

Report of the Trustees and  
Unaudited Financial Statements for the Year Ended 31 July 2020  
for  
Letchworth Garden City Community Group

Salway and Wright  
Chartered Accountants  
32 The Crescent  
Spalding  
Lincolnshire  
PE11 1AF

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for the Year Ended 31 July 2020

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Report of the Trustees  
for the Year Ended 31 July 2020

LEGAL AND ADMINISTRATIVE INFORMATION

Directors: M. Foster  
J. King  
K. Lake  
I. Mantle

Ex Officio: North Hertfordshire District Council representative  
None currently

Company Number: 5180851 (England and Wales)

Registered Charity Number: 1110072 (England and Wales)

Charity Trustees: M. Foster  
J. King  
K. Lake - appointed 10th September 2019

Registered Office and  
Operating Address: Mrs. Howard Memorial Hall  
Norton Way South  
Letchworth Garden City  
Hertfordshire  
SG6 1NX

Accountants: Salway and Wright  
32 The Crescent  
Spalding  
Lincolnshire  
PE11 1AF

Bankers: HSBC  
Station Place  
Letchworth Garden City  
SG6 3AJ

Report of the Trustees  
for the Year Ended 31 July 2020

The trustees, who are also the directors for the purpose of company law, present their annual report, together with the unaudited financial statements for the year ended 31 July 2020.

**OBJECTIVES AND ACTIVITIES**

- To manage the building known as Mrs Howard Hall as a community property
- To rent out the property, to repair it, and to hire staff to manage it and to run community projects from the property.

In overseeing the charities objectives and activities, the trustees have had regard to the Charity Commission's guidance on public benefit.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

Achievements and Performance and Financial Review

At the balance sheet date LGCCG held funds of £183,665 (2019 £177,710).

The statement of financial activities shows net incoming resources of £5,955 for the year, due to Coronavirus support received of £6,736, compared to net expenditure of £936 for the previous year. All monies currently held are unrestricted for this period.

The policy of the charity is to maintain unrestricted reserves at £40,000 which equates to approximately six months unrestricted expenditure, providing sufficient funds to cover management and administration and support costs in the event of the lease not being upheld. This policy will be kept under review.

**Risk Review**

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves, combined with an annual review of the controls over key financial systems will provide sufficient resources for normal operating risks. The trustees have also examined other operation and business risks which are faced and confirm they have established systems to mitigate significant risks.

**REFERENCE AND ADMINISTRATIVE DETAILS**

This information is shown separately on page 1.

Report of the Trustees  
for the Year Ended 31 July 2020

**TRUSTEES' REPORT**

The Directors have remained unchanged during the year but Kathy Lake was appointed a Trustee in September 2019. The work of the Memorial Hall continued to thrive throughout most of the year until March 2020 when Covid-19 became an issue and along with the rest of the UK, we were forced to close the building. This had and continues to have many implications for us as an organisation. The report is thus divided into two periods, up to lockdown in March 2020 and between March and July 2020.

**July 2019 to March 2020**

The Hall Manager continued to manage the day to day operations of the Hall very effectively, so that the facilities were being extensively used seven days a week, both throughout the day and every evening. Funzone, one of the main users has expanded its remit, occupying more space. New Life Church also continues to make maximum use of the space available on Sundays and during the week.

Other regular hirers also made regular bookings, and these as well as other ad hoc bookings have resulted in the sound financial position being maintained. The building has been used by a wide cross section of groups throughout the period evidencing that it has truly become a valuable community asset for all the population. Examples include, Foodbank, best before café, the NHS (providing wellbeing counselling), Yoga, National Childbirth Trust classes, Pregnancy Advice, Funzone (pre and after school support), Home Start, a charity supporting under privileged families, Hart-Beebs who run children's theatre based workshops, Church activities for children, young people and adults, Alzheimer's Society, national diabetes prevention sessions, Hertfordshire County Council (family work) and numerous private parties and functions.

We continued to be able to charge charities a lower or nil hire rate to ensure that all sections of the community are able to access the centre. Together with the wide usage detailed above this charging policy evidences that the charity's activities are for the public benefit.

As in previous years, this solid base has enabled regular ongoing maintenance to be carried out such as internal painting and new blinds in the main hall and repairs to external windows. NHDC also carried out external painting of the building.

**March 2020 to July 2020**

During March, the implications of Covid-19 began to quickly become apparent with many groups cancelling bookings prior to the national lockdown. Post lockdown only the Foodbank has continued to operate. The Board agreed to continue to honour all employees salaries fully and to cancel ongoing rents for regular hirers. The implications of the loss of income are reflected in the financial situation. The staff were able to carry out internal decorating during this period to mitigate losses.

The Trustees developed a Covid safe protocol as government guidelines were issued and firmed up, ready to open the building as and when permitted.

LGCCG's lease came up for renewal in 2013 which has required renegotiation with the group's landlord North Hertfordshire District Council. The current proposal will give a lease period of 25 years but will result in LGCCG being totally liable for the upkeep of the whole fabric of the building within a ten year period. Negotiations have been ongoing with the Council as there are substantial liabilities associated with the building due to its age, its design and its listed status.

Meetings were held before lockdown with NHDC and proposals firmed up subsequently by email and Skype to move towards agreement subject to the issues around external painting and the heating system being resolved. We have employed the services of a solicitor to ensure that our interests are protected. The heating system has been a perennial issue with numerous breakdowns and temporary fixes. The NHDC suggested we apply for a community grant which was approved in May 2020 for £32,000 which will enable the system to be replaced. Due to Covid, we were not able to mandate the new heating system within the allotted timeframe. We have been advised to apply again which will take place shortly.

Report of the Trustees  
for the Year Ended 31 July 2020

Future Plans for 2020/21 and beyond

The Board will continue to review the procedures and operating protocols in the light of Covid-19 to ensure that the building is used as extensively and inclusively as possible within the restrictions. The Board will also consider applying for the furlough scheme for staff where appropriate.

It is hoped that the renewal of the lease will finally be approved.

Approved by order of the board of trustees on 20 April 2021 and signed on its behalf by:

J H King - Trustee

**Independent examiner's report to the trustees of Letchworth Garden City Community Group ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2020.

**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.

A.D. Wood  
Chartered Accountant  
Salway and Wright  
Chartered Accountants  
32 The Crescent  
Spalding  
Lincolnshire  
PE11 1AF

20 April 2021

Statement of Financial Activities  
for the Year Ended 31 July 2020

	Notes	31.7.20 Unrestricted fund £	31.7.19 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>			
Letting income		69,837	90,126
Other income		6,736	-
<b>Total</b>		<b>76,573</b>	<b>90,126</b>
 <b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Operational costs		68,725	89,865
Other		1,893	1,197
<b>Total</b>		<b>70,618</b>	<b>91,062</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>5,955</b>	<b>(936)</b>
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<b>177,710</b>	<b>178,646</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>183,665</b>	<b>177,710</b>



Balance Sheet

31 July 2020

	Notes	31.7.20 Unrestricted fund £	31.7.19 Total funds £
<b>CURRENT ASSETS</b>			
Cash at bank		184,225	178,250
<b>CREDITORS</b>			
Amounts falling due within one year	4	(560)	(540)
<b>NET CURRENT ASSETS</b>		<u>183,665</u>	<u>177,710</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		183,665	177,710
<b>NET ASSETS</b>		<u>183,665</u>	<u>177,710</u>
<b>FUNDS</b>	5		
Unrestricted funds:			
General fund		<u>183,665</u>	<u>177,710</u>
<b>TOTAL FUNDS</b>		<u>183,665</u>	<u>177,710</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2020 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.

Balance Sheet - continued

31 July 2020

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 20 April 2021 and were signed on its behalf by:

J H King - Trustee

M Foster - Trustee

Notes to the Financial Statements  
for the Year Ended 31 July 2020

**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.

**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.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 July 2020 nor for the year ended 31 July 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 July 2020 nor for the year ended 31 July 2019.

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2020

**3. STAFF COSTS**

The average monthly number of employees during the year was as follows:

	31.7.20	31.7.19
Centre manager	1	1
Caretakers	1	2
	<u>2</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

**4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.7.20	31.7.19
	£	£
Trade creditors	560	540
	<u>560</u>	<u>540</u>

**5. MOVEMENT IN FUNDS**

	At 1.8.19 £	Net movement in funds £	At 31.7.20 £
<b>Unrestricted funds</b>			
General fund	177,710	5,955	183,665
	<u>177,710</u>	<u>5,955</u>	<u>183,665</u>
<b>TOTAL FUNDS</b>	<u>177,710</u>	<u>5,955</u>	<u>183,665</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	76,573	(70,618)	5,955
	<u>76,573</u>	<u>(70,618)</u>	<u>5,955</u>
<b>TOTAL FUNDS</b>	<u>76,573</u>	<u>(70,618)</u>	<u>5,955</u>

**Comparatives for movement in funds**

	At 1.8.18 £	Net movement in funds £	At 31.7.19 £
<b>Unrestricted funds</b>			
General fund	178,646	(936)	177,710
	<u>178,646</u>	<u>(936)</u>	<u>177,710</u>
<b>TOTAL FUNDS</b>	<u>178,646</u>	<u>(936)</u>	<u>177,710</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2020

**5. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	90,126	(91,062)	(936)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>90,126</u>	<u>(91,062)</u>	<u>(936)</u>

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

	At 1.8.18 £	Net movement in funds £	At 31.7.20 £
<b>Unrestricted funds</b>			
General fund	178,646	5,019	183,665
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>178,646</u>	<u>5,019</u>	<u>183,665</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 £
<b>Unrestricted funds</b>			
General fund	166,699	(161,680)	5,019
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>166,699</u>	<u>(161,680)</u>	<u>5,019</u>

**6. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 July 2020.

Detailed Statement of Financial Activities  
for the Year Ended 31 July 2020

	31.7.20 £	31.7.19 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Charitable activities</b>		
Letting income	69,837	90,126
<b>Other income</b>		
CJRS Grant	6,736	-
<b>Total incoming resources</b>	<b>76,573</b>	<b>90,126</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	37,825	42,620
Pensions	2,049	652
Rates and water	1,564	2,136
Insurance	2,041	2,149
Light and heat	3,133	6,442
Telephone	1,527	2,662
Postage and stationery	104	-
Cleaning and repairs	15,781	26,666
Computer costs	330	-
Security costs	2,225	5,668
Parking	-	697
Sundry expenses	2,120	173
Subscription	26	-
	<b>68,725</b>	<b>89,865</b>
<b>Support costs</b>		
<b>Governance costs</b>		
Accountancy and bookkeeping	1,508	1,184
Legal fees	385	13
	<b>1,893</b>	<b>1,197</b>
Total resources expended	<b>70,618</b>	<b>91,062</b>
<b>Net income/(expenditure)</b>	<b>5,955</b>	<b>(936)</b>