

PEGSWOOD COMMUNITY HUB LIMITED

(A company limited by guarantee and not having a share capital)

CHARITY NUMBER 1097910

COMPANY NUMBER 04328999

**TRUSTEES REPORT AND
UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 March 2021

Richard Alsept Chartered Accountant
16 Burlington Terrace
Cardiff
CF5 1GG

PEGSWOOD COMMUNITY HUB LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Name of Charity	Pegswood Community Hub Limited (formerly Pegswood Community Project Limited)
Registered Charity No	1097910
Registered Company No	04328999
Directors and Charity Trustees	Peter Stonell (Chair) Anne Arter Martin Booth John Dobinson Thomas Graham (Vice Chair) Claire Hope Kevin Hope Margaret Kerswell Lee Richardson (Treasurer) Appointed 7 th February 2021 Debra Tighe
Secretary	Thomas Graham
Registered Office	Longhirst Road Pegswood Northumberland NE61 6XF
Independent Examiner	Richard Alsept Chartered Accountant 16 Burlington Terrace Cardiff CF5 1GG
Bankers	Cooperative Bank PO Box 250 Delf House Southway Skelmersdale WN8 6WT
Solicitors	Sweeney Miller Mowbray Villas Mowbray Road Sunderland SR2 7EA

PEGSWOOD COMMUNITY HUB LIMITED

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PEGSWOOD COMMUNITY HUB LIMITED

TRUSTEES REPORT FOR THE YEAR TO 31 MARCH 2021

Introduction

The Trustees present their report and the financial statements for the year ended 31 March 2021. The trustees have prepared the annual report and financial statements in accordance with the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" effective January 2015.

Name Change

The company changed its name by special resolution on 28th November 2012 from Pegswood Community Project Limited to Pegswood Community Hub Limited.

Governing document

Pegswood Community Hub Limited is a company limited by guarantee and its governing document is its Memorandum and Articles of Association. It is registered as a charity with the charity commission. Every member of the charity undertakes to contribute such an amount as may be required (not exceeding £1) to the charity's assets if it should be wound up while he or she is a member or within one year after he or she ceased to be a member.

Organisation

The charity is managed by the trustees. The number of trustees is restricted with the make-up of the representatives of the management committee such as are required to fulfil the criteria set out in the Memorandum and Articles of Association, to ensure adequate representation of all areas of the community.

Appointment of Trustees

The Directors of the company are also charity trustees for the purposes of Charity Law. Under the requirements of the Memorandum and Articles of Association Directors are elected annually by the company at the general meeting, with one third resigning in rotation. Between annual meetings, the board may appoint Directors on a temporary basis to be confirmed by the company in the general meeting.

Induction of Trustees

The majority of trustees are already familiar with the practical work of the charity. Additional new trustees are invited and encouraged to attend a series of short meetings with some of the existing trustees to familiarise themselves with the charity and the contexts within which it operates. These cover:-

- The obligations of board members.
- The main documents that set out the operation framework for the charity, including the Memorandum and Articles of Association.
- Resourcing and current financial position as set out in the latest published accounts
- Future plans and objectives.

There is a strict child and vulnerable people protection policy which is reviewed annually in consultation with all staff working with children or young people.

PEGSWOOD COMMUNITY HUB LIMITED

Objectives and activities

To provide an advice and support network for families within Pegswood in the County of Northumberland, to provide a safe, secure and creative outlet for both the young and adults of the village and those disaffected, otherwise excluded, or in need, and to advance adult education and training, promote the presentation and protection of good health and relieve the effects of poverty amongst the residents of the parishes of Pegswood and Longhirst.

Achievements and public benefit

Apart from a few weeks in August and September 2020 the Hub has been in lockdown due to government regulations to restrain the spread of Covid-19.

The main focus of this 2020-21 annual report is, therefore, to describe how the Hub has dealt both operationally and financially with Covid, and to outline future plans once things reopen.

The premises

One of our trustees has taken responsibility for the maintenance of the building and has continued a programme of activity to maintain the fabric in good condition. This has included a refurbishment of the kitchen and photocopier facilities.

Tom Graham has attended every weekday morning to welcome visitors and maintain the Hub presence in the village – we owe him a great debt of gratitude.

The Hub had been deep-cleaned and made Covid-19 secure with appropriate sanitising and social distancing provisions in place.

Covid-19 activity & funding

Whilst we have not been able to welcome Hub users, we have maintained a “food bank” service to the village community thanks to donations from Pegswood Co-op, Marks & Spencer and Aldi.

Our community support services, managed by Margaret Kerswell, provided a range of support services to the village during the first lockdown and her work was recognised by Pegswood Council in her being awarded a Pegswood “Brick” for this work.

That we have achieved a significant surplus for the financial year is primarily due to government support in meeting the ongoing maintenance cost of the Hub.

Conclusion

The Directors/Trustees have continued to accept their responsibilities during the pandemic and are looking forward to reopening as soon as this is possible.

PEGSWOOD COMMUNITY HUB LIMITED

Trustees Responsibilities

Charity law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charity and of its financial activities for that year, together with its assets and liabilities at the end of the period, and adequately distinguish any material special trust or other restricted fund of the charity. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charity, and enable them to ensure that the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice and the regulations made under the Charities Act 2011.

The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

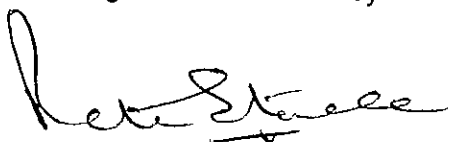
So far as the trustees are aware, there is no relevant information needed by the company's accountants in connection with preparing their report of which the company's accountants are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's accountants are aware of that information.

Risk Review

The trust has reviewed its Risk Assessment and addressed the risks contained. This will be continually reviewed and updated using a Risk Log.

This report was approved by the Trustees on 13 May 2021

And signed on its behalf by



.....
Peter Stonell - Chairman and Trustee

PEGSWOOD COMMUNITY HUB LIMITED

INDEPENDENT EXAMINERS REPORT ON THE UNAUDITED FINANCIAL STATEMENTS TO THE TRUSTEES OF PEGSWOOD COMMUNITY HUB LIMITED.

I report on the accounts of the company for the year ended 31 March 2021, which are set out on pages 5 to 14.

Respective responsibilities of trustees and examiner

The trustees, who are also the directors of Pegswood Community Hub Limited for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011, the 2011 Act, and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of Independent examiner's report

My examination was carried out in accordance with the 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 you as 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

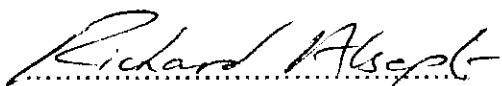
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;

have not been met.

(2) to which, in my opinion, attention should be drawn to enable a proper understanding of the accounts to be reached.



Richard Alsept ACA
16 Burlington Terrace
Cardiff
CF5 1GG

DATE 13 May 2021

PEGSWOOD COMMUNITY HUB LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds	Restricted Funds	2021	2020
		£	£	£	£
Income	2				
Donations		4,810	-	4,810	14,938
Charitable Activities					
Grants received		33,784	2,000	35,784	25,081
Rental income		1,131	-	1,131	14,182
Other charitable activities		58	-	58	22,034
Investment income		15	-	15	-
Total income		39,798	2,000	41,798	76,235
Expenditure					
Charitable activities	3	25,276	-	25,276	53,644
Total expenditure		25,276	-	25,276	53,644
Operational income		14,522	2,000	16,522	22,591
Depreciation charge		5,011	4,007	9,018	(10,075)
Net income / (expenditure) before transfers		9,511	(2,007)	7,504	12,516
Gross transfers between funds		-	-	-	-
Net movement in funds		9,511	(2,007)	7,504	12,516
Total funds brought forward		28,583	28,677	57,260	44,744
Total funds carried forward		38,094	26,670	64,764	57,260

The statement of financial activities includes all gains and losses in the year.

All incoming resources and resources expended derive from continuing activities.

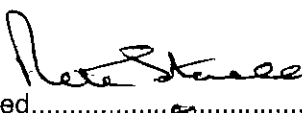
PEGSWOOD COMMUNITY HUB LIMITED**BALANCE SHEET AS AT 31 MARCH 2021**

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	4		51,109		53,133
Current assets					
Stock		300		1,349	
Debtors	5	8,335		504	
Cash in hand and at bank		<u>27,202</u>		<u>3,948</u>	
		35,837		5,801	
Current Liabilities	6				
Creditors and accruals		2,928		927	
Other creditors and deferred income		<u>254</u>		<u>747</u>	
		3,182		1,674	
Net current assets			32,655		4,127
Creditor: due after one year			(19,000)		-
Net assets			<u>64,764</u>		<u>57,260</u>
Funds					
Unrestricted Funds	11		38,094		28,583
Restricted Funds	11		26,670		28,677
Total funds			<u>64,764</u>		<u>57,260</u>

For the financial period ended 31 March 2021, the company was entitled to exemption from audit under section 477(1) of the Companies Act 2006; and no notice has been deposited under section 476(1) requesting an audit. The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the period and of its profit or loss for the financial period in accordance with the requirements of section 394 and which otherwise comply with the Companies Act 2006, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions of Financial Reporting Standard 102, Section 1a Small Entities.

Approved by the Board on 13 May 2021

Signed.....  Peter Stonell, Chairman

PEGSWOOD COMMUNITY HUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

1. Accounting Policies

1.1. Accounting basis and standards

The financial statements are prepared under the historical cost convention and in accordance with the provisions of Financial Reporting Standard 102, Section 1a Small Entities, and the Charity Statement of Recommended Practice, (Charities SORP (FRS 102) 2015), as well as the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2. Tangible fixed assets and depreciation

Depreciation on fixed assets is provided at rates estimated to write off the cost or revalued amounts, less estimated residual value, of cash asset over its expected useful life as follows:

Land and buildings	15% reducing balance
Office Equipment	15% reducing balance
Fixtures and Fittings	15% reducing balance
Cafe Equipment	15% reducing balance

All assets are reviewed regularly for impairment, and written down to their recoverable, where necessary.

1.3. Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts to the charity and is included in full in the Statement of Financial Activities upon receipt. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Bank interest is included when receivable.

Income from charitable activities is accounted for as the charity earns the right to consideration by its performance.

1.4. Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes unrecoverable VAT.

Charitable expenditure includes all costs incurred by the charity in the delivery of its activities and services.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include accountancy fees.

PEGSWOOD COMMUNITY HUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

1.5. Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of funding.

1.6. Pensions

The Project operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.7. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.8. Trade debtors

Trade debtors are amounts due from funders for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

1.9. Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

PEGSWOOD COMMUNITY HUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

2. Income

	2021			2020
	Unrestricted	Restricted	Total	
	£	£	£	£
Grant Income				
Grants received	33,784	2,000	35,784	25,081
Investment and other income	25	-	25	23
Charitable Activities				
Donations, fundraising and social enterprise	4,810	-	4,810	34,680
Activity fees & other income	48	-	48	2,269
Rentals and office income	1,131	-	1,131	14,182
Total income	39,798	2,000	41,798	76,235

3. Expenditure

	2021			2020
	Unrestricted	Restricted	Total	
	£	£	£	£
Charitable expenditure				
Fundraising and enterprise	492	-	492	6,455
Activities	1,265	-	1,265	5,266
Building	15,104	-	15,104	18,679
Management and administration	3,852	-	3,852	6,934
Salaries and wages	2,790	-	2,790	15,710
Miscellaneous	1,323	-	1,323	-
Depreciation	5,011	4,007	9,018	10,075
	29,837	4,007	33,844	63,119
Governance				
Accountancy fees	450	-	450	600
Total resources expended	30,287	4,007	34,294	63,719

PEGSWOOD COMMUNITY HUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

4. Tangible fixed assets

	Property & Improv- ements £	Equipment £	Fixtures Fittings £	Café £	Total £
Cost					
At 1 April 2020	83,959	30,103	13,121	8,285	135,468
Additions	-	3,674	-	3,320	6,994
As at 31 March 2021	<u>83,959</u>	<u>33,777</u>	<u>13,121</u>	<u>11,605</u>	<u>142,462</u>
Depreciation					
At 1 April 2020	45,013	23,972	8,245	5,105	82,335
Charge for the year	5,842	1,470	731	975	9,018
As at 31 March 2021	<u>50,855</u>	<u>25,442</u>	<u>8,976</u>	<u>6,080</u>	<u>91,353</u>
Net Book Value					
As at 31 March 2021	<u>33,104</u>	<u>8,335</u>	<u>4,145</u>	<u>5,525</u>	<u>51,109</u>
As at 31 March 2020	<u>38,946</u>	<u>6,131</u>	<u>4,876</u>	<u>3,180</u>	<u>53,133</u>

Included in property and improvements at a cost of £1 is the centre from which the Hub operates at Longhirst Road, Pegswood, and which was valued by Rickards in January 2015 at a market value of £150,000 for current use and a reinstatement value of £725,000 for insurance purposes. The purchase of the building was managed for the Hub by Northumberland County Council who subsequently transferred ownership on 9 November 2005, for the nominal value of £1.

PEGSWOOD COMMUNITY HUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

5. Debtors

	2021	2020
	£	£
Trade debtors	8,335	504
Prepayments	-	-
	8,335	504

6. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	2,478	387
Accruals	450	600
Other creditors and Deferred Income	254	687
	3,182	1,674

6. Creditors: amounts falling due after one year

	2021	2020
	£	£
Bank Bounce Back Loan	19,000	-
	19,000	-

The Bounce Back Loan carries an interest rate of 2.5%, and is repayable by October 2030, with repayments starting in October 2021.

7. Staff costs

	2021	2020
	£	£
Salaries, employer NI and pension costs	2,790	15,710
	2,790	15,710

No employee received emoluments of more than £60,000.

PEGSWOOD COMMUNITY HUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

8. The average number of staff

The average number of staff employed by the Charity during the year was 1 FTE (2020: 1 FTE).

	2021	2020
Charitable Activities	1	1
Governance	-	-
	<u>1</u>	<u>1</u>

9. Transactions with trustees and other related parties

No payments were made to trustees or other related parties (2020: £nil) for services as a Trustee.

10. Governance costs

	2021	2020
	£	£
Accountancy and examination fees	450	600

PEGSWOOD COMMUNITY HUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

11. Restricted Grants

The following grants were received for restricted funds for capital purposes during the year.

Fund names	Project	Fund balances brought forward	Fund transfer at 1 April 2020	Incoming resources	Outgoing resources and transfers	Fund balances carried forward
		£	£	£	£	£
Coalfield Regeneration Trust	Premises	1,148	-	-	172	976
Potland Burn	Premises	3,837	-	-	575	3,262
Pegswood P.C.	Premises	2,833	-	-	425	2,408
Freemasons Northumberland CC	Premises	522	-	-	78	444
	Premises	8,407	-	-	1,261	7,146
Awards for All Community Foundation	Premises	4,010	-	-	601	3,409
	Premises	6,348	-	-	360	5,988
Tesco	Premises	722	-	-	108	614
Barbour	Premises	850	-	-	127	723
NCC Towns Fund	Computers	-	-	2,000	300	1,700
Total Funds		28,677	-	2,000	4,007	26,670

PEGSWOOD COMMUNITY HUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

12. Fund balances

	Balance 1 April 2020 incl transfers	Incoming Resources	Resources Expended	Transfer	Balance 31 March 2021
	£	£	£	£	£
Unrestricted Funds					
Management & Administration	-	4,990	9,313	4,323	-
Core / Covid grants	-	23,717	-	(12,332)	11,385
Premises	-	5,483	15,104	9,621	-
Activities and enterprise	28,583	3,504	5,378	-	26,709
Fundraising/Donations	-	2,104	492	(1,612)	-
Total	28,583	39,798	30,287	-	38,094
Restricted funds					
Children/Young People	-	-	-	-	-
Premises	-	-	-	-	-
Core / Projects	-	-	-	-	-
Capital	28,677	2,000	4,007	-	26,670
Total	28,677	2,000	4,007	-	26,670
TOTAL FUNDS	57,260	41,798	34,294	-	64,764

13. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Tangible Fixed Assets	24,439	26,670	51,109
Current Assets	35,837	-	35,837
Creditors	(22,182)	-	(22,182)
Total	38,094	26,670	64,764

