



BURGESS HILL COMMUNITY PARTNERSHIP CIC

Meeting Wednesday 20 July 2022

17.00 via Zoom

1. **MANAGEMENT ACCOUNTS 2021/22 - For the year to 31 March 2022**
2. **BUDGET 2022/23**
3. **DEBTORS, CREDITORS AND BANK**

GF
14/7/22

1. MANAGEMENT ACCOUNTS 2021/22 - For the year to 31 March 2022

For the 12 months to 31 March 2022, the CIC achieved a profit of £3,008. This includes a provision of £500+VAT for 3rd party Corporation Tax services (if required).

As agreed at the previous CIC meeting, BHTC will levy a charge on the CIC for accounting services of 50% of profit (+ VAT). This equated to £1,504 + VAT and is reflected in the results detailed below. Taking these charges into account, **the profit for the period to 31 March 2022 is £1,203** before tax.

BUDGET 2021/22

	Budget 2021/22	Actual 31/03/2022
INCOME		
Total Rent Income	£7,214	£6,658
Recharge Bin collection	£0	£303
TOTAL INCOME	£7,214	£6,961
EXPENDITURE		
Audit & Accountancy Fees	£250	£2,405
Bad Debt provision	£0	£444
Bin collection	£750	£646
Business Rates	£0	£0
Cleaning	£200	£94
Insurance	£0	£125
Miscellaneous	£250	£13
Premises	£1,200	£1,699
Repairs, Renewals & Maintenance	£800	£332
TOTAL EXPENDITURE	£3,450	£5,757
PROFIT/LOSS before tax	£3,764	£1,203
RESERVES		
Loss B/Fwd		-207
Profit 2021/22 - before tax		£1,203
PROFIT C/FWD		£996

1. Notes:

- It is assumed the CIC will take advantage of legislation where the accounts are not required to be audited.
- The accrual for "tax services" is to have the accounts, as presented, reviewed for completeness and for the tax return to be prepared and filed.
- Corporation Tax is levied at 19% on profits. Potentially, however, there may be an exemption due to the nature of the organisation and this is being investigated.
- A bad debt provision of £444 has been included in the costs to represent the amount outstanding from tenants from the recently vacated units, however, it can be reported the outstanding debts from these individuals is gradually being paid-off. Any such unused provision will be released during the 2023/24 financial year.

RECOMMENDATION

Trustees are recommended:

1. To agree the accounts as presented,
2. To confirm an audit is not required, and
3. To agree to the employment of 3rd party tax services.

2. BUDGET 2022/23

With the likelihood that Once Upon a Boutique will be terminating their shop rental contract with the CIC, this will have a detrimental impact of some £1,600 on budgeted income for the 2022/23 financial year (assuming they vacate at the end of September 2022).

There is potential for either the Pantry or an alternative hirer to take-up the vacated space, but at this time details and pricing cannot be confirmed, however, a nominal £500 income has been included in the latest forecast.

There are some nominal savings on costs giving an overall **estimated year end surplus of £3,226** (excluding the annual charge from BHTC – estimate £1,936 inc VAT).

The tenancy issue noted above is to be discussed as a separate item on the CIC agenda.

BUDGET 2022/23

	Budget 2022/23	Forecast 2022/23	Variance
TOTAL INCOME	£8,543	£7,443	-£1,100
EXPENDITURE			
Audit & Accountancy Fees	£500	£600	£100
Bad Debt provision	£427	£300	-£127
Bin collection	£619	£619	£0
Business Rates	£0		£0
Cleaning	£125	£100	-£25
Insurance	£350	£350	£0
Miscellaneous	£250	£150	-£100
Premises	£1,698	£1,698	£0
Repairs, Renewals & Maintenance	£400	£400	£0
TOTAL EXPENDITURE	£4,369	£4,217	-£152
PROFIT/LOSS before tax	£4,174	£3,226	-£948

RECOMMENDATION

Trustees are recommended to note the contents of the report.

RISK – With the vacation of Once Upon a Boutique, there is a risk the business rates for that unit to fall to the CIC.

3. DEBTORS, CREDITORS AND BANK

Debtors £3,364 (as at 14/7/22)

£1,670	Burgess Hill Community Pantry	Payments up-to-date, no issues
£369	Loca Designs	Paying-off £62/month – no issues
£1,000	Once Upon a Boutique	Payments up-to-date. Awaiting decision on tenancy
£75	Remake Fashion	Paying off variable amounts – no issues
£250	Scrapless	Only recently due – no issues
£3,364	TOTAL	

Creditors £4,607 (as at 14/7/22)

£2,802	Burgess Hill Town Council (Initial Business Rates paid, various suppliers providing water services, security, repair services etc [paid via BHTC])
£1,805	Burgess Hill Town Council – 2021/22 Accounting Services Fee
£4,607	

Bank Position

Current Balance £7,864

RECOMMENDATION

Trustees are recommended to note the contents of the report.