

**Brampford Speke, Upton Pyne & Cowley
Community Land Trust**

**Report & accounts for the year ending 31st October
2021**

1 Financial overview

Financially the CLT has had another uneventful year, with only 22 transactions passed across the bank account. The only revenue transaction was the ground rent received from Hastoe, and a small grant towards development of the amenity land; the only expenses were for maintenance of amenity land, bank charges, FCA fees, insurance and a contribution to the Housing Needs Survey for a second development of affordable homes for local people.

The time has not yet arrived when the CLT is showing a liability for corporation tax. It has been deferred legitimately by charging allowable initial legal expenses, and by moving to accounting on a cash basis instead of an accruals basis. The detailed CGT position is shown in the accounting notes below.

The CLT is in a healthy financial position, with no significant liabilities; its assets are all cash in the bank; at the year-end (31.10.2021) it had a cash balance of over £13,000, which is more than enough to cover its expenses and its anticipated outlay on projects.

2 Notes on the accounting statements

2.1 Debtors & Creditors (balance sheet)

Debtors & Creditors are not shown on the balance sheet under Assets & liabilities, because there are none of either.

2.2 Accrued expenses (liabilities)

FCA fees are accrued for at the end of the accounting year to which they relate, and then paid when they are due, with the annual return.

An amount of £67.00 was accrued at 31.10.20 for payment of the annual fee for the financial year with the annual return in 2021. Since it was apparently not paid in 2021, it is still on the balance sheet. An amount of £67.00 has been accrued at 31.10.21 as usual for payment with the next annual return (which these accounts accompany) in 2022. This explains the accrual for 2 years' FCA fees of £134.00 on the balance sheet as at 31.10.21.

2.3 Treasurer's cash account (assets or liabilities)

In accordance with accounting convention, this shown as an asset when the treasurer owes the CLT; and as a liability when the CLT owes the treasurer. It holds small unsettled balances that are eventually cleared with a bank transfer.

2.4 Normal subscriptions (balance sheet - equity)

The number of members of the CLT may be estimated easily from the amount of "Normal subscriptions" under "Capital subscribed by members" in the balance sheet, based on normal subscriptions being £1 per member.

As at 31.10.2021 there were therefore (£54/£1), about 54 members. At 31.10.2020 there were about 52 members. Two new members paid subscriptions to the CLT during the current year.

The normal subscriptions paid figure of £54 (54 members) at the balance sheet date (31.10.2021) could be reconciled to the members' register maintained by the membership secretary, if people moving away are taken into account.

2.5 Income from ground rent (profit & loss – revenues)

HMRC have said that they regard income from ground rent as trading income, which is subject to corporation tax (net of expenses). The treatment of ground rent income has been revised to recognise it in the year it is received (i.e. on a cash basis) rather than when it is due (accrual basis); it also has its own category in the accounting statements.

Because ground rent due in July 2019 was actually received after the year-end, and ground rent due in July 2020 was actually received October 2020, ground rent for 2 years appears in last year's P&L, 2019-20.

2.6 Grant from Hastoe (expenses)

A grant of £250 was received in the year from Hastoe. It is not treated as income, because it is a grant towards the expenses of Amenity land maintenance; treated as an offset to Trading expenses, the tax effect is neutral.

2.7 Corporation tax policy

The CLT was required to make a corporation tax return for the year-end Oct 2015, because it had income of £1,456 deemed to be trading income. However legal fees paid in that year plus trading expenses resulted in a net loss. HMRC said that as long as the CLT is reporting a (cumulative) loss on trading income, because the CLT is so small, they will waive the requirement for a return, effectively regarding it as dormant.

2.8 Corporation tax calculation (off balance sheet)

A balance sheet account has been raised to show "provision for corporation tax" and an income & expense category for "corporation tax payable". Calculations have been made and are shown below for each year, based on Trading income chargeable to date net of Expenses allowable to date. The CLT is still reporting a loss on trading income net of trading expenses chargeable to CT and allowances brought forward; it is therefore is not yet required to make a corporation tax return.

£	Year ended October 2021	Year ended October 2020
Trading income chargeable to CT	1,513.30	2,946.94
Trading expenses allowable to CT	-2,042.59	-1,159.10
Allowances brought forward	-338.30	-2,126.14
Net taxable	0	0
Allowances carried forward	-867.59	-338.30
Tax rate	n/a	n/a
Corporation tax payable	Nil	Nil

2.9 Year-end transfers (foot of profit & loss)

The year-end transfer of Net income from the Profit & Loss account to Retained earnings in the Equity section of the Balance Sheet is detailed below. The Net income

(or loss) would include the estimated Corporation tax payable for the period as calculated above, if it were not zero.

£	Year ended October 2021	Year ended October 2020
B/F from previous period	8,195.22	6,453.58
Net income (loss) for period	-529.29	1,741.64
Retained earnings C/F	7,665.93	8,195.22

3 Accounting statements

These statements (attached) are produced directly from the accounting system; they have section numbers that are not repeated if the section overflows the page. The statements are presented in the order: Balance Sheets current & previous then Profit & Loss current & previous.


Section

1. Current Balance Sheet (31/10/2021)
2. Previous Balance Sheet (31/10/2020)
3. Current year's Profit & Loss (2020-21)
4. Previous year's Profit & Loss (2019-20)

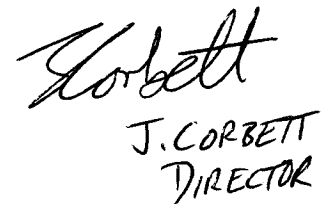


Simon Grundy
Hon. Treasurer

Brampford Speke, Upton Pyne & Cowley Community Land Trust Limited
29 April 2022



P.R. THOMSON
DIRECTOR



J. CORBETT
DIRECTOR

BSUPC CLT 1 Current Balance Sheet 31/10/2021

Assets

Assets

Current Assets

Bank current £13,327.33

Total Current Assets £13,327.33

Total Assets £13,327.33

Total Assets £13,327.33

Liabilities

Liabilities

Accrued expenses £134.00

Treasurer's cash account £3.40

Total Liabilities £137.40

Total Liabilities £137.40

Equity

Capital from grants

County councillors fund £1,500.00

Gifts & donations £250.00

Parishes together fund £702.00

TAF £3,000.00

Total Capital from grants £5,452.00

Capital subscribed by members

Additional capital £18.00

Normal subscriptions £54.00

Total Capital subscribed by members £72.00

Retained earnings

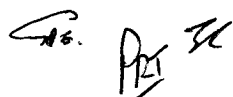
B/F from previous period £8,195.22

Net income for period -£529.29

Total Retained earnings £7,665.93

Total Equity £13,189.93

Total Liabilities & Equity £13,327.33



BSUPC CLT 2 previous Balance Sheet 31/10/2020

Assets

Assets

Current Assets

Bank current £13,784.22

Total Current Assets £13,784.22

Total Assets £13,784.22

Total Assets £13,784.22

Liabilities

Liabilities

Accrued expenses £67.00

Total Liabilities £67.00

Total Liabilities £67.00

Equity

Capital from grants

County councillors fund £1,500.00

Gifts & donations £250.00

Parishes together fund £702.00

TAF £3,000.00

Total Capital from grants £5,452.00

Capital subscribed by members

Additional capital £18.00

Normal subscriptions £52.00

Total Capital subscribed by members £70.00

Retained earnings

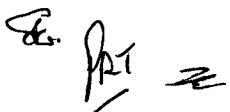
B/F from previous period £6,453.58

Net income for period £1,741.64

Total Retained earnings £8,195.22

Total Equity £13,717.22

Total Liabilities & Equity £13,784.22



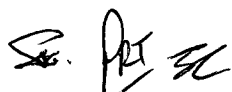
BSUPC CLT 3 current year Profit & Loss For Period Covering 01/11/2020 to 31/10/2021

Revenues

Income		
Ground rent income	£1,513.30	
Total Income		£1,513.30
Total Revenue		£1,513.30

Expenses

Expense		
Trading expenses		
Amenity land maintenance		
Grant from Hastoe	-£250.00	
Tim Hammond Garden Services	£1,139.00	
Tree supplies	£316.38	
Total Amenity land maintenance		£1,257.34
Bank service charges		£72.00
Communications		
Postage	£3.40	
Total Communications		£3.40
FCA fees		£67.00
Housing Needs Survey contribution		£300.00
Insurance		£320.85
Meetings		
Room hire	£22.00	
Total Meetings		£22.00
Total Trading expenses		£2,042.59
Total Expense		£2,042.59
Total Expenses		£2,042.59
Net loss for Period		£529.29



BSUPC CLT 4 previous year Profit & Loss For Period Covering 01/11/2019 to 31/10/2020

Revenues

Income

Ground rent income	£2,946.94	
Total Income		£2,946.94
Total Revenue		£2,946.94

Expenses

Expense

Trading expenses		
Amenity land maintenance	£761.20	
Bank service charges	£72.00	
FCA fees	£67.00	
Insurance	£305.10	
Total Trading expenses		£1,205.30
Total Expense		£1,205.30
Total Expenses		£1,205.30
Net income for Period		£1,741.64

