

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
ST MATTHEWS COMMUNITY CENTRE LBG**

ST MATTHEWS COMMUNITY CENTRE LBG

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

DIRECTORS:

P Mahy
H Lucas
K Bell
T Doan-Guilbert
J Granger

REGISTERED OFFICE:

Cobo Community Centre
Rue de la Lande
Castel
Guernsey
GY5 7EJ

ACCOUNTANTS:

Grant Thornton Limited
Chartered Accountants
St James Place
St James Street
St Peter Port
Guernsey
GY1 2NZ

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report with the unaudited financial statements of the Company for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review was that of fundraising for the establishment and running of a community centre.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

P Mahy
H Lucas
K Bell
T Doan-Guilbert
J Granger

Other changes in directors holding office are as follows:

M Bartlett - resigned 6 January 2022
A Done - resigned 12 September 2022
T C C Lodge - appointed 24 May 2022 and resigned 9 January 2023
L Ward - appointed 12 September 2022 and resigned 25 September 2023
D B Legge - resigned 1 January 2023
J M Bradshaw - resigned 17 May 2023
D M Legge - resigned 1 March 2023
J Kendal - resigned 6 March 2023
H Lucas – appointed on 1 March 2024
T Doan-Guilbert - appointed 22 March 2024
K Bell – appointed 11 April 2024
J Granger - appointed 22 July 2024

GOING CONCERN

The directors, having considered the Company's objectives and available resources along with its projected income and expenditure, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors remain confident that the going concern basis remains appropriate in preparing these financial statements.

EXEMPTION FROM AUDIT

The members have not required the Company to obtain an audit for the year in accordance with section 256(3) of the Companies (Guernsey) Law, 2008. The members have passed a resolution in accordance with section 256 of the Companies (Guernsey) Law 2008, exempting the Company from the requirement to have its financial statements audited. Consequently, the directors confirm that these financial statements have not been audited.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

DIRECTORS' RESPONSIBILITIES STATEMENT - continued


- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACCOUNTANTS

The accountants, Grant Thornton Limited, have indicated their willingness to continue in this capacity.

ON BEHALF OF THE BOARD:


.....
Director

Date: 11th September 2024

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
ST MATTHEWS COMMUNITY CENTRE LBG**

In order to assist you to fulfil your duties under The Companies (Guernsey) Law, 2008, we have prepared for your approval the financial statements of St Matthews Community Centre LBG for the year ended 31 December 2022 which comprise the Income and Expenditure Account, Balance Sheet and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of St Matthews Community Centre LBG, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of St Matthews Community Centre LBG and state those matters that we have agreed to state to the Board of Directors of St Matthews Community Centre LBG, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Matthews Community Centre LBG and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that St Matthews Community Centre LBG has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of St Matthews Community Centre LBG. You consider that St Matthews Community Centre LBG is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of St Matthews Community Centre LBG. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

We draw your attention to note 9 that states the Long term creditor loans are recorded at their nominal value and not as their net present values.

Signed by:

Grant Thornton Limited

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Grant Thornton Limited
Chartered Accountants
St James Place
St James Street
St Peter Port
Guernsey
GY1 2NZ

16 September 2024

Date:

This page does not form part of the statutory financial statements

ST MATTHEWS COMMUNITY CENTRE LBG

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
TURNOVER		65,980	62,224
Administrative expenses		(65,226)	(63,137)
OPERATING PROFIT/(LOSS)		754	(913)
Interest receivable and similar income		<u>38</u>	<u>2</u>
		792	(911)
Interest payable and similar expenses		(4,000)	(4,000)
LOSS BEFORE TAXATION		(3,208)	(4,911)
Tax on loss	4	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(3,208)</u>	<u>(4,911)</u>

The notes form part of these financial statements

ST MATTHEWS COMMUNITY CENTRE LBG


BALANCE SHEET
31 DECEMBER 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	5	1,459,591	1,481,706
CURRENT ASSETS			
Debtors	6	1,559	1,350
Cash at bank and in hand	7	<u>28,942</u>	<u>31,319</u>
		30,501	32,669
CREDITORS			
Amounts falling due within one year	8	<u>(228,513)</u>	<u>(229,588)</u>
NET CURRENT LIABILITIES			
		<u>(198,012)</u>	<u>(196,919)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		1,261,579	1,284,787
CREDITORS			
Amounts falling due after more than one year	9	<u>(390,000)</u>	<u>(410,000)</u>
NET ASSETS			
		<u>871,579</u>	<u>874,787</u>
RESERVES			
Retained earnings	10	<u>871,579</u>	<u>874,787</u>
		<u>871,579</u>	<u>874,787</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 11.9. September 2024 and were signed on its behalf by:


.....
Director


.....
Director

The notes form part of these financial statements

1. **COMPANY INFORMATION**

St Matthews Community Centre LBG is a private Company, limited by guarantee, incorporated in Guernsey with registration number 49917. The registered office is as detailed on page 1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The financial statements are prepared under the historical cost convention, give a true and fair view, have been prepared in compliance with the Financial Reporting Standard 102 'The Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland' ("FRS 102"), Section 1A Small Entities and are in compliance with The Companies (Guernsey) Law, 2008.

The financial statements are prepared in GBP (£) being the functional and presentational currency of the Company.

Income and expenditure

Income and expenditure are accounted for on an accruals basis.

Leasehold property

The leasehold property was initially valued at cost, being the costs incurred during the construction of the property. Subsequently, the leasehold property has been valued at cost less any accumulated depreciation and any accumulated impairment losses, with no impairment losses being identified at the balance sheet date.

The Company have entered into an agreement to lease the land in which the leasehold property is situated on for an initial term of 50 years with the option to extend for a further 25 years. When the construction of the leasehold property was finalised, 73 years remained on the lease of this land and therefore this has been used as the useful life.

Debtors

Short term trade debtors are measured at the transaction price.

Cash and cash equivalents

Cash and cash equivalents represent those balances held within the Company's bank accounts and in term deposits of three months or less.

Creditors

Short term and long term creditors, including the type A and type B Bonds, are measured at the transaction price. The effective interest rate method has not been used for subsequent valuation of the long term bonds as there is no exact fixed date for repayment. The long term creditors have not been discounted and so are not in line with FRS102.

Cash flow statement

Under FRS102, Section 1A.7 the Company is exempt from preparing a Statement of Cash Flows on grounds of being a small entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the Directors to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The most significant estimation in the accounts is the valuation of the leasehold property.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 1 (2021 - 1).

4. TAXATION

The company is a Registered Charity and is exempt from Guernsey income tax.

5. TANGIBLE FIXED ASSETS

	Leasehold property £
COST	
At 1 January 2022	
and 31 December 2022	<u>1,614,396</u>
DEPRECIATION	
At 1 January 2022	132,690
Charge for year	<u>22,115</u>
At 31 December 2022	<u>154,805</u>
NET BOOK VALUE	
At 31 December 2022	<u>1,459,591</u>
At 31 December 2021	<u>1,481,706</u>

The leasehold property relates to a community centre which was constructed by the company on land owned by the Trustees of St Matthews Church. The lease is for an initial term of 50 years, with the option to extend this for a further 25 years, and at a nominal annual rent until such time as the company's bonds have been repaid (see note 9).

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Prepayments	<u>1,559</u>	<u>1,350</u>

7. CASH AT BANK AND IN HAND

	2022 £	2021 £
HSBC Bank Plc - Money Manager account	24,985	27,947
HSBC Bank Plc - Community account	3,883	3,277
Cash in hand	<u>74</u>	<u>95</u>
	<u>28,942</u>	<u>31,319</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	4,513	5,088
Income in advance	2,000	2,500
Third Party Loans and interest	<u>222,000</u>	<u>222,000</u>
	<u>228,513</u>	<u>229,588</u>

See note 9 for details on the third party loans and interest.

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Third Party Loans	115,000	135,000
Type A Bonds	220,000	220,000
Type B Bonds	<u>55,000</u>	<u>55,000</u>
	<u>390,000</u>	<u>410,000</u>

The Company received three interest free loans of £50,000 each from third parties. The loans are repayable in 10 annual instalments of £5,000 from 30 June 2017. The Company has also received a fourth interest free loan from a third party of £85,000 of which £50,000 is repayable in 10 annual instalments of £5,000 from 30 June 2017, with the remaining £35,000 to be repaid on demand on any date after 30 July 2026.

The Company provided third parties with type A and B bonds in exchange for cash which was put towards the construction of the Leasehold Property. The type A bonds are interest free, unsecured and are to be repaid between December 2017 and December 2024. The type B bonds are interest free, unsecured and are to be repaid between December 2025 and December 2029. In addition, no security is given for repayment of the Bonds.

Included within the third party loans is a loan of £200,000 (2021: £200,000) which was to be fully repaid by 31 December 2021, the terms have been changed so that there is no fixed repayment date. Interest is due at 2% per annum, payable half yearly in arrears on 30 June and 31 December. At the year end interest of £4,000 (2021: £4,000) was payable to the third party which has been included within the current creditors.

FRS102 requires that these loans are measured at the present value of future cash payments, discounted at the market rate of interest of a similar liability. Performing the calculation requires the determination of the rate of interest that would be charged on a similar loan, and the date on which the loan will be repaid. The directors are of the opinion that it is not possible to carry out the necessary calculation. As a result of the considerations noted, the directors have determined that in order to comply with the over-riding requirement to fairly present the substance of transactions, it is appropriate to record the loan at its nominal value and not carry out a net present value calculation.

It had originally been envisaged that the debts would be discharged by 31 December 2029 and that there would be a disposable surplus. However, the accounts will have to reflect that this is not going to be achieved and the Board will need to consider the debt position.

10. RESERVES

	Retained earnings £
At 1 January 2022	874,787
Deficit for the year	<u>(3,208)</u>
At 31 December 2022	<u>871,579</u>

11. OTHER FINANCIAL COMMITMENTS

The Company entered a lease agreement whose term is until 31 August 2064, in relation to the leasehold property (note 5).

The rent commitment is £4,000 per annum until 31 August 2029. Such rent will be increased from 1 September 2021 and the 1 September 2025 respectively by an amount equivalent to any increase in the rate of the Guernsey Retail Price Index for the intervening period. From 1 September 2029, if or when the provisions regarding Future Surplus Net Income come into effect, the rent shall revert to £5 per annum until the end of this lease or any extension thereof.

12. LIMITATION OF GUARANTEE

The company is a company limited by guarantee. The liability of each of its members at 31 December 2022 is limited to the extent that they have undertaken to contribute to the assets of the company an amount limited to, and not exceeding, £1 per member.

13. SUBSEQUENT EVENTS

There are no events subsequent to the year end that require adjusting in the financial statements.

ST MATTHEWS COMMUNITY CENTRE LBG

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022		2021	
	£	£	£	£
Turnover				
Gifts and donations	1,827		6,890	
Other fund raising events	-		6,234	
Fee income - bookings	62,753		46,986	
Donation in kind	1,400		1,300	
States payroll co-funding	-		814	
		65,980		62,224
Other income				
Deposit interest		38		2
		66,018		62,226
Expenditure				
Rent of premises	4,000		4,000	
Rates and water	750		575	
Insurance	2,909		2,501	
Light and heat	3,035		3,054	
Wages	7,214		10,556	
Telephone	914		820	
Cleaning	10,439		8,475	
Sundry expenses	553		912	
Sewage	498		651	
Supplies and maintenance	11,399		8,178	
Accountancy	1,400		1,300	
		43,111		41,022
		22,907		21,204
Finance costs				
Loan interest		4,000		4,000
		18,907		17,204
Depreciation				
Leasehold property		22,115		22,115
NET LOSS		(3,208)		(4,911)

This page does not form part of the statutory financial statements