

REGISTERED COMPANY NUMBER: 04627894 (England and Wales)
REGISTERED CHARITY NUMBER: 1097445

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
THE FERNHURST CENTRE LIMITED**

Traviss & Co Ltd
Chartered Accountants
Newtown House
38 Newtown Road
Liphook
Hampshire
GU30 7DX

THE FERNHURST CENTRE LIMITED

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FOR THE YEAR ENDED 31 March 2021**

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THE FERNHURST CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The principal activity of the company is to operate the Fernhurst Centre at 2 Crossfield, Fernhurst. The Centre provides computers and IT, a Café and education facilities as well as operating courses for the benefit of the local community.

The charitable objects are to promote the benefit of the inhabitants of the Parish of Fernhurst, West Sussex and the neighbourhood without distinction of sex, sexual orientation, race, or of political, religious or other opinions, by associating together the said inhabitants and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure-time occupation with the object of improving the conditions of life for the said inhabitants.

In addition they are to establish, or secure the establishment of a centre and to maintain and manage the same (whether alone or in co-operation with any local authority or any other person or body) in furtherance of these objects and to promote such other charitable purposes as may from time to time be determined.

ACHIEVEMENT AND PERFORMANCE

In the end the Centre was never able to fully open during the year to 31 March 2021 which is reflected in the financial outcome for the year.

The generous support from Chichester District Council has helped the Centre through these difficult times. In total the grants received from CDC amounted to £20,431. In addition, another £8,000 was received in April to cover the final lockdown period. Without these grants the year would have ended in a loss of £6,700 against the previous year's profit of £1,400.

Because of the nature of the year comparison to the original budget became meaningless and has been omitted.

1. Income

Including the CDC grants total income is £48,281. Income from the Café and Centre Hire suffered particularly against the previous year. Retail sales were down by £1,000. Thanks to donations from The Grange, Midhurst (£1,860) and Fernhurst Parish Council (£700) general donations exceeded 2020 by £924.

As a result of the maisonette being vacant for a period of 4 months, rental income dropped by £3,775.

2. Expenditure:

Total expenditure amounted to £34,540 against the previous year of £41,813. Included are the costs of goods sold of £2,032.

As one would expect Direct Expenses showed a significant drop of £6,063, mainly due to savings in computer consumables, computer maintenance (unnecessary last year) and café consumables.

On the other hand, there were marginal savings in Establishment Expenses and Overheads. The decision was made to continue paying in full for the services of Paul Farnham and the cleaner Bridgette Hamilton.

Recruitment costs of £513 and costs associated with finding a new tenant were £734, but savings of £720 were made in Advertising.

3. Cash

Thanks to the grants received from CDC (£20,431) and The Midhurst Grange (£1,860) and a donation from Fernhurst Parish Council (£700) the total cash balance stood at £79,685 on 31 March 2021, an increase of £18,354 over 1 April 2020.

4. Capital expenditure

The main investment, which came at the end of the financial year, was the incorporation of the new coffee bar, just ready for the relaunch in June. The idea is to make the Centre even more inviting to the people of Fernhurst and passers-by.

THE FERNHURST CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2021

FINANCIAL REVIEW

Reserves policy

The Trustees consider that the Fernhurst Centre Limited ("FCL") should seek to maintain within its financial resources, as detailed within its annual report and financial statements, sufficient reserves to meet:

1. the estimated cost of FCL's obligation under the lease held with Chichester District Council (CDC) to re-instate the property (Centre shop, maisonette above and garage) upon expiry of the lease, to the condition it was in upon commencement of the lease. This includes the complete demolition of the rear training room and the removal of all fixtures and fittings and signage,

2. 75% of FCL's operating costs for the previous financial year.

The Trustees' policy is influenced by the following factors:

(a) In building up reserves, FCL is heavily dependent on the rental subsidy granted by CDC. Originally the subsidy was granted for 100% of market rent, reducing over time from 90% in 2012 to 70% from 2014 onwards. In January 2021 the rental subsidy of 70% was extended by CDC until the Rent Review Date which is 2nd January 2024

(b) The Trustees acknowledge that the FCL has limited scope for increasing its income from operational activities, bearing in mind its open access, low charges policy. The operating expenditure is kept low by the significant contribution from the volunteer workforce, but in line with national trends the recruitment of new, younger volunteers to replace older volunteers is becoming increasingly difficult. As a result, more services are now being brought in on a paid basis albeit sometimes at a below market fee.

(c) Voluntary donations supplemented by Gift Aid are an important part of FCL's income stream but in a difficult economic climate a reduction in such donations is highly likely. At present, donations remain strong, due in part to one-off legacy receipts but this may not always be the case.

(d) As a result of the Covid-19 pandemic and subsequent closure of the Centre for nearly 4 months with significantly reduced activities anticipated for some time to come, revenue is materially lower for the current financial year. This has been compounded by the departure of FCL's tenants in March 2020 and the delays in re-letting the maisonette. FCL is reliant on this income stream.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Fernhurst Centre is a charitable company limited by guarantee, incorporated on 3 January 2003 (registration no. 04627894) and registered as a charity on 9 May 2003 (registration no. 1097445). The company's Memorandum of Association as amended 3 May 2008 upon change of name established the objects and powers of the charitable company, which is governed under its Articles of Association. The directors of the company are also trustees for the purposes of charity law.

The liability of each member in the event of a winding up as stated in the Memorandum of Association is £1.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04627894 (England and Wales)

Registered Charity number

1097445

Registered office

2 Crossfield
Fernhurst
Haslemere
Surrey
GU27 3JL

THE FERNHURST CENTRE LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 March 2021**

Trustees

G Bloomfield (resigned 28.9.20)
C L R Boobyer
J S Burrow (resigned 15.3.21)
M G Mckenzie (resigned 17.7.20)
A Plant
I Sanderson
C I Vargas Pardo (appointed 17.7.20)
J A Short (appointed 1.6.20)
S R Gibbon (appointed 29.4.21)

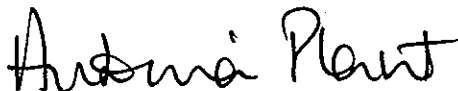
Company Secretary

I Sanderson

Independent Examiner

M J Traviss FCA
Chartered Accountant
Traviss & Co Ltd
Chartered Accountants
Newtown House
38 Newtown Road
Liphook
Hampshire
GU30 7DX

Approved by order of the board of trustees on 16 Sept 2021 and signed on its behalf by:



.....
A Plant - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE FERNHURST CENTRE LIMITED**

Independent examiner's report to the trustees of The Fernhurst Centre Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.



M J Traviss FCA
Chartered Accountant
Traviss & Co Ltd
Chartered Accountants
Newtown House
38 Newtown Road
Liphook
Hampshire
GU30 7DX

Date: 20/9/21

THE FERNHURST CENTRE LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 March 2021

		2021	2020
		Unrestricted	Total
		funds	funds
	Notes	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies		25,831	4,476
Charitable activities	3		
Operation of community centre		13,916	26,475
Investment income	2	714	689
Other income	4	7,820	11,595
Total		48,281	43,235
EXPENDITURE ON			
Charitable activities	5		
Operation of community centre		34,153	41,259
Other		387	554
Total		34,540	41,813
NET INCOME		13,741	1,422
RECONCILIATION OF FUNDS			
Total funds brought forward		81,055	79,633
TOTAL FUNDS CARRIED FORWARD		94,796	81,055

The notes form part of these financial statements

THE FERNHURST CENTRE LIMITED

BALANCE SHEET
31 March 2021

		2021	2020
		Unrestricted	Total
		funds	funds
		£	£
FIXED ASSETS	Notes		
Tangible assets	9	16,969	20,478
CURRENT ASSETS			
Stocks	10	370	460
Debtors	11	1,761	1,883
Investments	12	24,973	24,531
Cash at bank and in hand		54,782	37,014
		81,886	63,888
CREDITORS			
Amounts falling due within one year	13	(4,059)	(3,311)
NET CURRENT ASSETS		77,827	60,577
TOTAL ASSETS LESS CURRENT LIABILITIES		94,796	81,055
NET ASSETS		94,796	81,055
FUNDS	15		
Unrestricted funds		94,796	81,055
TOTAL FUNDS		94,796	81,055

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

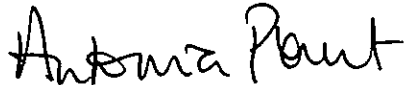
THE FERNHURST CENTRE LIMITED

BALANCE SHEET - continued

31 March 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 16/09/2021 and were signed on its behalf by:



A Plant - Trustee



I Sanderson - Trustee

The notes form part of these financial statements

THE FERNHURST CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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.

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.

Governance costs

Governance costs comprise all costs involved in public accountability of the charity and its compliance with regulations and good practice.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold	- 10% on cost
Maisonette	- 20% on cost
Equipment	- 20% on cost
Furniture	- 20% on cost
Maisonette Equipment	- 20% on cost
Computer equipment	- 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Cash at bank and in hand

Cash at bank and in hand in the balance sheet comprise cash at bank, cash in hand and short term deposits with an original maturity date of three months or less.

THE FERNHURST CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 March 2021**

2. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>714</u>	<u>689</u>

3. INCOME FROM CHARITABLE ACTIVITIES

		2021	2020
	Activity	£	£
Goods for resale	Operation of community centre	3,783	4,753
Other sales (website printing)	Operation of community centre	431	1,622
Events	Operation of community centre	-	65
Computer and café takings	Operation of community centre	1,477	7,983
Course fees and adult education	Operation of community centre	7,858	9,697
Hire charges and other billing	Operation of community centre	367	2,355
		<u>13,916</u>	<u>26,475</u>

4. OTHER INCOME

	2021	2020
	£	£
Rental income	<u>7,820</u>	<u>11,595</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs £	Totals £
Operation of community centre	<u>33,613</u>	<u>540</u>	<u>34,153</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Rent and rates	4,021	4,430
Insurance	1,251	582
Utilities and cleaning	2,276	2,852
Management costs	2,526	2,663
Postage and stationery	294	531
Advertising and marketing	1,556	1,657
Sundries	1,265	1,055
Cost of goods for resale	2,031	2,821
Tuition fees and other course expenses	7,120	7,756
Café consumables	715	2,705
Computer costs	489	2,959
Property maintenance	3,839	3,572
Depreciation	6,100	7,093
Loss on sale of assets	130	-
	<u>33,613</u>	<u>40,676</u>

THE FERNHURST CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 March 2021**

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	6,100	7,093
Deficit on disposal of fixed assets	130	-
	<u><u> </u></u>	<u><u> </u></u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

9. TANGIBLE FIXED ASSETS

	Leasehold £	Maisonette £	Equipment £
COST			
At 1 April 2020	52,429	13,527	7,982
Additions	2,015	-	619
Disposals	-	-	(318)
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	54,444	13,527	8,283
	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION			
At 1 April 2020	43,838	11,674	4,717
Charge for year	1,306	1,020	1,346
Eliminated on disposal	-	-	(317)
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	45,144	12,694	5,746
	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE			
At 31 March 2021	9,300	833	2,537
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>
At 31 March 2020	8,591	1,853	3,265
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

THE FERNHURST CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 March 2021**

9. TANGIBLE FIXED ASSETS - continued

	Furniture £	Maisonette Equipment £	Computer equipment £	Totals £
COST				
At 1 April 2020	5,336	6,054	5,982	91,310
Additions	87	-	-	2,721
Disposals	(106)	-	(545)	(969)
At 31 March 2021	<u>5,317</u>	<u>6,054</u>	<u>5,437</u>	<u>93,062</u>
DEPRECIATION				
At 1 April 2020	2,752	3,535	4,316	70,832
Charge for year	816	1,196	416	6,100
Eliminated on disposal	(60)	-	(462)	(839)
At 31 March 2021	<u>3,508</u>	<u>4,731</u>	<u>4,270</u>	<u>76,093</u>
NET BOOK VALUE				
At 31 March 2021	<u>1,809</u>	<u>1,323</u>	<u>1,167</u>	<u>16,969</u>
At 31 March 2020	<u>2,584</u>	<u>2,519</u>	<u>1,666</u>	<u>20,478</u>

Fixed Asset costs at 1 April 2020 are net of grants which have been shown against the cost of assets in previous years. Leasehold cost is net of £30,322, furniture cost is net of £1,000 and equipment cost is net of £4,675.

10. STOCKS

	2021 £	2020 £
Stocks	<u>370</u>	<u>460</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	-	122
Other debtors	1,605	1,605
Prepayments	156	156
	<u>1,761</u>	<u>1,883</u>

THE FERNHURST CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 March 2021**

12. CURRENT ASSET INVESTMENTS

	2021	2020
	£	£
2 year bond	24,973	24,531

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	542	1,181
Accrued expenses	3,517	2,130
	<u>4,059</u>	<u>3,311</u>

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	3,834	2,875

15. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	At
	£	£	31.3.21 £
Unrestricted funds			
General fund	61,055	13,741	74,796
IT and other equipment reserve fund	5,000	-	5,000
Contingency fund	15,000	-	15,000
	<u>81,055</u>	<u>13,741</u>	<u>94,796</u>
TOTAL FUNDS	<u>81,055</u>	<u>13,741</u>	<u>94,796</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	48,281	(34,540)	13,741
	<u>48,281</u>	<u>(34,540)</u>	<u>13,741</u>
TOTAL FUNDS	<u>48,281</u>	<u>(34,540)</u>	<u>13,741</u>

THE FERNHURST CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 March 2021**

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	79,633	1,422	81,055
TOTAL FUNDS	<u>79,633</u>	<u>1,422</u>	<u>81,055</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	43,235	(41,813)	1,422
TOTAL FUNDS	<u>43,235</u>	<u>(41,813)</u>	<u>1,422</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	79,633	15,163	94,796
TOTAL FUNDS	<u>79,633</u>	<u>15,163</u>	<u>94,796</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	91,516	(76,353)	15,163
TOTAL FUNDS	<u>91,516</u>	<u>(76,353)</u>	<u>15,163</u>

The General fund comprises specific amounts set aside by way of a minimum reserve for operating expenses and a Premises reinstatement reserve (for potential future obligations under a property lease), established in accordance with the company's reserves policy.

THE FERNHURST CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 March 2021**

15. MOVEMENT IN FUNDS - continued

Designated funds comprise amounts set aside for replacement of IT and other equipment and for general contingency purposes.

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.