

Registered Charity No: 522124

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

TRUSTEES ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
for the year ended 31 December 2020

SMITHS ACCOUNTANTS & TAX ADVISERS LTD

Chartered Accountants
Alnwick
Northumberland

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

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PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and Activities

The continuing objective of the Charity is to provide the facility for social, recreation and sporting activities to the people of Pegswood and neighbouring towns and villages. In 2020 the membership saw no movement and stood at 101 (2019: 101)

The year started as normal with regular activities occurring however, in March the Pandemic and consequential lockdown suspended everything as we closed the Centre. There were sporadic openings but under the restrictions the activities that could be held, were limited to Education which only allowed for hire of the Halls by the two Nursery groups. The result being that for 9 months the Centre was unable to fully open for business and received emergency grants from Northumberland County Council to help maintain the building and cover overheads.

When we did open there were additional demands and resources required to ensure the health and safety of users and a grant from the Parish Council supported purchase of cleaning materials and PPE.

Recruitment of Trustees and volunteers continues through adverts in the Parish Council newsletter and our own mediums of social media and noticeboard.

Activities for the Public Benefit

The trustees can confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Centre's charitable aims and objectives and in planning future activities. We publicise not only on our social media but also on the village Community page which has a wide audience. Ideas are encouraged to be put forward by consulting with members, users of the Centre and visitors on activities or events they wish to see.

Achievements and Performance

With the requirements for shielding a number of Trustees were unable to offer their normal input and we relied on volunteers to support activities on the occasions when we could open. Due this being sporadic and of insignificant volume there are no achievements to report other than to say with the grants given it enabled us to remain solvent and, in a position, to resume when restrictions sufficiently lifted to widen activities and events.

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Financial Review

Our restricted reserves are matched against the depreciating assets of the charity plus any non-defrayed grant funding at the end of each financial year. Our unrestricted reserves, mainly represented by our cash resources, will continue to be managed carefully on a week-by-week basis to continue support for the Centre's various activities. A summary of charity reserves at 31 December 2020 is as follows:

	2020 £	2019 £
Restricted Funds	26,932	38,414
Unrestricted Funds	13,659	10,667
	<u>40,591</u>	<u>45,481</u>

Restricted reserves at 31 December were as follows:

Fixed assets fund	26,932	34,814
Grants received carried forward	-	-
	<u>26,932</u>	<u>34,814</u>

Structure, Governance and Management

The governing document is the trust deed dated 20 December 1965 and scheme dated 16 June 1967 as amended by scheme dated 21 January 2004.

Due to ill health and the Covid-19 situation one long standing Trustee took the decision to retire and this resulted in a change of Chairmanship and Treasurer positions

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Reference and Administration Details

Charity Name	Pegswood Recreation Ground and Social Welfare Centre	
Charity Number	522124	
Principal Address	Pegswood Recreation Ground and Social Welfare Centre Front Street Pegswood Northumberland NE61 6UF	
Board of Trustees	S Lonsdale (Chair) (appointed June 2021) J Froud (Treasurer) C H Buczko (resigned) M Coulson (resigned) M Davison (resigned) C Hogg (resigned) R Stocks D Hodgson (appointed October 2021)	
Independent Examiner	Smiths Accountants & Tax Advisers Ltd Chartered Accountants 8 Linnet Court Alnwick Northumberland NE66 2GD	
Bankers	Barclays Bank plc Morpeth Branch Bridge Street Morpeth Northumberland NE61 1YY	Co-operative Bank plc Norfolk House 84-86 Grey Street Newcastle upon Tyne NE1 6BZ

Approval

This report was approved by order of the Board of Trustees on 19th October 2021 and signed on its behalf by

.....
S Lonsdale

Chair of Trustees

**INDEPENDENT ACCOUNTANTS REPORT TO THE TRUSTEES OF
PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE
FOR THE YEAR ENDED 31 DECEMBER 2020**

I report to the trustees on my examination of the accounts on the accounts for the year ended 31 December 2020, which are set out on pages 5 to 12.

Responsibilities and basis of report

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 2011 Act and in carrying out my examination I have followed all 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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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

.....
I R Smith (ACA)
Smiths Accountants & Tax Advisers Ltd
Chartered Accountants
8 Linnet Court
Cawledge Business Park
Alnwick
Northumberland
NE66 2GD

19th October 2021

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds £	Restricted Income Funds £	2020 Total Funds £	2019 Total Funds £
Incoming Resources					
Income and endowment from:					
Donations and legacies		143	-	143	346
Charitable activities					
Grants receivable		15,573	-	15,573	308
Refreshment sales		3,755	-	3,755	7,382
Games and entertainments		4,833	-	4,833	8,535
Sundry income		7,416	-	7,416	21,563
		<hr/>	<hr/>	<hr/>	<hr/>
Total	3	31,720	-	31,720	38,134
		<hr/>	<hr/>	<hr/>	<hr/>
Resources Expended					
Expenditure on:					
Raising funds		3,921	-	3,921	8,379
Charitable activities		24,399	7,882	32,281	43,501
Other		408	-	408	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total	4	28,728	7,882	36,610	51,880
		<hr/>	<hr/>	<hr/>	<hr/>
Net income / (expenditure)		2,992	(7,882)	(4,890)	(13,746)
Transfers between funds		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		2,992	(7,882)	(4,890)	(13,746)
		<hr/>	<hr/>	<hr/>	<hr/>
Reconciliation of funds					
Total funds brought forward		10,667	34,814	45,481	59,227
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward	11	13,659	26,932	40,591	45,481
		<hr/>	<hr/>	<hr/>	<hr/>

The statement of financial activities includes all gains and losses in the year. All incoming resources expended derive from continuing activities.

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	Unrestricted Funds £	Restricted Income Funds £	2020 Total Funds £	2019 Total Funds £
Fixed assets					
Tangible assets	6	-	26,932	26,932	34,814
Current assets					
Stocks	7	250	-	250	921
Debtors	8	3,442	-	3,442	3,732
Cash in hand and at bank	9	14,333	-	14,333	12,044
		<u>18,025</u>	<u>-</u>	<u>18,025</u>	<u>16,697</u>
Creditors: Amounts falling due within one year	10	4,366	-	4,366	6,030
		<u>13,659</u>	<u>-</u>	<u>13,659</u>	<u>10,667</u>
Net current assets / (liabilities)					
		<u>13,659</u>	<u>26,932</u>	<u>40,591</u>	<u>45,481</u>
Total assets less current liabilities					
		<u>13,659</u>	<u>26,932</u>	<u>40,591</u>	<u>45,481</u>
Funds of the charity					
Restricted income funds		-	26,932	26,932	34,814
Unrestricted funds		13,659	-	13,659	10,667
		<u>13,659</u>	<u>26,932</u>	<u>40,591</u>	<u>45,481</u>
Total funds	11	<u>13,659</u>	<u>26,932</u>	<u>40,591</u>	<u>45,481</u>

The financial statements were approved by the Board of Trustees on 19th October 2021 and were signed on its behalf by:

.....
S Lonsdale

Chair of Trustees

The notes on pages 7 to 11 form part of the financial statements

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. BASIS OF PREPARATION

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost of transaction values unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared on the going concern basis which assumes that the Welfare Centre will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued support of grant funding, which the Board of Trustees is confident will continue.

2. ACCOUNTING POLICIES

(a) Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

(b) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

(c) Depreciation

Depreciation is provided by the Welfare Centre to write off the cost of tangible fixed assets by equal annual installments over their estimated useful life as follows:-

Building extension -	straight line over remaining lease term to 12.05.24
Building renovations -	straight line over remaining lease term to 12.05.24
Furniture, fittings and equipment -	straight line over remaining lease term to 12.05.24

(d) Stocks

Stocks have been valued at cost by the trustees of the Welfare Centre.

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES (continued)

- (e) Support costs
Support costs represent the cost of running the charity's premises and general costs incurred in carrying out the charitable objectives of the charity.
- (f) Management and administration expenditure
Expenditure on management and administration of the charity includes all expenditure not directly related to the charitable activity.
- (g) Taxation
As a charity, Pegswood Recreation Ground and Social Welfare Centre is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to charitable objects, no tax charges have arisen on the charity.
- (h) Fund Accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

	2020 £	2019 £
3. ANALYSIS OF INCOME		
Donations and legacies	143	346
	<hr/>	<hr/>
Grants receivable		
Big Lottery Fund	1,711	-
Pegswood Parish Council	250	-
NCC COVID19 grants	11,334	-
HMRC – CJRS grants	2,278	-
CO-OP Local Community Fund	-	58
Community Foundation	-	250
	<hr/>	<hr/>
	15,573	308
	<hr/>	<hr/>
Refreshment sales		
Bar and shop sales	3,755	7,382
	<hr/>	<hr/>

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
3. ANALYSIS OF INCOME (continued)	£	£
Games and Entertainments		
Forecast pool	-	118
Housey	2,085	4,172
Pool and snooker table	2,238	3,212
Dominoes	320	900
Draws and raffles	190	133
	4,833	8,535
Sundry Income		
Members subscriptions	414	98
Hall rents	5,222	15,147
Other income	245	593
Bowls	315	536
Dance	884	4,372
Fundraising	336	817
	7,416	21,563
	31,720	38,134
4. ANALYSIS OF EXPENDITURE		
Raising funds		
Bar and shop purchases	3,407	5,750
Games and entertainments	514	2,629
Grant deposit	-	-
	3,921	8,379
Charitable activities		
Salaries, wages and national insurance	7,026	5,742
Repairs and renewals	1,084	1,265
Repairs and renewals (restricted)	-	-
Heating and lighting	7,271	9,342
Glasses, bar requisites and cleaning materials	-	-
Rates and water	2,153	3,466
Insurances, rentals and licenses	5,026	6,591
Telephone	1,012	1,349
Printing, stationery, postage and advertising	624	700
Transport and catering	-	-
Transport and catering (restricted)	-	-
Sundry expenditure and donations	203	126
Depreciation (restricted)	7,882	14,920
	32,281	43,501

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	£	£
4. ANALYSIS OF EXPENDITURE (continued)		
Other expenditure		
Accountancy and independent examination	408	-
Bank charges	-	-
	<hr/>	<hr/>
	408	-
	<hr/>	<hr/>
TOTAL EXPENDITURE	36,610	51,880
	<hr/>	<hr/>

5. PAID EMPLOYEES

The average monthly number of employees during the year was one. No employee received emoluments in excess of £60,000.

6. TANGIBLE FIXED ASSETS

	Building & renovation	Furniture fittings & equipment	2020 Total	2019 Total
	£	£	£	£
Cost				
At 1 January 2020	159,575	31,290	190,865	190,865
Additions	-	-	-	-
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	159,575	31,290	190,865	190,865
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 2020	127,366	28,685	156,051	141,131
Charge for the year	7,292	590	7,882	14,920
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	134,658	29,275	163,933	156,051
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 2020	24,917	2,015	26,932	34,814
	<hr/>	<hr/>	<hr/>	<hr/>

7. STOCKS

Bar stocks on hand	250	921
	<hr/>	<hr/>

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	£	£
8. DEBTORS AND PREPAYMENTS		
Payments in advance	2,824	3,139
Debtors	618	593
	<hr/>	<hr/>
	3,442	3,732
	<hr/>	<hr/>
9. CASH AT BANK AND IN HAND		
Barclays Bank plc – community current account	3,430	3,430
Co-operative Bank plc – current account	10,355	7,850
Cash in hand	548	764
	<hr/>	<hr/>
	14,333	12,044
	<hr/>	<hr/>
10. CREDITORS AND ACCRUALS		
Sundry creditors and accrued charges	4,366	6,030
	<hr/>	<hr/>

11. CHARITY FUNDS

Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total £
Fund balances at 31 December 2020 are represented by:				
Tangible fixed assets	-	26,932	-	26,932
Net current assets	13,659	-	-	13,659
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	13,659	26,932	-	40,591
	<hr/>	<hr/>	<hr/>	<hr/>

Statement of funds

	As at 01.01.20 £	Income £	Expenditure £	Net Transfers £	As at 31.12.20 £
Restricted reserves	34,814	-	(7,882)	-	26,932
Unrestricted reserves	10,667	31,720	(28,728)	-	13,659
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	45,481	30,009	(36,610)	-	40,591
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

PEGSWOOD RECREATION GROUND AND SOCIAL WELFARE CENTRE

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

12. GRANT INCOME

The £1,711 Bowls Club grant received from the Big Lottery Fund, was unspent at the year end. The expenditure related to this grant will be incurred in year ending 31 December 2021.

13. TRANSACTIONS WITH TRUSTEES

No trustee received any remuneration or expenses during the year. The control of the club vests in the members, via the committee. No individual has control. There were no significant transactions with related parties.