

The notes on pages 10 to 15 form an integral part of these accounts.

These financial statements were approved by the Board on: 20/10/2015

and are signed on its behalf by: Lionel Joyce OBE CBE _____

THE FRIENDS OF SUMMERHILL LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

1 Basis of preparation

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

2 Accounting policies

INCOMING RESOURCES

2.1 Form of financial statements

- (a) Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- (b) Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal

2.2 Incoming resources

- (a) These are included in the Statement of Financial Activities (SoFA) when:
the charity becomes entitled to the resources;
the trustees are virtually certain they will receive the resources; and
the monetary value can be measured with sufficient reliability.
- (b) Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.
- (c) Bank interest is recognised when it is credited to the account

EXPENDITURE AND LIABILITIES

2.3 Liability recognition

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

2.4 Governance costs

- (a) Include costs of the preparation and examination of statutory accounts, the cost of trustee meetings and cost of any legal advice to the trustees on governance or constitutional matters

ASSETS

2.5 Tangible fixed assets for use by the charity

- (a) Fixed Assets are stated at cost less accumulated depreciation, the costs of minor additions or those costing below £250 are not capitalised. Depreciation is provided at rates calculated to write of the cost of each asset over its expected useful life which is estimated as follows:

Office furniture	-20%	straight line
Office and computer equipment	-25%	straight line
Additions to leasehold property	-	Over life of lease

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

Analysis of incoming resources

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
3 Voluntary income				
Donations	2,272	-	2,272	2,552
Gift Aid Rebate	529	-	529	636
	<u>2,801</u>	<u>-</u>	<u>2,801</u>	<u>3,188</u>
4 Activities for generating funds				
Deposits	2,400	-	2,400	3,125
Parking Fees	6,604	-	6,604	6,118
Room Hire	24,392	-	24,392	20,378
Bar Takings	37,501	-	37,501	29,023
	<u>70,897</u>	<u>-</u>	<u>70,897</u>	<u>58,644</u>
5 Investment income				
Bank interest	33	-	33	20
	<u>33</u>	<u>-</u>	<u>33</u>	<u>20</u>
6 Incoming resources from charitable activities				
Grants	-	1,425	1,425	11,088
Memberships	47	-	47	22
Other Incoming Resources	1,145	-	1,145	1,901
	<u>1,192</u>	<u>1,425</u>	<u>2,617</u>	<u>13,011</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

Analysis of resources expended

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
7 Cost of generating voluntary income				
Event Costs	19,697	175	19,872	16,454
	<u>19,697</u>	<u>175</u>	<u>19,872</u>	<u>16,454</u>
8 Charitable activities				
<u>Direct costs</u>				
Consultancy Fees	12,014	-	12,014	12,488
Staff Salaries	17,500	-	17,500	-
Staff Pension	700	-	700	-
	<u>30,214</u>	<u>-</u>	<u>30,214</u>	<u>12,488</u>
<u>Support costs</u>				
Professional Fees	1,745	-	1,745	-
Caretaker Salary	6,337	-	6,337	5,165
Travelling and Parking	650	-	650	-
Training	150	-	150	-
Payroll Fees	254	-	254	243
Repairs and Maintenance	6,972	-	6,972	5,926
Insurance	1,636	-	1,636	1,533
Utilities	3,311	-	3,311	2,985
Rates	251	-	251	245
Lease	1,540	-	1,540	-
Equipment	360	-	360	-
IT	836	-	836	-
Publicity	1,096	-	1,096	1,059
Licences	512	-	512	512
Depreciation	4,276	-	4,276	4,313
Subscriptions	-	-	-	456
	<u>29,926</u>	<u>-</u>	<u>29,926</u>	<u>22,437</u>
9 Governance costs				
Independent examiner's fee	867	-	867	744
	<u>867</u>	<u>-</u>	<u>867</u>	<u>744</u>
10 Other resources expended				
Other Expenses	1,204	1,250	2,454	592
	<u>1,204</u>	<u>1,250</u>	<u>2,454</u>	<u>592</u>
11 Trustee expenses				

No trustees were paid expenses during the period. (2014 £nil)

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

	2015 £	2014 £
12 Fees for examination of the accounts		
Independent examiner's fees for reporting on the accounts	816	744
Other fees paid to the examiner	15	-
	<u>831</u>	<u>744</u>

13 Staff costs and emoluments

Gross wages, salaries and benefits in kind	23,837	5,165
Employer's pension costs	700	-
	<u>24,537</u>	<u>5,165</u>

No employee received remuneration above £60,000

14 Average number of full-time equivalent employees for the year

	2015 Number	2014 Number
The parts of the charity in which the employee's work	1.0	1.0
Charitable activities Support	1.0	1.0
	<u>2.0</u>	<u>2.0</u>

15 Defined contribution pension scheme

Brief details of the scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The employer's pension costs represent contributions payable by the charity to the fund

16 Tangible fixed assets	Fixtures and fittings £	Equipment £	Total £
Cost			
Balance brought forward	76,890	6,134	83,024
Additions	-	1,486	1,486
Balance carried forward	<u>76,890</u>	<u>7,620</u>	<u>84,510</u>
Depreciation			
Balance brought forward	7,667	1,591	9,258
Depreciation charge for year	2,769	1,507	4,276
Balance carried forward	<u>10,436</u>	<u>3,098</u>	<u>13,534</u>
Net book value			
Brought forward	<u>69,223</u>	<u>4,543</u>	<u>73,766</u>
Carried forward	<u>66,454</u>	<u>4,522</u>	<u>70,976</u>

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For the year ended 31 March 2015

17 Debtors and prepayments (receivable within 1 year)

	2015 £	2014 £
Prepayments and accrued income	786	887
	<u>786</u>	<u>887</u>

18 Bank and cash balances

	2015 £	2014 £
Bank current account	18,376	20,349
Closing Stock	1,200	1,500
	<u>19,576</u>	<u>21,849</u>

19 Creditors and accruals (payable within 1 year)

	2015 £	2014 £
Accruals		
Independent examination of accounts	831	1,932
Other accruals	1,586	-
Deferred income		
Swing Tyne - Room Hire	-	864
A Werner - Room Hire	-	360
Newcastle City Council - Polytunnel	833	-
Newcastle City Council - Gate Works	1,152	-
Newcastle City Council - Sparks	575	-
	<u>4,977</u>	<u>3,156</u>

20 Movements of major funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted fund					
Newcastle City Council	-	1,425	(1,425)	-	-
Community Foundation	2,000	-	-	-	2,000
Totals	<u>2,000</u>	<u>1,425</u>	<u>(1,425)</u>	<u>-</u>	<u>2,000</u>
Unrestricted fund					
General funds	22,123	75,030	(80,096)	-	17,057
Designated - Value of Building	69,223	-	(2,769)	-	66,454
Totals	<u>91,346</u>	<u>75,030</u>	<u>(82,865)</u>	<u>-</u>	<u>83,511</u>

Transfers None

Purpose of restricted funds

Newcastle City Council Small Sparks Project.
Community Foundation Purchase of clay oven.

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For the year ended 31 March 2015

21 Company limited by guarantee

- (a) The company is limited by guarantee and its governing document is its memorandum and articles of association
- (b) The trustees hold no shares in the company but each trustee, as a member, is a guarantor of the company, to an amount not exceeding £1, in the event of the winding up of the company.

22 Capital commitments

- (a) At 31 Mar 2015, the charity had no capital commitments (2014 -£nil)

23 Ultimate controlling party

- (a) The trustees consider that the charitable company has no other ultimate controlling party other than the board of trustees themselves.