

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 2023

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	Kevin Hope (Chair) Anne Arter Martin Booth John Dobinson Thomas Graham (Treasurer) Peter Kerswell Margaret Kerswell 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 2023

Introduction

The Trustees present their report and the financial statements for the year ended 31 March 2023. 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.

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

The activities of the charity were able to get back to normal after Covid, and we were pleased to see the Hub was up and running as usual.

Our Friday Family Nights, which included a lot of hard work from all our board members and volunteers, proved very popular and provided a regular source of income for The Hub over the year.

The main problem facing us in the new year was the need to replace our main boiler (old age). We were looking for £4,500 to complete this work.

By the end of the year, we managed to raise the money needed through grants awarded from Barbour Foundation (£2,000), Hadrian Trust (£1,000), Parish Council (£1,000) and RW Mann (£450). We are grateful to all these funders.

The purchase and fitting of the new boiler is now in the hands of our regular Plumbing/Heating engineer.

All our Groups are back up to scratch, some with increased numbers (Kids Club and Watercolours).

Our **ELDERFLOWERS** are back up to full strength and are going well.

The same can be said of our Toddler group “ **PIPLINGS** “ which re-started and is now run as a NCC Family Hub.

Our **KIDZ CLUB** is going from strength to strength, with numbers having to be restricted on some nights.

Our **WATERCOLOURS GROUP** is increasing in numbers, with new members coming along on a regular basis.

All our other **CRAFT** groups are progressing well, as are our Monday and Wednesday Lunches and Friday Breakfasts.

OVERALL, The Hub is progressing reasonably well, and we will increase our efforts in the coming year to secure grants for core funding.

Financial Report

Total income increased slightly in the year to £45,056 (2022: £44,035). Income included grants received of £7,664, of which £6,664 relates to restricted projects. The Trustees are

PEGSWOOD COMMUNITY HUB LIMITED

grateful for the support of all other funders, volunteers, supporters and Hub users during the year.

Costs, including depreciation of £6,863, were £53,484 (2022: £49,474). This meant that overall, there was a small operating deficit of £1,565 for the year, and a deficit of £8,428 after depreciation costs. The Trustees remain conscious of the need to control costs and run the Hub on a broadly break-even basis at the very least.

Bank and cash balances at 31 March 2023 were £11,676 (2022: £13,846). The bank balance has therefore fallen slightly over the course of the year as a result of the operating deficit. Of the cash/bank balances held at the year end, £6,664 related to restricted projects, namely the Co-operative grant and the amounts held for the new boiler. However, the charity is debt free, and the emphasis continues to be a concentration on break-even operations, and on building core reserves where possible.

Reserves as at 31 March 2023 were £50,897 (2022: £59,325), of which £24,964 was unrestricted. Unrestricted cash reserves represent approximately 3 months' basic operating costs, and the Trustees remain committed to building reserves in the coming years.

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 15th June 2023

And signed on its behalf by

.....
Kevin Hope - Chair and Trustee

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

I report to the Charity Trustees on my examination of the accounts of The Trust for the year ended 31 March 2023, which are set out on pages 6 to 14.

Respective and basis of report

The trustees, who are also the directors of Pegswood Community Hub Limited ('the Company') for the purposes of company law, 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 charity 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 my 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 the requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an Independent Examination; and
- (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 (FRS102)).

I have no concerns and have come across no 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.

.....
Richard Alsept ACA
16 Burlington Terrace
Cardiff
CF5 1GG

DATE 15th June 2023

PEGSWOOD COMMUNITY HUB LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds	Restricted Funds	2023	2022
		£	£	£	£
Income	2				
Charitable Activities					
Grants received		1,000	6,664	7,664	19,647
Rental income		1,754	-	1,754	5,683
Other charitable activities		35,627	-	35,627	18,696
Investment income		11	-	11	9
Total income		38,392	6,664	45,056	44,035
Expenditure					
Charitable activities	3	46,621	-	46,621	41,399
Total expenditure		46,621	-	46,621	41,399
Operational income		(8,229)	6,664	(1,565)	22,591
Depreciation charge		3,462	3,401	6,863	8,075
Net income / (expenditure) before transfers		(11,691)	3,263	(8,428)	(5,439)
Gross transfers between funds		-	-	-	-
Net movement in funds		(11,691)	3,263	(8,428)	(5,439)
Total funds brought forward		36,655	22,670	59,325	64,764
Total funds carried forward		24,964	25,933	50,897	59,325

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 2023**

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	4		38,892		45,755
Current assets					
Stock		1,323		1,323	
Debtors	5	1,000		699	
Cash in hand and at bank		11,676		13,846	
		13,999		15,868	
Current Liabilities	6				
Creditors and accruals		1,994		1,954	
Other creditors and deferred income		-		344	
		1,994		2,298	
Net current assets			12,005		13,570
Net assets			<u>50,897</u>		<u>59,325</u>
Funds					
Unrestricted Funds	12		24,964		36,655
Restricted Funds	12		25,933		22,670
Total funds			<u>50,897</u>		<u>59,325</u>

For the financial period ended 31 March 2023, 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 15th June 2023

Signed..... Kevin Hope, Chair

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) 2019), 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.

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 2023

2. Income

	2023			2022
	Unrestricted	Restricted	Total	
	£	£	£	£
Grant Income				
Grants received	1,000	6,664	7,664	19,647
Investment and other income	11	-	11	9
Charitable Activities				
Donations, fundraising and social enterprise	17,542	-	17,542	14,201
Activity fees & other income	18,085	-	18,085	4,495
Rentals and office income	1,754	-	1,754	5,683
Total income	38,392	6,664	45,056	44,035

3. Expenditure

	2023			2022
	Unrestricted	Restricted	Total	
	£	£	£	£
Charitable expenditure				
Fundraising and enterprise	-	-	-	-
Activities	18,093	-	18,093	11,563
Building	15,834	-	15,834	18,881
Management and administration	5,516	-	5,516	5,249
Salaries and wages	6,728	-	6,728	4,986
Miscellaneous	-	-	-	270
Depreciation	3,462	3,401	6,863	8,075
	49,633	3,401	53,034	49,024
Governance				
Accountancy fees	450	-	450	450
Total resources expended	50,083	3,401	53,484	49,474

PEGSWOOD COMMUNITY HUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

4. Tangible fixed assets

	Property & Improv- ements	Equipment	Fixtures Fittings	Café	Total
	£	£	£	£	£
Cost					
At 1 April 2022	83,959	33,777	13,280	14,167	145,183
Additions	-	-	-	-	-
As at 31 March 2023	<u>83,959</u>	<u>33,777</u>	<u>13,280</u>	<u>14,167</u>	<u>145,183</u>
Depreciation					
At 1 April 2022	55,821	26,692	9,622	7,293	99,428
Charge for the year	4,221	1,063	548	1,031	6,863
As at 31 March 2023	<u>60,042</u>	<u>27,755</u>	<u>10,170</u>	<u>8,324</u>	<u>106,291</u>
Net Book Value					
As at 31 March 2023	<u>23,917</u>	<u>6,022</u>	<u>3,110</u>	<u>5,843</u>	<u>38,892</u>
As at 31 March 2022	<u>28,138</u>	<u>7,085</u>	<u>3,658</u>	<u>6,874</u>	<u>45,755</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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

5. Debtors

	2023	2022
	<u>£</u>	<u>£</u>
Trade debtors	1,000	699
Prepayments	-	-
	<u>1,000</u>	<u>699</u>

6. Creditors: amounts falling due within one year

	2023	2022
	<u>£</u>	<u>£</u>
Trade creditors	-	1,504
Accruals	450	450
Other creditors and Deferred Income	1,544	344
	<u>1,994</u>	<u>2,298</u>

7. Staff costs

	2023	2022
	<u>£</u>	<u>£</u>
Salaries, employer NI and pension costs	6,728	4,986
	<u>6,728</u>	<u>4,986</u>

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

8. The average number of staff

The charity had one member of staff employed during the year (2022: 1 FTE).

	2023	2022
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 (2022: £nil) for services as a Trustee.

10. Governance costs

	<u>2023</u>	<u>2022</u>
	£	£
Accountancy and examination fees	450	450

11. Restricted Grants

The following restricted grants were brought forward, having been received for restricted capital purposes in previous years.

Fund names	Project	Fund balances brought forward	Fund transfer at 1 April 2022	Incoming resources	Outgoing resources and transfers	Fund balances carried forward
		£	£	£	£	£
New Boiler Grants	Premises	-	-	4,050	-	4,050
Co-operative	Activities	-	-	2,614	-	2,614
Capital Grants b/f	Premises	21,225	-	-	3,184	18,041
NCC Towns Fund	Fixtures	1,445	-	-	217	1,228
Total Funds		<u>22,670</u>	<u>-</u>	<u>6,664</u>	<u>3,401</u>	<u>25,933</u>

PEGSWOOD COMMUNITY HUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

12. Fund balances

	Balance 1 April 2022 incl transfers	Incoming Resources	Resources Expended	Transfer	Balance 31 March 2023
	£	£	£	£	£
Unrestricted Funds					
Management & Administration	-	-	5,516	(5,516)	-
Core grants	7,997	1,000	8,997	-	-
Premises	-	1,754	15,834	(14,080)	-
Activities and enterprise	28,658	34,798	18,896	19,596	24,964
Donations / fundraising	-	840	840	-	-
Total	36,655	38,392	50,083	-	24,964
Restricted funds					
New Boiler Grants	-	4,050	-	-	4,050
Co-operative	-	2,614	-	-	2,614
Capital	22,670	-	3,401	-	19,269
Total	22,670	6,664	3,401	-	25,933
TOTAL FUNDS	59,325	45,056	53,484	-	50,897

13. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Tangible Fixed Assets	19,623	19,269	38,892
Current Assets	7,335	6,664	13,999
Creditors	(1,994)	-	(1,994)
Total	24,964	25,933	50,897