REPORT OF THE DIRECTORS AND

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

FOR

ST MATTHEWS COMMUNITY CENTRE LBG

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FOR THE YEAR ENDED 31 DECEMBER 2020

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COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTORS:	P Mahy D Legge D Legge J Kendall Ward T C C Lodge
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

The directors present their report with the unaudited financial statements of the Company for the year ended 31 December 2020.

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 who have held office during the period from 1 January 2020 to the date of this report are as follows:

J M Bradshaw - appointed 1 October 2020
P Fairclough - resigned 1 October 2020
P Mahy - appointed 1 October 2020
M Bartlett - appointed 1 October 2020
D Legge - appointed 1 October 2020
D Legge - appointed 1 October 2020
J Kendall - appointed 1 October 2020
A Done - appointed 1 October 2020

Ward and T C C Lodge were appointed as directors after 31 December 2020 but prior to the date of this report.

M Bartlett, A Done, M Bartlett, S Lamb and J M Bradshaw ceased to be directors after 31 December 2020 but prior to the date of this report.

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. The directors are closely monitoring the latest market developments related to COVID-19, and possible future impact on the Company's financial statements. 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:

- 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.

DIRECTORS' RESPONSIBILITIES STATEMENT - continued

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: 26/6/2023

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 2020 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.

DocuSigned 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

Date: 14/08/2023

ST MATTHEWS COMMUNITY CENTRE LBG

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
TURNOVER		**48,900**	54,818
Administrative expenses		**(59,787)**	(59,430)
OPERATING LOSS		**(10,887)**	(4,612)
Interest receivable and similar income		**25**	53
		(10,862)	(4,559)
Interest payable and similar expenses		**(4,000)**	(4,000)
LOSS BEFORE TAXATION		**(14,862)**	(8,559)
Tax on loss	4	**-**	-
LOSS FOR THE FINANCIAL YEAR		**(14,862)**	(8,559)

The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	5	**1,503,821**	1,525,936
CURRENT ASSETS			
Debtors	6	**1,151**	1,116
Cash at bank and in hand	7	**14,706**	28,431
		15,857	29,547
CREDITORS			
Amounts falling due within one year	8	**(229,980)**	(230,923)
NET CURRENT LIABILITIES		**(214,123)**	(201,376)
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,289,698**	1,324,560
CREDITORS			
Amounts falling due after more than one year	9	**(410,000)**	(430,000)
NET ASSETS		**879,698**	894,560
RESERVES			
Retained earnings	10	**879,698**	894,560
		879,698	894,560

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 26th June 2023 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 (2019 - 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 2020 and 31 December 2020	1,614,396
DEPRECIATION	
At 1 January 2020	88,460
Charge for year	22,115
At 31 December 2020	110,575
NET BOOK VALUE	
At 31 December 2020	1,503,821
At 31 December 2019	1,525,936

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 11).

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Prepayments	1,151	1,116

7. CASH AT BANK AND IN HAND

	2020 £	2019 £
HSBC Bank Plc - Money Manager account	7,211	24,985
HSBC Bank Plc - Community account	7,490	3,441
Cash in hand	5	5
	14,706	28,431

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	**4,980**	5,923
Income in advance	**3,000**	3,000
Third Party Loans and interest	**222,000**	222,000
	229,980	230,923

See note 8 for details on the third party loans and interest.

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

	2020	2019
	£	£
Third Party Loans and interest	**135,000**	155,000
Type A Bonds	**220,000**	220,000
Type B Bonds	**55,000**	55,000
	410,000	430,000

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 expected to be repaid between December 2017 and December 2024. The type B bonds are interest free, unsecured and are expected to be repaid between December 2025 and December 2029.

Included within the third party loans is a loan of £200,000 (2019: £200,000) which was to be fully repaid by 31 December 2020, 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 (2019: £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.

10. RESERVES

	Retained earnings £
At 1 January 2020	894,560
Deficit for the year	(14,862)
At 31 December 2020	879,698

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 2020 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

From the view of the Directors, COVID-19 is considered to be a non-adjusting event and as a result, no adjustments are made in these financial statements.

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

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020		2019	
	£	£	£	£
Turnover				
Gifts and Donations	**365**		1,228	
Other fund raising events	**43**		1,472	
Fee income - bookings	**46,447**		52,118	
Donation in kind	**1,250**		-	
States payroll co-funding	**795**		-	
		48,900		54,818
Other income				
Deposit interest		**25**		53
		48,925		54,871
Expenditure				
Rent of premises	**4,000**		4,000	
Rates and water	**466**		776	
Insurance	**2,267**		1,898	
Light and heat	**2,258**		3,089	
Wages	**10,796**		8,643	
Administration expenses	**-**		198	
Telephone	**784**		759	
Cleaning	**6,943**		10,534	
Sundry expenses	**615**		618	
Sewage	**476**		308	
Supplies and maintenance	**7,817**		6,492	
Accountancy	**1,250**		-	
		37,672		37,315
		11,253		17,556
Finance costs				
Loan interest		**4,000**		4,000
		7,253		13,556
Depreciation				
Leasehold property		**22,115**		22,115
NET LOSS		**(14,862)**		(8,559)

This page does not form part of the statutory financial statements