

Stewartstown Road Regeneration Project

Annual report and financial statements

31 May 2012



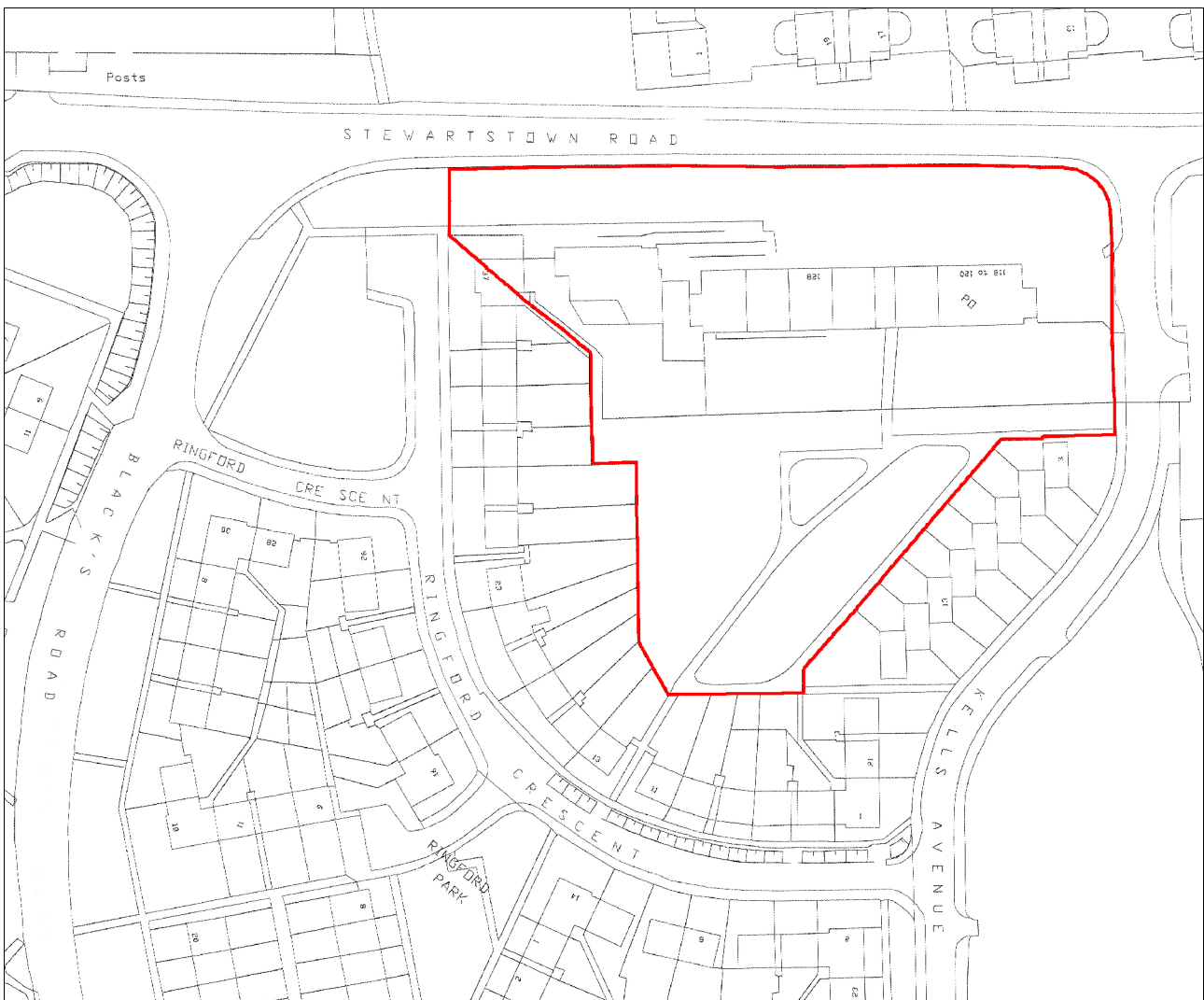
A local inter-community business stimulating and promoting
economic and social regeneration

Annual report (June 2011 to May 2012)

Stewartstown Road Regeneration Project (SRRP) has continued to trade successfully and profitably as a property management and regeneration company. It remains a rare example in Northern Ireland of an inter-community led initiative that has created shared physical and social space at a formerly contested and violent interface.

Property and estate

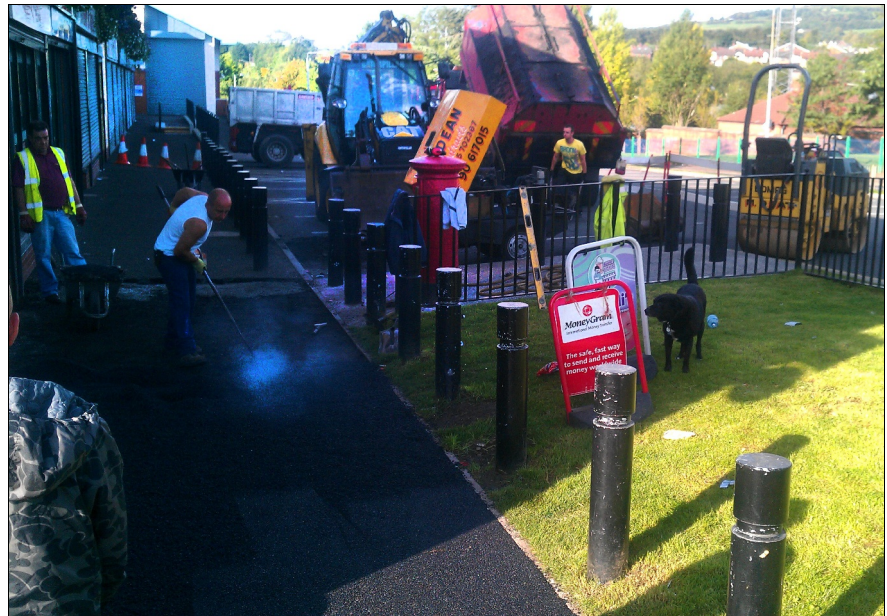
SRRP's estate comprises 22,370 square feet of commercial buildings with associated car parking and landscaping and approximately 2/3 acre of grass parkland. Construction was carried out in two phases completed in 2002 and 2008.



SRRP estate outlined in red

The first phase comprising four retail units and 5,000 square feet office space cost approximately £840,000 and was funded entirely from public resources including Department for Social Development, International Fund for Ireland, and European Union structural funds, with 'in-kind' contributions from Northern Ireland Housing Executive (NIHE). The second phase comprising an additional two retail units, 2,000 square feet office space, and a 50 place children's day nursery cost approximately £1.36M and was mainly funded by the same public resources as phase 1 but with a contribution of £79,000 from SRRP's retained profits.

During the year June 2011 to May 2012 SRRP invested in upgrading the estate to improve safety for pedestrians and to better manage traffic flow into and out of the front car park. A ten year old portion of the pedestrian footpath was completely resurfaced with a modern porous 'bitmac' material. A speed ramp and associated pedestrian crossing were also constructed.



Contractors laying new footpath



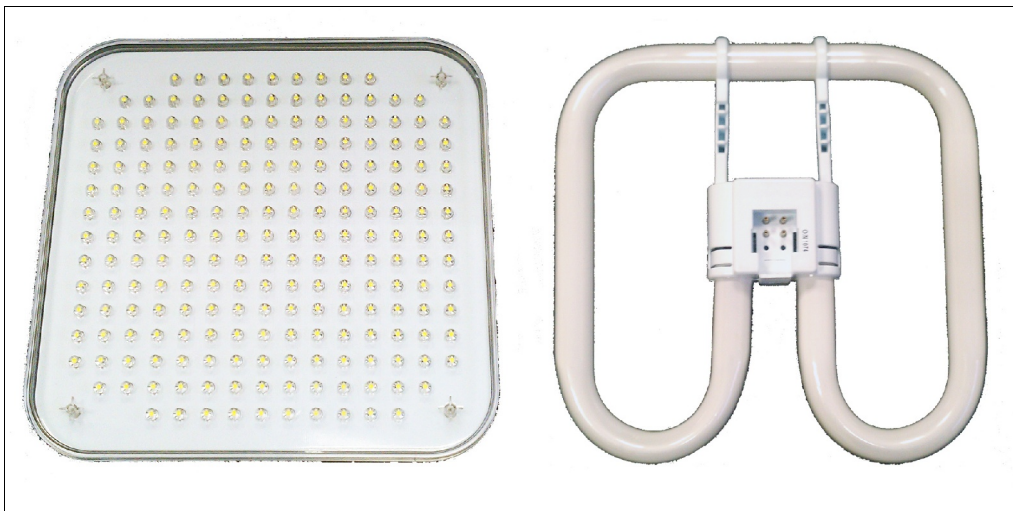
New speed ramp and pedestrian footway

The overall aim of these various external refurbishments is to maintain the site as a place where people from both adjoining communities and elsewhere can feel safe and secure while going about normal everyday shopping activities.

The company was successful in an application to the Big Lottery's Energy Efficient Venues grant scheme. An award of £8,858 was made to:

- undertake a certified energy audit of the premises
- replace some insulation in the boiler room
- fund planning and building control applications for a possible photo-voltaic electricity generation installation
- install energy efficient light emitting diode (LED) illumination in a portion of the first floor area.

The installation of cool white 'daylight' colour temperature LED lighting in a portion of the first floor has brought about a significant reduction in electricity consumption as well as a considerable brightening of otherwise dull winter days.



The 11 Watt 'daylight' LED lamp on the left replaces the 31 Watt fluorescent tube on the right and provides slightly greater luminance

Festive lighting was affixed to the front, rear, and gable walls of the main building for the first time over the Christmas season 2011-2012. This complemented the external 'Christmas tree' and was well received by the general public.

A digital projector, electric screen, and stereo sound system were installed in the conference room – bringing this facility up to the modern standard expected of such a venue.



'Icicle' festive lighting – affixed to the front of the building

Tenant affairs

All commercial office and retail units continue to be occupied by twelve tenants which include businesses, statutory agencies, and community based initiatives and projects. The company continues to investigate further possibilities for future regeneration initiatives although no additional land is currently available for building or development projects within the area owned and managed by SRRP.

SRRP's tenants include:

Costcutter / Suffolk Post Office	(groceries and sub post office)
Murphy's Blinds	(decorative blinds manufacturer and installer)
The Coffee House	(day time café)
Woodbourne Pharmacy	(prescription medicines and pharmacy)
Triona Hair and Beauty	(ladies' stylist)
Sparkles Daycare	(children's daycare)
Early Years Team	(Belfast Health & Social Care Trust)
Surestart	(education, childcare, health, and family support)
Lenadoon Counselling Project	(adult and child counselling and psychotherapy)
Suffolk Lenadoon Interface Group	(inter-community development and peace building)
Lenadoon Community Forum (LCF)	(community development)
Suffolk Community Forum (SCF)	(community development)

Upwards of ninety people are employed by these organisations and the company's facilities are used on a daily basis. People from the local communities also use the building in the evenings and weekends as they participate in activities and services organised and provided by several community groups. Premises opening hours are flexible to cope with this enhanced demand. Communal facilities and furnishings have been upgraded accordingly.

One commercial tenant vacated a retail unit after ten years on site. The SRRP directors take this opportunity to thank Mr. Frank Cahill for his early investment on the site and wish him every success with his new venture elsewhere. The company was fortunate to find a new tenant for this unit quite quickly. The directors welcome Mr. Aidan Murphy – trading as 'Murphy's Blinds' – and wish him every success for his growing business.

Community affairs

During the reporting year (June 2011 to May 2012) the company donated £17,775 as follows:

£7,700	SLIG Youth Trainee Programme – including £2,500 pertaining to the year 2010 - 2011. This scheme has helped twelve young people from Suffolk, Lenadoon, and Ardoyne to complete a one year Pre-vocational Certificate in Youth Studies at the University of Ulster.
£1,000	Towards the cost of the SLIG Christmas Fair 2011.
£6,500	Consultancy to investigate the feasibility of a SLIG initiated “Heritage Trail” and potential for funding via Heritage Lottery Fund.
£1,575	Consultancy to assess feasibility of developing integrated pre-school provision at “Teelings Green” on Black's Road under the auspices of SLIG.
£1,000	Kids Together West Belfast – towards operating costs.



SLIG youth trainees 2011 - 2012



Public information meeting about changes to benefits system – March 2012



Elderly residents attending an information morning – Spring 2011

SLIG Christmas Fair 2011



Board affairs

The Board of Directors has met monthly and the 10th Annual General Meeting was held in February 2012. Ewan Suttie resigned from SRRP in September 2011. The board extends its thanks to Ewan for his contribution to the development of the company.

By agreed custom the offices of chair and company secretary are held by representatives from Lenadoon and Suffolk and alternate between the communities each year. Prior to the AGM the elected office holders were:

Chair:	Paddy O'Donnell	(Lenadoon)
Secretary:	Ewan Suttie	(Suffolk)
Vice chair:	Chris O'Halloran	(Independent)
Treasurer:	Len McComb	(Independent)

After the AGM the board elected the following office holders:

Chair:	Deborah Brinkley	(Suffolk)
Secretary:	Paddy O'Donnell	(Lenadoon)
Vice chair:	Chris O'Halloran	(Independent)
Treasurer:	Len McComb	(Independent)

Finances

SRRP is in the fortunate position of having had its capital costs largely funded directly by International Fund for Ireland, Department for Social Development, European Union Structural Funds and indirectly by Northern Ireland Community Relations Council, and Ballymore Properties Ltd (donation procured via the office of Uachtarán na hÉireann).

Invaluable non-monetary technical support has been – and continues to be provided – by the Northern Ireland Housing Executive. The directors express their sincere thanks to all these funders for their contributions and awards and for their continued support for SRRP's endeavours. The company does not receive revenue funding. In May 2011 SRRP was accepted by HM Revenue & Customs as a charity for tax purposes under the reference XT 27868.

During the year June 2011 to May 2012 the company achieved a trading surplus of £60,015. Current company policy is to retain one third of the trading surplus and to distribute the remainder equally between Lenadoon Community Forum and Suffolk Community Forum to assist with projects and services.

In February 2012 the company distributed £31,859 to each forum – based on the previous year's trading surplus – which was used to assist as follows:

Suffolk Community Forum:

Funding criteria for SCF changed significantly due to reduced funding overall from SRRP, SLIG, and BRO. The forum made the decision to temporarily suspend donations to groups and events and to use the donation from SRRP to fund a gap in its core running costs and volunteer expenses and to cover the costs of producing the community magazine.

Lenadoon Community Forum:

SLIG	5,000
Donations	10,000
Community magazine	2,600
Bank fees	500
Rent (inc. heat and light)	500
Membership fees	600
Belfast City Council (bins)	250
Solicitors	552
HMRC	1,866
Insurance shortfall	700
Telephone and internet	1,000
Postage, stationery, reprographics	<u>500</u>
	<u>24,688</u>
Balance	7,171

Deborah Brinkley

Chairperson

Stewartstown Road Regeneration Project Ltd.

Company Information

Directors:

Jean Brown
Reneé Crawford
Paddy O'Donnell
Deborah Brinkley
Chris O'Halloran
Patrick McKeever
Terry Turkington
Stuart Lavery
Len McComb
Joe Hamill
Ewan Suttie (retired 5th September 2011)
Máiría Cahill (retired 4th October 2012)
Sharon McCullough (retired 5th November 2012)

Company Number NI 38675

HMRC charity reference XT27868

Registered Office 124 Stewartstown Road
Belfast
BT11 9JQ

Auditor McCreery Turkington Stockman LLP
Stockman House
39-43 Bedford Street
Belfast BT2 7EE

Bankers First Trust Bank
156-160 Andersonstown Road
Belfast
BT11 9BY

Solicitors Kearney Sefton
Franklin House
10-12 Brunswick Street
BT2 7GE

Directors' report for the year ended 31 May 2012

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 30 May 2000 and was registered as a charity on 3 May 2011. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £2.

Recruitment and Appointment of Directors

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the directors retire by rotation and, being eligible, offer themselves for re-election. Individuals are invited to serve as directors on the basis of their abilities and background so as to achieve a balance between those from the business, voluntary and charity sectors.

Directors Induction and Training

The directors have conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the premises. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Organisational Structure

At present Stewartstown Road Regeneration Project Ltd has a Board of directors of 10 members who meet regularly and are responsible for the strategic direction and policy of the charity. A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the manager.

Objectives and Activities

The principal activities of the company continue to be the stimulation and promotion of economic and social development in the Stewartstown Road area of Belfast.

Financial Review

The results are set out in detail in the audited accounts. The company had a successful year although it saw a slight decrease in its reserves due to an increase in some areas of expenditure.

Principal Funding Sources

The principle source of funding was rental income from property located on the Stewartstown Road.

Investment Policy

In recent years the charity has accumulated significant cash reserves for maintaining the rental property to a high standard. The surplus funds remain on short term deposit.

Reserves Policy

The directors retain funds in the charity in order to provide sufficient working capital to facilitate the ongoing activities. The target for unrestricted fund reserves is six months support costs in cash at bank.

Volunteers

The company had no volunteers during the year.

Statement of Directors' Responsibilities

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditor is aware of that information.

Auditors

The auditors are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities and is in accordance with the special provisions of Part 15 of the Companies Act 2006.

This report was approved by the Board on 5th November 2012.

Deborah Brinkley
Director.

Independent auditors' report to the shareholders of Stewartstown Road Regeneration Project Ltd

We have audited the financial statements of Stewartstown Road Regeneration Project Ltd for the year ended 31 May 2012 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the company'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 charitable company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statements of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been properly prepared in accordance with Companies Act 2006. We report to you whether in our opinion, the information given in the Directors' Report is not consistent with the financial statements.

In addition we report to you, if in our opinion, the company has not kept proper records, if the financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosure of directors' remuneration specified by law are not made.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We have conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Smaller Entities, in the circumstances set out in note 16 to the financial statements.

Opinion

In our opinion:

- The financial statements give a true and fair view of the state of the charitable company's affairs as at 31 May 2012 and of its incoming resources and application of resources, including its income and expenditure for the year ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Directors Report is consistent with the financial statements.

Richard McClay (Senior Statutory Auditor)
For and on behalf of McCreery Turkington Stockman LLP
Stockman House
39-43 Bedford Street
BELFAST
BT2 7EE

Chartered Accountants

Date: 5 November 2012

Stewartstown Road Regeneration Project Ltd

Statement of Financial Activities (Including Summary Income and Expenditure Account) for the year ended 31 May 2012

		Unrestricted Funds	Restricted Funds	Total	Total
		2012	2012	2012	2011
		£	£	£	£
Incoming Resources	Notes				
<i>Activities to further the charity's objectives:</i>					
Rent received & other income		191,743	-	191,743	198,493
<i>Other income</i>					
Amortisation of government grants		99,088	-	99,088	99,088
Big Lottery energy grant			8,858	8,858	-
Investment Income		1,601	-	1,601	217
Total incoming resources		292,432	8,858	301,290	297,798
Charitable expenditure					
Management and administration	3	(302,265)	(8,487)	(310,752)	(271,163)
Total resources expended	4	(302,265)	(8,487)	(310,752)	(271,163)
Net income before transfers		(9,833)	371	(9,462)	26,635
Transfer between funds		-	-	-	-
Net incoming resources		(9,833)	371	(9,462)	26,635
Fund balances brought forward		211,542	-	211,542	184,907
Fund balances carried forward		201,709	371	202,080	211,542

All of the above results are derived from from continuing activities. All gains and losses recognised in the year are included above.

Stewartstown Road Regeneration Project Ltd

Balance sheet as at 31 May 2012

		2012		2011	
Notes	£	£	£	£	
Fixed assets					
Tangible assets	7		1,600,484		1,700,404
Current assets					
Debtors	8	27,062		34,501	
Cash at bank and in hand		105,176		116,236	
		132,238		150,737	
Creditors: amounts falling due within one year	9	(3,511)		(13,380)	
Net current assets			128,727		137,357
Total assets less current liabilities			1,729,211		1,837,761
Accruals and deferred income	10		(1,527,131)		(1,626,219)
Net assets			202,080		211,542
Capital and reserves					
Restricted funds	12		371		-
Unrestricted funds	12		201,709		211,542
General funds			202,080		211,542

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

The financial statements were approved by the Board on 5 November 2012 and signed and approved for issue on its behalf by

Deborah Brinkley
Director

Registration number NI038675

Stewartstown Road Regeneration Project Ltd

Notes to the financial statements for the year ended 31 May 2012

1. Accounting policies

1.1. Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005 and applicable accounting standards.

1.2. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	- 2% straight line
Computers	- 25% straight line
Fixtures, fittings, and equipment	- 20% straight line

1.3. Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the directors for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Investment income and gains are allocated to the appropriate fund.

1.4. Resources

Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Donations are included as income when they are received. No amounts are included in the financial statements for services donated by volunteers.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

2 Employees

Number of employees	2012	2011
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The average monthly numbers of employees (including the directors) during the year were:

Management	1	1
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Employment costs	2012	2011
	£	£
Wages and salaries	27,352	27,485
Employer's National Insurance	2,790	2,598
Other pension costs	<u>1,368</u>	<u>1,374</u>
	<u>31,510</u>	<u>31,457</u>

There were no employees earning over £60,000 in the two years ended 31 May 2012.

3. Total resources expended	2012	2011
	£	£
Wages and salaries	27,352	27,485
Employer'S NI contributions	2,790	2,598
Staff money purchase pension costs	1,368	1,374
Rates	145	133
Insurance	5,204	5,081
Light and heat	5,458	4,755
Repairs and premises costs	61,561	42,397
Printing, postage, stationery	392	288
Telephone	1,088	808
Directors' meeting costs	310	641
Catering	348	610
Legal fees	765	750
Consultancy fees	1,539	2,700
Audit	1,400	1,400
Bank charges	309	337
Bad debts	18,065	7,288
General expenses	1,048	3,199
Management expenses	197	459
Charitable donations – gift aid	63,718	67,442
Charitable donations – other	1,000	1,500
Donations to SLIG projects	16,775	0
Depreciation on freehold property	39,200	39,200
Depreciation on plant and machinery	283	281
Depreciation on fixtures and equipment	<u>60,437</u>	<u>60,437</u>
	<u>310,752</u>	<u>271,163</u>

4. Net incoming resources for the year	2012	2011
	£	£
Net incoming resources is stated after charging:		
Depreciation and other amounts written off tangible assets	99,920	99,918
Auditors' remuneration	<u>1,400</u>	<u>1,400</u>
and after crediting:		
Government grants	<u>(99,088)</u>	<u>(99,088)</u>

5. Pension costs

The company operates a defined contribution pension scheme in respect of the employee. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £1,368 (2011 - £1,374).

6. Taxation

No liability to UK corporation tax arises on ordinary activities for the year. The company is a registered charity.

7. Tangible fixed assets

	Land and buildings freehold	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost				
At 1 June 2011	1,796,141	1,126	572,500	2,369,767
At 31 May 2012	<u>1,796,141</u>	<u>1,126</u>	<u>572,500</u>	<u>2,369,767</u>
Depreciation				
At 1 June 2011	217,769	843	450,751	669,363
Charge for the year	39,200	283	60,437	99,920
At 31 May 2012	<u>256,969</u>	<u>1,126</u>	<u>511,188</u>	<u>769,283</u>
Net book values				
At 31 May 2012	<u>1,539,172</u>	<u>-</u>	<u>61,312</u>	<u>1,600,484</u>
At 31 May 2011	<u>1,578,372</u>	<u>283</u>	<u>121,749</u>	<u>1,700,404</u>

8. Debtors

	2012	2011
	£	£
Trade debtors	25,017	34,501
VAT	<u>2,045</u>	<u>0</u>
	<u>27,062</u>	<u>34,501</u>

9. Creditors: amounts falling due within one year

	2012	2011
	£	£
Trade creditors	2,111	5,121
Other taxes and social security costs	0	7,059
Accruals and deferred income	<u>1,400</u>	<u>1,200</u>
	<u>3,511</u>	<u>13,380</u>

10. Accruals and deferred income

	2012	2011
	£	£
Government grants		
At 1 June 2011	1,626,219	1,725,307
Released in year	(99,088)	(99,088)
At 31 May 2012	<u>1,527,131</u>	<u>1,626,219</u>

11. Incorporation

Stewartstown Road Regeneration Project Ltd is a company limited by guarantee and not having a Share Capital. The company was incorporated on 30 May 2000. The liability of the members is limited to an amount not exceeding £2.

12. Statement of funds

	General reserve account £	Restricted reserve account £	Total £
Total reserves at 1 June 2011	211,542	0	211,542
Total income for the year	292,432	8,858	301,290
Total expenditure for the year	<u>(302,265)</u>	<u>(8,487)</u>	<u>(310,752)</u>
Total reserves at 31 May 2012	<u>201,709</u>	<u>371</u>	<u>202,080</u>

The general reserve represents the free funds of the charity which are not designated for particular purposes.

13. Analysis of net assets between funds

	General reserve account £	Restricted reserve account £	Total £
Fund Balances at 31 May 2012 represented by:			
Tangible fixed assets	1,600,484	0	1,600,484
Current assets	131,867	371	132,238
Current liabilities	<u>(1,530,642)</u>	<u>0</u>	<u>(1,530,642)</u>
Total net assets	<u>201,709</u>	<u>371</u>	<u>202,080</u>

The general reserve represents the free funds of the charity which are not designated for particular purposes.

14. Non Audit Services

In common with many other businesses of our size we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

15. Related party transactions

Ownership of the company

The company is not under the control of any specific grouping of related members.

Transactions with Directors

There were no material transactions with directors during the year.