

NEWICK VILLAGE HALL CHARITY

REGISTERED CHARITY NUMBER 305287

TRUSTEES REPORT AND FINANCIAL STATEMENTS

for the

YEAR ENDED 31 DECEMBER 2020

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NEWICK VILLAGE HALL CHARITY

REGISTERED CHARITY NUMBER 305287

Legal and Administrative Affairs

Trustees

(as at 1 March 2021)

David Read – Chairman
Thomas Whitlock – Vice Chairman
Michael Berry – Treasurer
Hilary Bryan – Minute Secretary
Barbara Bone – Newick Amateur Dramatic Society
Jennifer Walton – Newick Horticultural Society
David Tobbit – Newick Twining Society
Sara Asprey – Newick Badminton Club
Bronja Whitlock
Anthony Bailey
Malcolm Smith

Registered Office

55 New Heritage Way
North Chailey
Lewes
East Sussex BN8 4GD

Independent Examiner Mr Paul Sentence

Bankers

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent, ME19 4JQ

Investments

M & G Charities
PO Box 9038
Chelmsford
Essex CM99 2XF

NEWICK VILLAGE HALL CHARITY

Report of Trustees for the year ended 31 December 2020

The Trustees present their report along with the financial statements of the Newick Village Hall Charity ("Charity") for the year ended 31 December 2020.

Public Benefit

The object of the Charity is to provide premises which should be held on trust for the purposes of physical and mental training and recreation and social moral and intellectual development through the medium of reading and recreation rooms, library lectures classes, recreations, and entertainments or otherwise as may be found expedient for the benefit of the inhabitants of the Parish of Newick aforesaid and its immediate vicinity including in particular that part of the Parish of Chailey which lies to the east of the Southern Railway from Lewes to East Grinstead without distinction of sex or of political religious or other opinions but subject to the provisions of these presents.

The Charity maintains the Village Hall and makes it available for hire at reasonable rates to all local societies, clubs, groups and other suitable hirers who wish to use it.

The Charity has studied the Charity Commission's guidance on public benefit and confirms that it considers the services provided to be fully in line with that guidance.

Structure, Management and Governance

The Charity is an unincorporated trust constituted under a trust deed dated 10 March 1947.

The Trustees meet regularly throughout the year and agree the broad strategy and areas of activity including maintenance, refurbishment, finance and risk management policies.

The general management and control of the Charity premises and the arrangements for their use is vested in the Management Committee consisting of no more than 18 members nominated by local clubs and societies along with a maximum of 3 co-opted members. All members are required to stand down at the AGM for a new committee to be constituted. All committee members are Trustees

Newick Parish Council are custodian Trustees and if the Management Committee ceases to function then the hall would transfer to the Parish Council for that body to manage.

The Charity is a member of the Action in Rural Sussex Community Buildings Advice Service and receives regular advice and support on many aspects of running a village hall.

The Management Committee members are all volunteers. In addition to Committee

matters, some Committee members, free of charge, assist with hall maintenance, applying for grants and managing the Village Hall's refurbishment projects.

Risk Management

The Trustees consider that the major risks to continued viable operation of the Village Hall are those listed below. The procedures adopted to manage those risks are also given below:

➤ **Loss of income due to one or more of the major users ceasing to hire the hall.**

We have progressively refurbished and improved the Hall's facilities to make it more attractive to existing and new hires. This has maintained our level of rental and storage income at over £20,000 per annum and is an on-going process. We also actively promote the premises for parties for the under 10s as well as aged persons groups. We now hold 9 month's rental income in reserve to cover for any major user ceasing to hire the hall.

In 2021 we are also embarking upon a major refurbishment of the main hall to make it more attractive to hire for major events such as weddings and "significant" birthday parties.

➤ **Unexpected problem with premises.**

We maintain a renewal and repairs reserve to allow any such problem to be remedied quickly. We would also be supported by the Parish Council, donations and charitable bodies through grant income (see reserve policy below).

➤ **Loss of income due to pandemic**

By claiming Central Government support and careful control of our fixed costs we have been able to maintain and protect the integrity of the building. This financial support has continued into 2021.

We have no source of regular income other than through hiring the hall out to local societies and residents. We are therefore very dependent on the resilience of the local societies and organisations. In light of this we will continue with a policy of careful management of the hall budget until it is apparent that the local community has recovered.

Prior to the pandemic the Trustees initiated a project to refurbish the village hall ceiling which is showing signs of deterioration in the plaster work. This was suspended during the 2020 in view of the difficulties associated with the general lockdown. Given the publication of a road map for easing of the restrictions, we have restarted the tender process. The cost of this is covered by funds already earmarked and two substantial donations. We are confident that the earmarked funds will be sufficient to cover this cost, without risking capital reserve funds held against the occurrence of a critical event affecting the hall.

Reserves Policy

The Charity has a policy agreed from 2012 following the last major refurbishment of the hall. Revenue reserves are necessary to cover the possibility of unexpected loss of income and/or development of an unexpected maintenance problem with the premises without reducing our long-term investment. The intention is that the revenue reserves will be increased at a minimum of £2,662 per annum. This rate has been developed based on a structured programme for the replacement and refurbishment of existing facilities. The Charity has achieved this in the last 7 years since the policy was agreed.

In 2021 the Trustees will complete a fundamental review of the 2012 policy assessing all assets to ensure that the funds available for future major repairs, renewals and replacements.

Achievements and Performance

Unfortunately, the pandemic has had a drastic effect on the activity in the hall. It also necessitated the postponement of the planned refurbishment of the main hall planned for August 2020. During this time the Trustees have been grateful for the advice issued by AIRS (Action in Rural Sussex). We have followed their advice on opening / closing the hall and the various actions required to keep the hall Covid safe. This has taken up a significant amount of time in analysing the regulations and guidance issued by Central Government.

Our income from the hire of the hall has been drastically reduced and we have been dependent on government grants to cover operational expenses. This has allowed us to maintain the integrity of the building.

Given the state of the ceiling in the main hall we have continued to develop the plans to refurbish the hall, relying on donations to supplement the original capital set aside for the purpose. We intend to attempt to undertake the work during the summer months of 2021.

Although the hall has been largely closed during 2020, we have managed to maintain a programme of routine maintenance in order to keep the hall safe and in the best possible condition.

With the reduction in activity, the trustees have taken the opportunity to review and update our procedures and guides in line with recommended best practice.

We are concerned that some of our long term clients may not survive the pandemic and are therefore making plans to undertake an active advertising programme with the intension of finding new clients. We decided not to increase our charges for 2021 in order to support those societies that are trying to re-establish themselves. It has been suggested that some users would find it advantageous for the hall to have an internet connection. We have therefore installed an internet link in order to provide that facility.

Financial Review - Summary

The Covid-19 pandemic has made the analysis of the financial results for the year a one off and any comparison to previous years difficult. However, it is worth seeing the figures for last year as you can assess the financial impact of the pandemic. The focus of the Charity was, to where possible, strictly following the guidelines and rules from Central Government, to make the hall available for hire to regular weekly hires. Following the national lockdown in March limited hires were possible during various periods in the year. Major hires such as NADS, Bonfire Society, Horticultural Society were all cancelled, and major one off hires, such as weddings, postponed.

The Charity received 2 rounds of financial support totaling £11,654 from Central Government via Lewes District Council.

The Charity's income from lettings and storage which was £13,300 in 2020 compared with £21,500 in 2019 and £20,900 in 2018.

After charging all costs there was an operating surplus of £12,079 (2019: Surplus £4,127). This surplus is predominately as a result of managing the Charity's operating costs to match our direct income and holding the Central Government contribution in reserve for any further impact in 2021.

With respect to the Renewals and Repair Fund. £1,878 was spent (see accounts for details) but we were able to make a £6,324 transfer from the 2020 surplus. The fund now stands as £18,504. There was significant expenditure on upgrading the fire alarm system plus repairs to the kitchen shutters. The Trustees will, in 2021, be conducting a full review of assets, planning for future commitments.

The balance of the surplus was transferred the operational balance reserve increasing it from 6 to 9 month's rental income (£15,000).

The facilities upgrade fund balance now totals £35,953, (2019: £37,958). A significant amount of this fund will be spent in 2021 along with the allocated £25,000 awarded by Lewes District Council under the Community Infrastructure Levy grant process.

The Charity has no long-term investments but does hold £44,340 (2019: £45,000) in a fixed interest Charity Investment account with M&G holdings. The interest received for this account (£1,060) is being used to further the objectives of the Charity as it is recognised as part of our annual ongoing income.

Overall, net funds increased by £7,441 (2019 – decreased by £1,395).

The Trustees considered the financial state of the Charity to be satisfactory.

The Trustees declare that they have approved the Trustees' report above

Signed on behalf of Trustees

**D Read
Chairman**

D. H. Read.

Dated:

8th September 2021

Independent Examiners Report to The Trustees of Newick Village Hall

I report on the accounts of Newick Village Hall Charity for the year ending 31 December 2020 which are set out on pages 8 to 10.

Respective responsibilities of Trustees and examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

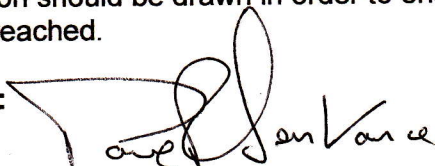
Independent Examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Charities Act or
- the accounts do not accord with the accounting records

I have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name:



Date:

26th March 2021

NEWICK VILLAGE HALL CHARITY

Statement of Financial Activities for The Year Ended
31 December 2020

NEWICK VILLAGE HALL CHARITY

Notes to the Accounts for The Year Ended
31 December 2020

		2020	2020	2019	2019
		£	£	£	£
Hall Upgrade					
Income	Donations	-	-	-	-
Expenditure					
	Consultancy fees	2,100	<u>1,678</u>	1,678	<u>(1,678)</u>
Cash (outflow)/inflow on projects			(2,100)		(1,678)
Hall Renewal and Repairs					
	Village Hall signs	-		258	
	Electrical work	1501		2,793	
	Shutter repairs	377	<u>793</u>	793	<u>(3,844)</u>
Cash (outflow) on renewals			(1,878)		(3,844)
Normal Operating Activities					
Income					
	Lettings	12,453		20,683	
	Storage	819		878	
	Donations	422		145	
	Government Grants	11,654		-	
	Newick Cinema	600		4,328	
	Investment Interest	1,060	<u>989</u>	989	<u>27,023</u>
			27,008		27,023
Expenditure					
	Electricity	965		1,438	
	Gas	1,054		1,214	
	Water	462		908	
	Insurance	1,325		1,561	
	Repairs/ Mtnce	1,297		1,582	
	Caretaking/Cleaning	5,020		8,067	
	Newick Cinema	497		3,145	
	Booking Secretary	3,283		3,750	
	Fees and Licenses	180		536	
	Broadband / telephones	342		156	
	Sundries/Admin	504	<u>539</u>	539	<u>22,896</u>
			14,929		22,896

Cash Inflow on normal activities	12,079	4,127
Total inflow/(outflow) for the year	8,101	(1,395)
Funds Brought Forward	62,016	63,411
Adjustment on Investment Value	(660)	-
Funds Carried Forward	69,457	62,016

Represented By:

CAF Current Account	24,901	16,882
M & G Holdings	44,340	45,000
Petty Cash	216	134
Total	69,457	62,016

Allocated to:

Operational Surplus	15,000	10,000
Maintenance and Renewals Fund	18,504	14,058
Facilities Upgrade	35,953	37,958
	69,457	62,016

Assets

The principle assets held by the Charity are land where the hall is situated, the village hall building, fixtures/fittings, funds on deposit/bank account, and a small amount of petty cash.

Hall Refurbishments

The planned work needed to repair the plaster work in the ceiling as well as improve the lighting and acoustics of the hall was again delayed due to the Covid-19 pandemic. The successful bid for matched funding from the Lewes District Council controlled Community Infrastructure Levy fund has been retained from 2018. Subject to an agreed legal agreement we anticipate commencing work at the end of July 2021. £2,100 was incurred on professional fees for work completed by the Principle Designer.

Further upgrade plans have been agreed for 2022. The Charity has, in 2021, received a significant legacy from a generous benefactor and it is hoped that with further matched funding from the Local Authority these plans can be progressed.

Hall Repairs and Renewals

£1,878 was spent on the repairs and maintenance of the hall, the most significant one being the upgrade of parts of the fire alarm system to comply with standards.

Normal Operating Income

Hire income was down from 2019 due to the Covid-19 pandemic which forced the hall to close for significant periods of time during the year.

The Charity received two payments of financial support from Central Government via Lewes DC. (£11,654).

The interest received from M&G Holdings Charibond continued to be at a reasonable level. Interest received will reduce in 2021 as we intend to use some of our reserves to fund the upgrade work.

A £200 donation was received from Rex Hawkes as a result of a Boxing Day tea party to raise funds for the hall.

As at 31 December 2020 £1,200 was held in respect of 2021 bookings. These receipts are included in the 2019 and 2020 accounts. A number of annual events were postponed, and deposits transferred to 2021.

As at 31 December 2020 the sum of £343 was outstanding in hire charges. These amounts were only outstanding due to the holiday period and were all cleared in January 2021. This hire income will be included within the 2021 accounts.

We only had 2 shows of Newick Cinema where we achieved a surplus of £103 (2019 - £1,183).

Normal Operating Expenditure

In 2020 there has been a decrease (£5,319) in ongoing operational expenditure excluding Newick Cinema fees.

Utility bills are lower in 2020 (-£1,079) as a result of the hall being closed.

Caretaking, Cleaning and Booking Secretary fees were lower (-£3,517) as a result of the reduced workload due to the hall being closed.

The Charity in 2012 agreed a 20-year asset replacement reserve policy of providing a minimum of £2,662 per annum from surplus funds. This has been achieved in all years since this policy was determined so this reserve now stands at £18,504 following expenditure of £1,878 on the items mentioned in the accounts above.

The Operational Surplus account has been increased to £15,000, which is the equivalent to about 9 month's income from hire and storage fees. This is to ensure there are sufficient funds to allow for any further hall closures during 2021.

The Facilities Upgrade Reserve of £35,953 which along with Local Authority grants will fund the hall improvements. In 2021 the Charity has received an interim payment £30,000 donation from the trust of generous benefactor. This will be added to the Upgrade fund to finance future planned work.

Newick Cinema

In 2020 only 2 shows were possible due to the Covid -19 pandemic. A surplus of £103 was achieved. Since the cinema has been running, we have achieved a cumulative surplus of over £2,350. Newick Amateur Dramatic Society continue to provide the refreshments and will donate their profits (currently in excess of £2,400) back to the hall to fund future upgrade work. At the time of writing it is not known whether the cinema will return in 2021.