

305982

**THE CENTRAL SOCIAL & RECREATIONAL TRUST**

**TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31ST MARCH 2007**

ACCOUNTS No 1  
27 JUN 2007  
COMPLIANCE DIVISION

**Charity No: 305982**

# THE CENTRAL SOCIAL & RECREATIONAL TRUST

## REPORT AND ACCOUNTS

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# THE CENTRAL SOCIAL & RECREATIONAL TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

<b>Trustees</b>	W H Robinson T S Louis A Bamber W G Davis
<b>Secretary</b>	B Gold
<b>Charity Number</b>	305982
<b>Registered Office</b>	The Diary House Rickett Street London SW6 1RU
<b>Independent Auditor</b>	Ramon Lee & Partners Kemp House 152/160 City Road London EC1V 2DW
<b>Bankers and Investment Advisers</b>	Coutts & Co. 440 Strand London WC2R 0QS

# THE CENTRAL SOCIAL & RECREATIONAL TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31ST MARCH 2007

The Trustees present their report and accounts for the year ended 31st March 2007.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing Document

The organisation is a charitable trust, established on 14<sup>th</sup> June 1962 and registered as a charity with the Charity Commission. The organisation is governed by Trust Deed which sets out the objects and powers of the charity and governs the actions of the Trustees.

### Recruitment and Appointment of Trustees

The Trustees of the organisation are also the charity trustees for the purposes of charity law. The Trust Deed stipulates that there shall not be less than three nor more than four Trustees. The power to appoint new Trustees rests with the Secretary of the Amateur Boxing Association of England. There is no set time limit for which a Trustee can act although the Trust Deed sets out that retirement on reaching the age of seventy-five is compulsory.

Trustees have generally been nominated because of involvement in sporting activity organisations, assisting bodies which help the young or disadvantaged, and their business acumen, thereby engendering an all round perspective and expertise helpful to the charity.

Details of Trustees who served during the year (together with other legal and administrative details) are given on page 2.

### Trustees Induction and Training

The Trustees maintain a good working knowledge of Charity law and best practise by attendance at charity courses run by outside providers. New Trustees are given copies of the Trust Deed and copies of relevant Charity Commission Publications.

### Organisation

The Board of Trustees, which comprises four members, administers the charity. The Board meets quarterly to review the affairs of the charity and to consider grant applications which are only paid to a beneficiary upon the approval of the Board. To facilitate activities, the Board have delegated certain minor powers to the Secretary (who is not a Trustee), who chiefly deals with correspondence and day to day administrative affairs. All decisions relating to strategy and policy are made by the Board of Trustees.

### Related parties

The charity does not have relationships with related parties and other charities and organisations with which it co-operates in pursuit of its charitable objectives.

# THE CENTRAL SOCIAL & RECREATIONAL TRUST

## TRUSTEES' REPORT (Cont/d)

### FOR THE YEAR ENDED 31ST MARCH 2007

#### **Risk management**

The Trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan;
- implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The review has identified only minor risks primarily relating to investment exposure. Investment risk is minimised by the maintenance of a balanced portfolio in relatively low risk holdings. A key element in the management of financial risk is the setting of a reserves policy and its regular review by the Trustees.

#### **OBJECTIVES AND ACTIVITIES**

The objects of the charity:

- to improve the conditions of boy and girls under the age of 21 and of all other persons who by reason of their poverty would otherwise be unable to obtain facilities for recreational or other leisure time occupations;
- to provide facilities for recreational or other leisure time occupations for such persons in the interests of social welfare and in particular to provide equipment or funding to be used for recreational or other leisure time occupations.

The charity carried out the objectives noted above through the award of grants to sporting bodies and organisations which benefit young people. The grants were awarded to help the various organisations to acquire sporting equipment.

#### **ACHIEVEMENTS AND PERFORMANCE**

During the year the charity made grant awards totalling £32,551 (2006 - £31,598). The grants were awarded to thirteen organisations involved in sporting and youth activities. The grant level was approved by the Trustees based on prior year income in order that the capital reserves were not depleted.

#### **FINANCIAL REVIEW**

The deficit for the year amounted to £30,356 (2006 – surplus £71,758). The deficit arose primarily due to the realised and unrealised deficit of £22,983 (2006 – gain £75,519) arising on the charity's investment portfolio. The charity suffered a minor net deficit prior to investment gains of £7,373 reflecting the Trustees decision to award grants at a level covered by its recurring investment income.

Principal funding came from the investment income arising on the charity's investment portfolio. Investment returns were maintained at similar levels to the previous year, amounting to £42,241 compared to £42,031 for the year ended 31<sup>st</sup> March 2006. Most notably, the charity saw significant realised and unrealised deficits on its investment portfolio amounting to £22,983 (2006 – gain £75,519). This has arisen through the general increases in bank base rates which have impacted on the Trust's holdings of fixed interest investments.

Grants award levels were maintained at similar levels to 2006 primarily due to the Trustees wish to only distribute current income rather than unrealised gains on investments.

# **THE CENTRAL SOCIAL & RECREATIONAL TRUST**

## **TRUSTEES' REPORT (Cont/d)**

### **FOR THE YEAR ENDED 31ST MARCH 2007**

There have been no significant changes in the way the charity has operated or its policy for carrying out its objects.

The charity is not reliant on the services of unpaid volunteers or donations in kind.

#### **INVESTMENT POWERS AND POLICY**

The Trust Deed authorises the Trustees to make and hold investments using the general funds of the Charity. The Trustees have the power to invest in any way that they see fit.

It is the policy of the Trustees to hold investments at current levels. The investment holdings are maintained through a portfolio of government stocks and unit trusts, managed by a recognised investment manager. The portfolio is mainly low risk as the Trustees concentrate on a relatively secure income stream rather than capital growth.

#### **FUTURE PLANS AND DEVELOPMENTS**

The Trustees expect to maintain grants at levels similar to those of the current year. Should the returns on its investment portfolio increase then future grant awards can be increased accordingly

#### **RESERVES POLICY**

At the balance sheet date the charity had retained unrestricted funds totalling £1,078,873.

It is the policy of the Trustees to maintain reserves at their current levels so that sufficient investment income may be derived in order to finance the award of grants. The maintenance of such significant reserves represents the Trustees' aims of long term operations through the continued receipt of reasonable levels of investment income to finance grant awards, whilst maintaining a hedge against possible future decreases in the market value of investments.

#### **GRANT MAKING POLICY**

Grants are awarded after submission of claim by the applicant to the Trustees. The Trustees review the application to judge if the grant falls within the Charity's objectives and whether the application meets its requirements in terms of the benefits it gives young persons. Each application is discussed, reviewed and decided upon by the Trustees at their regular meetings.

# THE CENTRAL SOCIAL & RECREATIONAL TRUST

## TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2007

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice applicable to charities. The Trustees are required under the Charities Act 1993 to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year (unless the charity is entitled to prepare accounts on the alternative receipts and payments basis). In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- (a) select suitable accounting policies and apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The Trustees are responsible for maintaining proper accounting records which 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 Charities Act. 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.

### APPROVAL

This report was approved by the Trustees on the 21<sup>st</sup> June 2007 and signed on its behalf.



**W H ROBINSON**  
**TRUSTEE**

**21<sup>st</sup> June 2007**

# INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

## THE CENTRAL SOCIAL & RECREATIONAL TRUST

We have audited the financial statements of The Central Social & Recreational Trust for the year ended 31<sup>st</sup> March 2007: which comprise: the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

The report is made solely to the charity trustees, as a body, in accordance with Section 43 of the Charities Act 1993. Our work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest possible extent permitted by law we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our work, for this report, or for the opinions we have formed.

### RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The Trustees' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accounted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under Section 43 of the Charities Act 1993 and report in accordance with regulations made under Section 44 of the Act. 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 the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contain in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

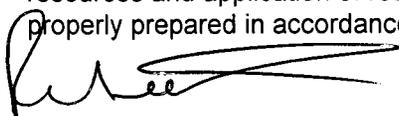
### BASIS OF OPINION

We 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 significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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.

### OPINION

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31<sup>st</sup> March 2007 and of its incoming resources and application of resources, including its income and expenditure for the year then ended and have been properly prepared in accordance with the Charities Act 1993.



**RAMON LEE & PARTNERS**  
**REGISTERED AUDITORS**  
**CHARTERED ACCOUNTANTS**

**KEMP HOUSE**  
**152/160 CITY ROAD**  
**LONDON EC1V 2DW**

**21<sup>st</sup> June 2007**

**THE CENTRAL SOCIAL & RECREATIONAL TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31ST MARCH 2007**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	<u>Notes</u>	<u>UNRESTRICTED FUNDS</u>	
		<u>2007</u>	<u>2006</u>
		£	£
<b>INCOMING RESOURCES</b>			
<b>Incoming resources from generated funds:</b>			
Investment income	2	42,241	42,031
<b>TOTAL INCOMING RESOURCES</b>		42,241	42,031
<b>RESOURCES EXPENDED</b>			
<b>Costs of generating funds:</b>			
Investment management costs	3	8,581	8,624
<b>Charitable activities</b>	<b>4 &amp; 5</b>	37,037	31,598
<b>Governance costs</b>	<b>5</b>	3,996	5,570
<b>TOTAL RESOURCES EXPENDED</b>		49,614	45,792
<b>NET OUTGOING RESOURCES BEFORE OTHER RECOGNISED GAINS</b>		(7,373)	(3,761)
<b>OTHER RECOGNISED GAINS</b>			
Investment gains and losses		(22,983)	75,519
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		(30,356)	71,758
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		1,109,229	1,037,471
<b>TOTAL FUNDS CARRIED FORWARD</b>		1,078,873	1,109,229

All movements derive from continuing activities. There were no recognised gains or losses for 2007 or 2006 other than those included in the Statement of Financial Activities.

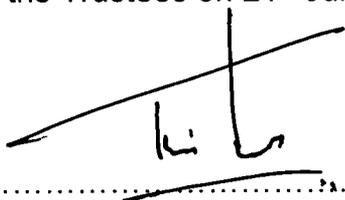
The notes on pages 10 to 14 form part of these accounts.

**THE CENTRAL SOCIAL & RECREATIONAL TRUST**

**BALANCE SHEET AS AT 31ST MARCH 2007**

	<u>Notes</u>	<u>2007</u>	<u>2006</u>
		£	£
<b>FIXED ASSETS</b>			
Investments	9	997,331	1,025,851
		<hr/>	<hr/>
		997,331	1,025,851
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		90,719	88,218
<b>CREDITORS: Amounts falling due within one year</b>	10	9,177	4,841
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		81,542	83,377
<b>NET ASSETS</b>		<u>1,078,873</u>	<u>1,109,228</u>
<b>CAPITAL AND RESERVES</b>			
Unrestricted funds		1,078,873	1,109,228
<b>TOTAL FUNDS</b>		<u>1,078,873</u>	<u>1,109,228</u>

Approved by the Trustees on 21<sup>st</sup> June 2007 and were signed on its behalf by:



..... T S LOUIS



..... W H ROBINSON

The notes on pages 10 to 14 form part of these accounts.

# THE CENTRAL SOCIAL & RECREATIONAL TRUST

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST MARCH 2007

#### 1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

##### 1.1 Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value and in accordance with applicable law and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

The charity has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement.

##### 1.2 INVESTMENTS

Investments are included in the accounts at mid-market value at the end of the financial year. Realised and unrealised gains and losses are credited or debited to the statement of financial activities in the year in which they arise.

##### 1.3 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets (excluding investments) are stated at cost less depreciation. The cost of minor additions or those costing less than £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment	-	25% on net book value
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##### 1.4 VALUE ADDED TAX

Value Added Tax is not recoverable by the charity, and, as such, is included in the relevant costs in the Statement of Financial Activities.

##### 1.5 INCOMING RESOURCES

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Investment income is included when receivable.

##### 1.6 UNRESTRICTED FUNDS

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market value.

# THE CENTRAL SOCIAL & RECREATIONAL TRUST

## NOTES TO THE ACCOUNTS (Cont/d)

### FOR THE YEAR ENDED 31ST MARCH 2007

#### 1.7 RESOURCES EXPENDED

Expenditure is recognised on an accruals basis as a liability is incurred.

**(a) Costs of generating funds**

Costs of generating funds comprise the costs incurred relating to the management of the charity's investment portfolio.

**(b) Charitable activities**

Charitable activities represent grants payable, which are debited to the Statement of Financial Activities when an undertaking to pay the grant during the financial year has been entered into.

**(c) Governance costs**

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource.

#### 2. INVESTMENT INCOME

Investment income represents dividends and interest from investments. All dividends and interest from securities relate to investments held within the U.K.

	<u>2007</u>	<u>2006</u>
	£	£
Bank deposit interest	3,135	5,068
Dividends from listed securities and government stocks	39,106	36,963
	<u>42,241</u>	<u>42,031</u>

#### 3. COSTS OF GENERATING FUNDS

	<u>2007</u>	<u>2006</u>
	£	£
Investment management costs	8,581	8,624
	<u>8,581</u>	<u>8,624</u>

**THE CENTRAL SOCIAL & RECREATIONAL TRUST**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 31ST MARCH 2007**

**4. GRANTS PAYABLE**

	<u>2007</u>	<u>2006</u>
	£	£
Grants and awards payable	32,551	31,598
	<u>32,551</u>	<u>31,598</u>

Grants for the year ended 31<sup>st</sup> March 2007 represent awards to various sporting clubs and organisations as detailed below. No individuals benefit from grant awards:

	£
Eastern Boxing Club	1,344
London Amateur Boxing Association	5,320
Pooles Park Primary School	500
Wallasey Amateur Boxing Club	2,895
Trojan Amateur Boxing Club	6,111
Earlsfield Amateur Boxing Club	895
Barking Amateur Boxing Club	450
Chelmer Village Youth Club	829
Kirkdale Amateur Boxing Club	4,401
Burmantoft Amateur Boxing Club	1,069
Big T Amateur Boxing Club	3,555
Cadnam Cricket Club	2,595
Haileybury Club	2,587
	<u>32,551</u>

Grants are made on approval by the Trustees and are generally paid to help the recipient to acquire sporting equipment or improve their sports facilities. The payments are made direct to the supplier of the equipment.

**5. TOTAL RESOURCES EXPENDED**

	<u>Basis of allocation</u>	<u>Charitable Giving</u>	<u>Governance</u>	<u>2007</u>	<u>2006</u>
		£	£	£	£
<b>Costs directly allocated to activities</b>					
Grants and donations	Direct	32,551	-	32,551	31,598
Audit fees	Direct	-	3,995	3,995	3,760
<b>Support costs allocated to activities</b>					
Administrative assistance	Usage	3,000	-	3,000	
Legal, professional & consultancy	Usage	9,639	-	9,639	9,705
Bank charges	Usage	-	-	-	59
Depreciation	Usage	-	1	1	348
Sundry expenses	Transactions	428	-	428	322
		<u>45,618</u>	<u>3,996</u>	<u>49,614</u>	<u>45,792</u>

**THE CENTRAL SOCIAL & RECREATIONAL TRUST**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 31ST MARCH 2007**

**6. NET MOVEMENT IN FUNDS FOR THE YEAR**

The net movement in funds for the year is stated after charging:

	<u>2007</u>	<u>2006</u>
	£	£
Audit fees	3,995	3,760
Depreciation	1	348
	<u>3,996</u>	<u>4,108</u>

No remuneration was paid to Trustees in the year (2006 - £nil). No Trustees were reimbursed any expenses (2006 - £nil). No employee received remuneration of more than £60,000 (2006 - none). No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity (2006 - £nil).

**7. RECONCILIATION OF MOVEMENTS IN UNREALISED GAINS**

	<u>2007</u>	<u>2006</u>
	£	£
Unrealised gains/(losses) as at 1 <sup>st</sup> April 2006	45,088	(31,261)
Eliminated on disposal	(7,906)	7,350
Net gain/(loss) arising on revaluation at year end	(21,770)	69,010
	<u>15,423</u>	<u>45,099</u>

**8. TANGIBLE FIXED ASSETS – FOR USE BY CHARITY**

	<u>2007</u>	<u>2006</u>
	£	£
<b>NET BOOK VALUES</b>		
Equipment	-	1
	<u>-</u>	<u>1</u>

**MOVEMENTS IN YEAR**

<u>Cost or valuation</u>	<u>Opening Balances</u>	<u>Additions</u>	<u>Disposals</u>	<u>Closing Balances</u>
	£	£	£	£
Equipment	1,749	-	(1,749)	-
	<u>1,749</u>	<u>-</u>	<u>(1,749)</u>	<u>-</u>
 <u>Depreciation</u>	 <u>Opening Balances</u>	 <u>Charge For Year</u>	 <u>Disposals</u>	 <u>Closing Balances</u>
	£	£	£	£
Equipment	1,748	1	(1,749)	-
	<u>1,748</u>	<u>1</u>	<u>(1,749)</u>	<u>-</u>

**THE CENTRAL SOCIAL & RECREATIONAL TRUST**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 31ST MARCH 2007**

**9. INVESTMENTS**

	<u>2007</u>	<u>2006</u>
	£	£
Market value:		
Balance, brought forward	1,025,851	906,841
Additions	188,942	171,396
Disposals	(195,693)	(121,396)
(Loss)/gain on valuation at year end	(21,769)	69,010
	<u>997,331</u>	<u>1,025,851</u>
Historic cost	<u>981,908</u>	<u>980,752</u>
All of the above investments are allocated as follows:		
Held within the United Kingdom:		
UK Fixed interest stock	714,476	664,964
UK Equity – unity trusts	186,987	154,244
Non-UK Equity – unit trusts	95,868	87,633
	<u>997,331</u>	<u>906,841</u>

At 31<sup>st</sup> March 2007 the charity held the following stocks that represented more than 5% of the market value of listed investments held at 31<sup>st</sup> March 2007.

£226,102	4.75 Treasury Stock 7/9/2015	222,658
£138,147	4.75% Treasury Stock 7/3/2020	137,355
£155,600	4.0% Treasury Stock 7/9/2016	144,786
£210,091	5.0% Treasury Stock 7/9/2014	209,677
5922.997	Coutts Fund Managers UK large mid cap Equity Prg. 2	148,963
		<u>863,439</u>

**10. CREDITORS: Amounts falling due within one year**

	<u>2007</u>	<u>2006</u>
	£	£
Grants payable	2,595	-
Accruals	6,582	4,841
	<u>9,177</u>	<u>4,841</u>