



THE TORCH ASSOCIATION

TRUSTEES' REPORT AND ACCOUNTS FOR YEAR ENDED 31st MARCH 2021

Charity Registration No. 515527



THE TORCH ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Registered Charity Name	THE TORCH ASSOCIATION
Charity Number	515527
Trustees	Mr Brian Massey MBE (Chairman) Mr John Robinson Mrs Bryony Gibson
Hon. Treasurer	Dr Howard Forrest White Gates Cottage Elvaston Park Road Hexham Northumberland NE46 2HT
Principal Address	Torch Centre Corbridge Road Hexham Northumberland NE46 1QS
Bankers	Barclays Priestpottle Hexham Northumberland NE46 1PE



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Trustees' Annual Report

Year ending 31 March 2021

Formation of the Charity

The Charity was established through a Charitable Trust Deed dated 13th September 1984.

Objectives of the Charity

The relief of illness and suffering of all disabled persons resident in a defined local area of Tynedale and beyond by providing, managing and maintaining a Centre for recreation or other leisure time occupation and in particular by providing facilities for competitive and non- competitive sports.

Administration

The names of the Trustees of the Association are provided above. Where vacancies arise, they are advertised externally and among the Trustees' personal contacts.

The administration of the Charity is conducted through a Management Committee, working in accordance with the formal amended constitution approved in July 2017, and meeting quarterly under the chairmanship of one of the Trustees, Mr Brian Massey.

Organisation

There are two employees, one a part time administrator and the other a part time caretaker/cleaner/barman.

Management

The Management Committee continues to focus on and address the following issues:

1. The need to raise the profile of the Torch Centre within the town of Hexham.
2. The need to increase income to meet the cost of repairs and maintenance on the building.
3. The need to maximise the use of the letting rooms and bar.
4. The procurement of grants to carry out substantial repairs and improvements to the building.

Risk Assessment

The Management Committee duly considered all the risks to which the Charity is exposed and was satisfied that it had in place appropriate measures to mitigate any exposure to such risks.

These risks include any ongoing covid lockdown restrictions, any falling usage with resultant drop in income and any unexpected maintenance and capital expenditure.

Strategic Review

Following the coronavirus lockdown all facilities at the Centre were immediately temporarily closed down and the two part-time members of staff furloughed. During lockdown, there has been no regular income to the charity, whilst expenditure has been reduced to the minimum.

Thanks to the Government's furlough payments and a business grant of £10,000 and together with generous grants from local Trusts the future of the Torch Centre has been secured with adequate funds to meet outgoings over the year to the end of March 2021.

Financial Performance

Despite the implications of the Covid pandemic and related lockdown, the Charity was able to generate funds through a number of different routes including grants from various Trusts, the County Council and Government business grants. This enabled some essential upgrading of the internal facilities to be undertaken during the year.

Reserves Policy

The Trustees conduct a review annually to ensure that there are sufficient funds to maintain the charity's financial stability and ongoing development. The Trustees' reserves policy is to ensure the charity holds unrestricted free reserves, after taking account of any fixed assets which are required for ongoing use, equivalent to the cost of closing down the charity.

At 31st March 2021, the charity had unrestricted reserves of £13,617. The Trustees aim to ensure that the level of free reserves is now maintained at a minimum of £14,000 in line with the stated policy.

Serious incidents

During the year, there were no serious incidents recorded which the Trustees were required to report to the Charity Commission.

Public Benefit Statement

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the Torch Association's charitable purpose and objectives.

Brian Massey

Trustee and Chairman of the Management Committee
September 2021

**Independent Examiner's Report
to the Trustees of THE TORCH ASSOCIATION**

I report to the trustees on my examination of the accounts of the above charity (“the Trust”) for the year ended 31 March 2021 which are set out on pages 4 to 9.

Respective responsibilities of trustees and examiner

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (“the Act”).

I report in respect of my examination of the Trust’s accounts carried out under section 145 of the Charities Act 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

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

I draw attention to the accounting policies and annual report of the trustees, which highlight the ongoing disruption during the year as a result of the Covid-19 pandemic. My opinion is not modified in respect of this matter.

As set out in these accounting policies under “going concern”, the trustees have considered the impact of the pandemic and all other activities on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

I have no concerns and 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.



Philip Hall CPFA

12 Kingswood Park
Bonsor Drive
Tadworth
Surrey
KT20 6AY
Date: 14 September 2021



THE TORCH ASSOCIATION

Statement of Financial Activities including Income & Expenditure Account for the Year Ended March 2021

	Notes	2021			2020
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
Income					
Donations & Fund raising	2	27,138	7,850	34,988	14,702
Investment Income	3	12	0	12	16
Charitable Activities	4	-3,443	14,205	10,761	24,593
Total Income		23,706	22,055	45,761	39,311
Expenditure					
Charitable Activities	5&10	16,805	26,317	43,122	37,277
Total Expenditure		16,805	26,317	43,122	37,277
Net Movement in Funds		6,901	-4,262	2,639	2,033
Total funds brought forward		141,521	4,262	145,782	143,749
Total funds carried forward		148,421	0	148,421	145,782

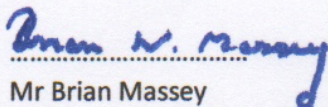


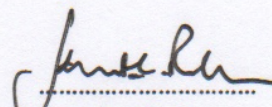
THE TORCH ASSOCIATION

Balance Sheet as at 31st March 2021

	Notes	<u>2021</u>	<u>2020</u>
Fixed Assets			
Tangible assets	8	134,804	135,179
Current Assets			
Stocks		551	1,248
Cash in bank & at hand		<u>22,982</u>	<u>9,356</u>
Total Current Assets		23,534	10,603
Liabilities			
Creditors: due within one year	9	9,917	0
Net Current Assets		13,617	10,603
Total Assets less current liabilities		<u>148,421</u>	<u>145,782</u>
Represented by			
Fixed Assets		134,804	135,179
Unrestricted Reserves		13,617	6,341
Restricted Reserves		<u>0</u>	<u>4,262</u>
Total Funds		<u>148,421</u>	<u>145,782</u>

The Accounts were approved by the Trustees on.....23/9/2021


Mr Brian Massey
Trustee


Mr John Robinson
Trustee



THE TORCH ASSOCIATION

Notes to the Accounts for the Year Ended 31st March 2021

Note

1 Accounting Policies

1.1 Basis of preparation

The Financial Statements have been prepared under the historical cost convention and comply with the Companies Act 2006, Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1.2 Incoming resources

Donations, fund raising and charitable activities are recognised when received by the charity.

1.3 Resources expended

All expenditure is recognised by the charity when the liability has been incurred. Expenditure is recognised on an accruals basis as a liability is incurred. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include accountancy fees and costs linked to the strategic management of the charity.

1.4 Tangible fixed assets and depreciation

The amount of the Leasehold Building being depreciated is the original cost (£148,679) less its expected residual value (£130k); depreciated in equal instalments over 50 years. All earlier Equipment and Fixtures & Fittings purchased have now been fully depreciated. New purchases are fully written down in the year of purchase.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Accumulated Funds

Restricted funds are subject to specific conditions by donors as to how they may be used.

1.7 Impact of the Covid Pandemic

Enforced closures during successive covid lockdown and restriction periods meant a huge loss of normal income (87% fall in rental & 100% in bar income). However, the charity was able to take advantage of Business Support Grants from both the Government (£22.6k) and Hexham Town Council (£1.5k). The two staff were put on furlough enabling receipt of £14.2k from the Job Retention Scheme towards their salaries. Other expenditure was closely monitored, although items of cost such as utilities, insurance, etc could not be avoided. However, it proved possible to improve the reserves position to a level where the Trustees felt able to implement some overdue maintenance and property upgrade projects whilst the Centre remained closed.

The reserves at the year-end stood at £13.6k. Whilst higher than the previous target level of £10,000, the Trustees feel the additional funds are essential, given the uncertainties surrounding the continuing covid pandemic.

1.8 Going Concern

The full impact on the charity of the coronavirus pandemic is still unknown. However, limited reopening has been possible since May, and whilst many groups are looking to September at the earliest to return, the Trustees expect the charity to return to full operation. Staff remain on flexible furlough, with the scheme due to end in September. A final Business Support Grant of £8k was received in May '21, which has helped further strengthen reserves. Consequently, the Trustees are of the opinion the charity will have sufficient resources to meet its liabilities as they fall due in the coming year and consider it appropriate to prepare the accounts on a going concern basis.

2 Donations & Fundraising

	2021			2020
	Unrestricted Funds	Restricted Funds	Total Funds	
Government Business Support Grants	24,138		24,138	0
William Webster Charitable Trust		1,000	1,000	0
Joicey Trust	2,600		2,600	0
Willan Trust		4,000	4,000	0
Catherine Cookson Charitable Trust		500	500	0
Hexham Rotary		250	250	500
Henry Bell Trust	400		400	1,050
Sybil Ridley Legacy		100	100	0
Northumberland Community Chest		2,000	2,000	2500
JH Burn Charity Trust			0	200
Jive Alive			0	300
David Wilson Homes			0	1,000
NCC Councillors Allowance			0	4,600
COOP			0	290
Karbon Homes			0	762
Barbour			0	1,500
Rothley Trust			0	1,000
Sir James Knott Trust			0	1,000
TOTAL	27,138	7,850	34,988	14,702

3	Investment Income		
		2021	2020
	Interest Receivable	12	16
4	Income from Charitable Activities		
		2021	2020
	HMRC Job Retention Scheme	14,205	0
	Bar Sales (net – see below)	-7,335	-5,713
	Subscriptions	0	365
	Room Hire & Club Rent	3,892	29,940
	TOTAL	10,761	24,593
	Bar Profit & Loss		
	Income	0	13,229
	Opening stock	1,248	1,603
	Purchases	963	11,201
	Closing stock	-551	-1,248
	Cost of sales	1,659	11,556
	Gross Margin	-1,659	1,673
	Expenditure		
	Salaries	0	5,109
	Cleaning	0	266
	Utilities	1,006	1,306
	TV Licence	157	153
	Repairs & Maintenance	3,900	0
	Insurance	254	247
	Performing Rights Society	0	210
	Security	359	93
		5,676	7,385
	Contribution/Loss	-7,335	-5,713
5	Expenditure		
		2021	2020
	Charitable Activities		
	General Expenditure	43,122	37,277
	Auditors	0	0
	TOTAL	43,122	37,277

6	Trustees - Remuneration	0	0		
7	Employees	2021	2020		
		2	2		
8	Tangible Fixed Assets	Leasehold Building	Equipment	Fix & Fit	TOTAL
	Cost				
	At 1 April 2020 and at 31 March 2021	148,679	9,142	11,504	169,325
	Depreciation				
	At 1 April 2020	13,500	9,142	11,504	34,146
	Charge for Year	375	0	0	375
	At 31 March 2021	13,875	9,142	11,504	34,521
	Net Book Value				
	31 st March 2021	134,804	0	0	134,804
	31 st March 2020	135,179	0	0	135,179
9	Creditors: within one year				
		2021	2020		
	Trade Creditors	9,917	0		
10	Expenditure Analysis				
		2021			2020
		Unrestricted Funds	Restricted Funds	Total	
	Salaries	5,168	14,205	19,373	15,326
	Cleaning	963		963	799
	Utilities	3,019		3,019	3,919
	Post/Telephone	1,090	658	1,747	1,508
	Repairs & Maintenance	4,832	10,975	15,807	13,698
	Insurance	762		762	743
	PRS	0		0	631
	Security	596	480	1,076	279
	Misc	0		0	0
	Depreciation	375		375	375
		<u>16,805</u>	<u>26,317</u>	<u>43,122</u>	<u>37,277</u>