



ADMASTON HOUSE COMMUNITY CENTRE TRUST

Registered Charity 1078231

**Trustees' Report and Financial Statements
for the year ending 31 March 2023**



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TRUSTEES' REPORT

Registration and Address details

Admaston House Community Centre Trust is registered with the Charity Commission under number 1078231. The correspondence address is 12 Little Meadow Close, Admaston, TELFORD, TF5 0DN. The Community Centre is located at Wellington Road, Admaston TF5 0BN.

Trustees

The following people were trustees of the charity since 31 March 2022 until the date of this report, unless otherwise stated:

Paul Cooper	(appointed 24 May 2023)
Dawn Croker	
Becky Eade	(appointed 10 October 2022)
Terry Kiernan	
Martin Starbuck	
Barry Tillotson	Chairman
Kim Tonks	(appointed 11 July 2022, resigned 24 May 2023)
John Wardle	Treasurer

Structure, Governance and Management

The Trust was constituted on 9 April 1999 and was registered as a charity on 17 November 1999, under registration number 1078231. The Trust's constitution was amended on 10 June 2005.

The Trustees meet on a regular basis (usually monthly) to manage the operation of the Trust. In undertaking their duties, the Trustees ensure, when exercising any powers or duties to which the Charity Commission's public benefit guidance is relevant, they have given appropriate consideration to that guidance.

Objectives, Activities and Public Benefit

The objectives of the Trust are to provide facilities in, and promote the public benefit of, a Community Centre to residents in Admaston and the neighbourhood, defined as the areas administered by Wrockwardine Parish Council (which includes Admaston and Bratton) and Wellington Town Council (which includes Shawburch).

The trustees provide residents of these areas with the use of the centre as a place for associating together in a common effort to advance education and to provide facilities in the interest of social welfare for recreation with the objective of improving the conditions of life for everyone.

The Trust is non-party political, non-sectarian with regard to religion, and makes no discrimination with regard to sex, sexual orientation, race or age.

The success of the Trust is dependent on the voluntary work of Trustees and others. The trustees welcome anyone who has the time and enthusiasm to join them.

Achievements and Performance

The Trust's main activity and source of income is the rent charged to users of rooms within the Admaston Community Centre building. We have a mixed user base – some who have long term commitments with the Trust and others who use a room on an occasional basis, sometimes for a single use only. This financial period represents the first since the COVID pandemic which was not impacted by restrictions and the nervousness that followed the various lockdowns.

The Trust has seen a steady growth in the number of users seeking to utilise the facilities available at the Community Centre, including private business meetings, activities for the public and family celebrations

Our ability to operate the centre is always dependent on volunteers and since COVID, it seems even more difficult to recruit volunteers. Towards the end of the year, the Trust began to employ a part time centre manager to undertake some of the administration work required to operate effectively.

Remedial work

Since the completion of the work to remodel and refurbish the Powell Wing in the previous financial period, the improved environment allowed dry rot to spread in parts of the improved areas. The cost of this work has been funded from reserves. The contractor engaged for the refurbishment work has still not justified an increase in the cost. Should the contractor do so, there will be insufficient funds to meet the payments, and the Trust will have to borrow from lenders it has already approached.

Results for the Year

Rental income grew by 23% from £35,600 to £43,900 reflecting the greater use of the facilities offered. However, expenditure exceeded income by £24,000. The vast majority of this deficit has arisen because of the significant costs incurred in rectifying the dry rot problem. Had this work not been necessary, the deficit would have been much smaller. Depreciation totalled almost £18,000 which also has a significant impact on the results for the year.

Cash balances rose during the year, primarily due to grants awarded towards the end of the previous year being received in the current year.

The Future

The refurbishment of the old Victorian building has made the Community Centre a more attractive venue for potential users and the Trustees continue to see interest from new users on both a regular and occasional basis. There is still a challenge is to attract more daytime users as weekday evening use is at a significantly higher level when compared to usage during working hours, although daytime use is gradually increasing. The additional income raised from a higher level of use will help to generate further income to allow the Trustees to continue to enhance the offering available.

The trustees have not increased charges despite significant increases in utility costs. If such costs do not start to fall, the Trustees are likely to have to increase charges made to users.

Employees

During the year the charity had an average of 1 employee (2022: none).

Policy on Reserves

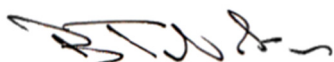
Although the charity has long term arrangements with many of its users, each can be ended by exercising a termination clause and giving a period of notice, which is relatively short. The Trustees have agreed the charity should carry reserves to ensure that the charity has sufficient resources to enable costs to be covered in a period where income falls whilst another user is found.

However, during the planned work to improve facilities within the Victorian House, several structural weaknesses were discovered which required immediate rectification before the planned project could continue. The additional unforeseen costs in undertaking this work have had to be funded from reserves. In addition, the contractor for the works has submitted an invoice for costs above the quoted value. The Trustees are awaiting an explanation of this increased cost, which will also certainly necessitate the Trust having to borrow in order to meet the payments due. The Trust has discussed this with potential lenders and has received offers of funding.

Risk Management

The major risks that the Trust may face are:

- A fall in income, should users end their use of the facilities and are not replaced by other users. However, we have a broad base of users which helps mitigate this risk.
- A lack of voluntary resources, needed to offer a service to the Community Centre users. The trustees are continually seeking to widen the volunteer base to ensure the Trust is not too dependent on a few.
- An increasing maintenance requirement as the age of the building increases. Maintenance is undertaken to minimise this risk but there is the potential for a significant need to arise from time to time.
- The inability to raise grant funding to continue to upgrade the premises to the standards expected by potential users. The trustees have been supported by, and received grants from, many charitable funders but there is no certainty for the future.
- An inability to pass cost increases onto users. Many of the groups using the centre's facilities operate on the basis of charging users attending their groups. As costs at the centre increase, they are often mirrored by similar costs increases for individuals at home. This limits their ability to pay higher charges to the operators of the groups who in turn may then find it difficult to meet any higher charges the Trust seeks to apply. To date the Trust has not sought to increase charges but at some point it is likely to have the need to do so.



Barry Tillotson
Chairman, Admaston House Community Centre Trust

26 April 2024

INDEPENDENT EXAMINER'S REPORT

I report on the financial statements of Admaston House Community Centre Trust for the year ended 31 March 2023, which are set out on pages 5-10. I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England & Wales

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 matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Anna Richards
(FCA/FCCA)
for and on behalf of
Richards Associates Limited
Statutory Auditor
North Lodge
Hawkesyard
Armitage Lane
Rugeley
Staffordshire
WS15 1PS

26 April 2024

STATEMENT OF FINANCIAL ACTIVITIES

	<u>Year ended 31 March 2023</u>			<u>Year ended</u> <u>31 March 2022</u>
Note	<u>Unrestricted</u> <u>funds</u> £	<u>Restricted</u> <u>funds</u> £	<u>Total</u> £	<u>Total</u> £
Income from:				
Rental Income	43,869	-	43,869	35,619
Grants and Donations	4,000	1,000	5,000	81,045
Other Income	329		329	150
Bank Interest	-	-	-	-
	<u>48,198</u>	<u>1,000</u>	<u>49,198</u>	<u>116,814</u>
Expenditure on:				
Leasehold improvements -	17,936	-	17,936	16,045
Depreciation				
Heat, Light and Power	16,466	-	16,466	8,168
Contract Services	9,105	-	9,105	4,834
Repairs and Maintenance	20,564	1,000	21,564	10,001
Payroll	2,403		2,403	-
Insurances	2,030	-	2,030	1,922
Domestic materials & consumables	798	-	798	830
Water	892	-	892	536
Telephone and Stationery	559	-	559	689
Accountancy	300	-	300	300
Other expenses	946	-	946	1,167
	<u>71,999</u>	<u>1,000</u>	<u>72,999</u>	<u>44,492</u>
Net Income/Expenditure and net movement in funds	(23,801)	-	(23,801)	72,322
Total Funds brought forward	771,118	-	771,118	698,796
Total Funds carried forward	<u>747,317</u>	<u>-</u>	<u>747,317</u>	<u>771,118</u>

BALANCE SHEET

Charity Registration 1078231

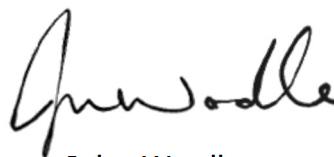
	Note	31 March 2023 £	31 March 2022 £
Fixed Assets			
Leasehold Improvements	6	753,857	771,793
Current Assets			
Debtors and Prepayments	7	7,115	18,445
Cash at bank and in hand		<u>30,520</u>	<u>24,769</u>
		37,635	43,214
Creditors			
Amounts falling due within one year	8	(44,175)	(43,889)
Net Current Assets		<u>(6,540)</u>	<u>(675)</u>
Total Net Assets		<u>747,317</u>	<u>771,118</u>
Funds of the charity			
Restricted funds	9	-	-
Unrestricted funds	10		
Designated funds		<u>747,317</u>	<u>771,118</u>
		747,317	771,118
Total Funds	11	<u>747,317</u>	<u>771,118</u>

The notes on pages 8 to 10 form part of the financial statements.

The financial statements were approved by the Trustees on 26 April 2024 and signed on its behalf by



Barry Tillotson
Chairman



John Wardle
Treasurer

STATEMENT OF CASH FLOWS

	Year ended 31 March 2023	Year ended 31 March 2022
	£	£
Cash flow from operating activities		
Net income/expenditure as per the Statement of Financial Activities	(23,801)	72,322
Adjustments for		
Depreciation	17,936	16,045
Interest from investments	-	-
(Increase)/Decrease in debtors	11,330	(13,957)
Increase/(Decrease) in creditors	286	20,435
<i>Net cash provided by operating activities</i>	5,751	94,845
Cash flows from investing activities		
Interest from investments	-	-
Purchase/improvement of property, plant and equipment	-	(95,709)
<i>Net cash used by investing activities</i>	-	(95,709)
Change in cash and cash equivalents during the year	5,751	(864)
Cash and cash equivalents at the start of the year	24,769	25,633
Cash and cash equivalents at the end of the year	<u>30,520</u>	<u>24,769</u>
Analysis of cash and cash equivalents at end of year		
Cash in hand	-	-
Cash at bank	<u>30,520</u>	<u>24,769</u>
	30,520	24,769

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

Accounting convention

The financial statements have been prepared under the historical cost convention.

Basis of accounting

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (FRS102) and the Charities Act 2011. The financial statements have been prepared on a going concern basis.

Fixed Assets and depreciation

In accordance with the Statement of Recommended Practice for Charity Accounting, expenditure on leasehold improvements which will provide an ongoing economic benefit to the Trust through their contribution to the provision of goods or services by the Trust have been recorded as a fixed asset at historical cost. Depreciation is charged on leasehold improvements on a straight-line basis from their first use over the shorter of (a) the remaining period of the lease or (b) their estimated useful life of fifty years.

Funds

Unrestricted funds are incoming resources received for the objects of the charity and given/generated without any specific purpose for their use. *Restricted funds* are funds given/generated where the donor has specified, or the funds were generated, for a specific purpose. *Designated funds* are unrestricted funds which have subsequently been designated by the trustees for a particular purpose. The trustees may reassign designated funds at any time.

Grants and Donations

Grants and donations are only included in the Statement of Financial Activities when the charity had unconditional entitlement to the resources.

Incoming Resources

These are recognised in the Statement of Financial Activities when,

- the charity becomes entitled to the resources
- the trustees are virtually certain they will receive the resources, and
- the monetary value can be measured with sufficient reliability

Incoming Resources with related Expenditure

Where incoming resources have related expenditure, the incoming resources and the related expenditure are reported gross in the Statement of Financial Activities

Resources Expended

Expenditure is recognised on an accruals basis as the liability is incurred. Costs are allocated between expenditure categories on the Statement of Financial Activities so as to reflect the use of the resource.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account.

Volunteer Help

The value of any volunteer help received is not recorded in the accounts.

2. Leasehold property

The charity has a 125-year lease granted in 2001. This requires the charity to maintain the property, but it is rent free.

3. Trustees' remuneration and expenses

No trustee received any reimbursement of travel costs or other expenses in the current or previous year.

4. Related party transactions

No trustee had any personal interest in any contract or transaction entered into by the charity.

5. Taxation

As a charity, Admaston House Community Centre Trust is exempt from tax on income and from 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 its charitable objects. No tax charges have arisen.

6. Fixed assets

	Leasehold improvements £
<u>Cost</u>	
At beginning of year	896,765
Additions during the year	-
At end of year	<u>896,765</u>
<u>Depreciation</u>	
At beginning of year	124,972
Charge for the year	<u>17,936</u>
At end of year	<u>142,908</u>
Net book value - beginning of the year	<u>771,793</u>
Net book value - end of year	<u>753,857</u>

The charity has a 125-year lease granted in 2001. This requires the charity to maintain the property, but it is rent free.

7. Debtors

	31 March 2023 £	31 March 2022 £
Accrued Income	-	3,308
Grants Receivable	-	10,000
Prepayments	2,810	2,887
Other debtors	<u>4,305</u>	<u>2,250</u>
	7,115	18,445

8. Creditors

	31 March 2023 £	31 March 2022 £
Accruals	19,140	15,513
Deferred Income	397	800
Creditors	<u>24,638</u>	<u>27,576</u>
	44,175	43,889

9. Restricted funds

	Balance 31 March 2022 £	Incoming resources £	Expended resources £	Balance 31 March 2023 £
Acoustic improvements	-	1,000	(1,000)	-

10. Unrestricted funds

	Balance 31 March 2022 £	Incoming resources £	Expended resources £	Transfer between funds	Balance 31 March 2023 £
Designated fund - fixed assets	771,118	-	(17,936)	(5,865)	747,317
Unrestricted non-designated funds	-	<u>48,198</u>	<u>(54,063)</u>	<u>5,865</u>	-
	<u>771,118</u>	<u>48,198</u>	<u>(71,999)</u>	-	<u>747,317</u>

The designated fund for fixed assets represents the balance of amounts already spent by the charity on acquiring or improving assets which has yet to be charged as a depreciation expense over the remainder of the respective assets' anticipated period of economic benefit.

11. Movement in funds

	Year ended 31 March 2023		Year ended 31 March 2022	
	Restricted £	Unrestricted £	Restricted £	Unrestricted £
Opening balance	-	771,118	13,062	685,734
Incoming resources	1,000	48,198	43,430	73,384
Resources expended	(1,000)	(71,999)	(6,750)	(37,742)
Transfers between funds	-	-	<u>(49,742)</u>	<u>49,742</u>
Closing balance	-	<u>747,317</u>	-	<u>771,118</u>