



Treasurers Report.

For the financial year April 2019 – March 2020

Introduction.

The **Balance Sheet** and the **Profit and Loss** account for the fiscal year ending 31st March 2020 are distributed throughout the meeting and are put there for information.

The 2020 Accounts now being presented to the Annual General Meeting also show, for purposes of comparison, the figures for 2019; see attachments ACLT Balance Sheet Comparison and Profit and Loss accounts. The accounts for the last fiscal year are unverified to date. Should anything change when the accounts are verified, then those attending the AGM will be notified in writing and a copy of the verified accounts will be provided.

Our revenues continue to be very limited since we do not currently enjoy those revenues normally received as a result of activities such as sales, service revenues, fees earned, interest revenue, and so on. However for clarity, our income (revenue) for the financial year was £16,252 made up of a single grant of £13,937, bank interest of £59, professional fee refund of £600, and £1,656 Parish Council contribution for the Housing Needs Survey (HNS).

Our expenses for the year amounted to £23,040 therefore the Trust showed a deficit of -£6,788 for the last financial year.

Funding.

The financial position of ACLT again remains much the same as the last financial year in as much as until we have assets i.e. completed homes from which we earn income, the organisation does not earn any money of its own.

The Mayflower Way project, to date has been fully financed from grants from various sources and during the course of the last financial year 2019 – 2020, we have received funding from the **Social Investment Business Grant (Reach Fund - (£13,937))** which has enabled us to part fund the Housing Needs Survey (HNS) in partnership with **Angmering Parish Council** and provided additional financial modelling of the Mayflower Way project.

In progressing Mayflower Way we have instructed various companies and consultants to carry out surveys and provide reports of the site in order to comply with the planning conditions set out in the planning approval. We also instructed a **Sustainability Options Energy Assessment** report. The purpose of this assessment is to give an indication of the likely primary energy and CO2 savings that could be realised through introducing these preferred sustainability measures. These savings will manifest themselves as reduced energy bills for each householder.

The Mayflower Way project expenditure for the year amounted to £15,401 representing nearly 95% of our income for the year. This amount of expenditure was committed prior to COVID-19 and the announcement of withdrawal by the developer for the scheme on the North side of Mayflower Way.

Funding remains a significant area of concern particularly with the Government's Community Housing Fund (CHF) now suspended and no guarantee that the Government will announce a continuation of the fund in the Chancellor's Autumn Statement.

Homes England (HE) had allowed us to submit a further application for £32K for our MW project from their CHF which we did in November 2019. Our application was assessed by HE and all the signs were that the grant would be forthcoming. However, the Government unexpectedly issued a notice in late December declaring that no further funds would be issued and gave no reason why. In short the rug was pulled from under us and many other CLTs around the nation who were in the same position. This was a major blow to our plans and our finances.

The **Southdown National Park Authority** (SDNPA) has been particularly supportive of our work in the Parish and subject to completion of the two projects on which we are currently working, have granted us £62K for green energy sources for Mayflower Way, and £125K for Dappers Lane project, (a contribution of £25K for each of the five properties).

Arun District Council (ADC) has granted £240K for the Mayflower Way project, subject to completion of the scheme, (a contribution of £20K for each of the 12 properties)

Taxation

In last year's report we had it confirmed by HMRC that on the basis the association is only receiving grant income that HMRC would consider it dormant for corporation tax for 5 years and therefore not liable for Corporation tax during that period. However, HMRC has recently advised us that they now no longer

consider ACLT as 'mutually trading' and therefore we are now considered liable for Corporation Tax. We are now seeking further independent advice on HMRC's ruling.

Financial modelling.

Financial modelling of our schemes is absolutely critical in determining not only the viability of our schemes but also in the best way to finance them. Much work in this regard continues to be carried out on our two active schemes, Mayflower Way and Merry England. Financial modelling is a specialised area and requires experts to create the models and make a case that can be taken to commercial lenders for their consideration. We have instructed **Triodos Corporate Finance Ltd** to carry out this work on our behalf and also to identify the most likely lenders who will be receptive to the funding requirements and the cash flows over the life of the schemes to meet the lenders covenants.

Summary

Again, as was reported in the Treasurer's 2019 annual report, very little cost for our projects and the general running of the CLT has fallen on the community and it is our intention that this should remain so for as long as possible.

We have had several set-backs to our finances which have resulted in ACLT having to adapt to a very different financial environment.

We will continue to seek alternative funding opportunities to those previously provided by the Government. However, the pandemic has significantly reduced our opportunities to garner interest for our activities due to a shift in funding focus to those groups and organisations that are creating and managing recovery projects as a result of the impact that COVID-19 has had on the communities in which they serve.

We anticipate the current fiscal year will continue to be difficult without financial support from the Government, not only for us but also for the Community Land Trust movement nationwide.

Angmering Community Land Trust

BALANCE SHEET COMPARISON

As of March 31, 2020

| | TOTAL | |
|---|--------------------|-------------------------|
| | AS OF MAR 31, 2020 | AS OF MAR 31, 2019 (PY) |
| Fixed Asset | | |
| Tangible assets | | |
| Freehold property | 1.00 | 1.00 |
| Office Equipment Cost | 0.00 | 0.00 |
| Total Tangible assets | £1.00 | £1.00 |
| Total Fixed Asset | £1.00 | £1.00 |
| Cash at bank and in hand | | |
| Instant Access Account (5466) | 21,178.30 | 10,917.78 |
| Petty cash | 173.11 | 101.32 |
| Unity Current Account T1 (5453) | 2,830.40 | 759.89 |
| Total Cash at bank and in hand | £24,181.81 | £11,778.99 |
| Debtors | | |
| Debtors | 0.00 | 15,165.00 |
| Total Debtors | £0.00 | £15,165.00 |
| Current Assets | | |
| Suspense | 0.00 | 0.00 |
| Total Current Assets | £0.00 | £0.00 |
| NET CURRENT ASSETS | £24,181.81 | £26,943.99 |
| Creditors: amounts falling due within one year | | |
| Trade Creditors | | |
| Creditors | 15,121.20 | 9,300.00 |
| Total Trade Creditors | £15,121.20 | £9,300.00 |
| Current Liabilities | | |
| Accruals | 0.00 | 1,800.00 |
| Total Current Liabilities | £0.00 | £1,800.00 |
| Total Creditors: amounts falling due within one year | £15,121.20 | £11,100.00 |
| NET CURRENT ASSETS (LIABILITIES) | £9,060.61 | £15,843.99 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | £9,061.61 | £15,844.99 |
| TOTAL NET ASSETS (LIABILITIES) | £9,061.61 | £15,844.99 |
| Capital and Reserves | | |
| Opening Balance Equity | 0.00 | 0.00 |
| Ordinary shares | 177.00 | 172.00 |
| Retained Earnings | 15,672.99 | 7,497.72 |
| Profit for the year | -6,788.38 | 8,175.27 |
| Total Capital and Reserves | £9,061.61 | £15,844.99 |

Angmering Community Land Trust

PROFIT AND LOSS

April 2019 - March 2020

| | TOTAL | |
|--|---------------------|--------------------------|
| | APR 2019 - MAR 2020 | APR 2018 - MAR 2019 (PY) |
| Income | | |
| Interest received | 58.52 | 37.98 |
| Non-Profit Income | 600.00 | 5,500.00 |
| Services | 15,593.52 | 15,165.00 |
| Total Income | £16,252.04 | £20,702.98 |
| GROSS PROFIT | £16,252.04 | £20,702.98 |
| Expenses | | |
| Accountancy | 1,938.00 | 1,200.00 |
| Advertising/Promotional | 174.99 | |
| Bank charges | 72.00 | 107.00 |
| Dues and Subscriptions | 410.00 | |
| Insurances | 1,065.10 | |
| Mayflower Way Project | 15,401.20 | 11,180.00 |
| Office/General Administrative Expenses | 96.00 | -40.29 |
| Other Professional Services | 3,313.04 | 67.00 |
| Printing, Postage and Stationery | 153.19 | |
| Room hire | 236.50 | 14.00 |
| Travel and Accommodation | 180.40 | |
| Total Expenses | £23,040.42 | £12,527.71 |
| NET OPERATING INCOME | £ -6,788.38 | £8,175.27 |
| NET INCOME | £ -6,788.38 | £8,175.27 |