

Holsworthy Memorial Hall Limited
Company Limited by Guarantee
Unaudited Financial Statements
30 June 2021

THOMAS WESTCOTT
Chartered accountants
5 West Street
Okehampton
Devon
EX20 1HQ

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Financial Statements

Year ended 30 June 2021

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	4
Statement of financial activities (including income and expenditure account)	5
Statement of financial position	6
Notes to the financial statements	7

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 June 2021

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 June 2021.

Reference and administrative details

Registered charity name Holsworthy Memorial Hall Limited

Charity registration number 1112980

Company registration number 05485932

Principal office and registered office North Road
Holsworthy
Devon
EX22 6EB

The trustees

C Gilbert
J Addicott
J Hutchings
L E Emmett
R Dymond (Resigned 9 August 2020)
N J Kenneally (Appointed 8 June 2021)

Independent examiner Sarah Watts
5 West Street
Okehampton
Devon
EX20 1HQ

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 21 June 2005 having been registered as a charity on 31 August 1962. The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute £10.

Objectives and activities

The charity was established in order to maintain, repair and secure the operation of Holsworthy Memorial Hall. The hall required substantial rebuilding and renovation work in order to ensure that it was fit to serve the residents of Holsworthy and surrounding district, in the twenty first century.

Achievements and performance

Holsworthy Memorial Hall is maintained and run by unpaid volunteers as a community centre for the benefit of the whole community. The Trustees of the Hall continued to make major steps in bringing the finances onto a firmer basis. Bookings at weekends remained elusive and plans had been put in place to bring people into the Hall on a Saturday and Sunday. However, these plans were put on hold due to the advent of the pandemic.

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 June 2021

The activities of the Hall are split between:

1. Letting of the Hall to charities, private individuals and local businesses; 2. Leasing of rooms on a within the building to local organisations to use as office space 3. Other activities run by the Trustees

Funding of the above activities:

1. Hall lettings
2. Donations
3. Grant funding for specific activities

During the year the Trustees continued dialogue with Torridge District Council and their solicitors regarding vesting of the Hall from Torridge District Council to the Custodian of Charities. This is a complex, costly and lengthy process arising due to historical issues. Whilst this is being pursued, no depreciation charge has been made on land and buildings.

Reserves policy

There are two types of reserves:

Unrestricted – which are held to offset risk, for cash flow and emergencies, to support delivery of the charity's objectives.

Restricted – where funds are raised or held for specific future purpose.

An unrestricted reserve of a minimum of £7,500 (or equivalent to at least 3 months budgeted annual expenditure) and a maximum of £60,000 (or equivalent to 24 months of budgeted annual expenditure) will be maintained to cover any negative cash flow and emergencies (e.g., boiler repairs, damage to building). In addition, funds will be used to repay outstanding loans (£5,000 and £5,040). We have plans to invest in a renewable energy feasibility study, and to review the energy usage of the Hall post lockdown (£5,000). Plus, a new website and other software to improve the bookings process (£2,000). We also need to retain funds to cover the legal work for the custodianship discussions (£5,000).

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate their exposure to major risks.

Public benefit

In planning our activities for the year, we have kept in mind the Charity Commission guidance on public benefit.

Financial review

Total incoming resources during the year were £49,695 of which £37,263 was Covid grant income (2020: £54,526). Resources expended in the same period totalled £33,587 (2020: £38,798). At 30 June 2021 the charity held total funds of £620,651 of which £518,683 were restricted funds received for the building and refurbishment of the hall.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 June 2021

The trustees' annual report was approved on 23/03/22 and signed on behalf of the board of trustees by:



J Hutchings
Trustee



L E Emmett
Trustee

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Holsworthy Memorial Hall Limited

Year ended 30 June 2021

I report to the trustees on my examination of the financial statements of Holsworthy Memorial Hall Limited ('the charity') for the year ended 30 June 2021.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements 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 the 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 charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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.

Sarah Watts
Independent Examiner
Thomas Westcott Chartered Accountants
5 West Street
Okehampton
Devon
EX20 1HQ

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 June 2021

		Unrestricted funds £	2021 Restricted funds £	Total funds £	2020 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	38,313	—	38,313	27,731
Charitable activities	6	11,382	—	11,382	26,795
Total income		<u>49,695</u>	<u>—</u>	<u>49,695</u>	<u>54,526</u>
Expenditure					
Expenditure on charitable activities	7	23,622	9,965	33,587	38,798
Total expenditure		<u>23,622</u>	<u>9,965</u>	<u>33,587</u>	<u>38,798</u>
Net income and net movement in funds		<u>26,073</u>	<u>(9,965)</u>	<u>16,108</u>	<u>15,728</u>
Reconciliation of funds					
Total funds brought forward		75,895	528,648	604,543	588,815
Total funds carried forward		<u>101,968</u>	<u>518,683</u>	<u>620,651</u>	<u>604,543</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 7 to 15 form part of these financial statements.

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Statement of Financial Position

30 June 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	13	607,002	607,399
Current assets			
Stocks	14	2,000	2,000
Debtors	15	996	1,456
Cash at bank and in hand		37,907	22,905
		40,903	26,361
Creditors: amounts falling due within one year	16	27,254	29,217
Net current assets		13,649	(2,856)
Total assets less current liabilities		620,651	604,543
Net assets		620,651	604,543
Funds of the charity			
Restricted funds		518,683	528,648
Unrestricted funds		101,968	75,895
Total charity funds	18	620,651	604,543

For the year ending 30 June 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 23/03/22, and are signed on behalf of the board by:



J Hutchings
Trustee



L E Emmett
Trustee

The notes on pages 7 to 15 form part of these financial statements.

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 June 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is North Road, Holsworthy, Devon, EX22 6EB.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The Trustees continue to assess the viability of the hall in order to reverse the insolvent net current liability position.

The accounts have currently been drawn up on a going concern basis which may not be appropriate.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	No charge
Equipment	-	20% on net book value
Computers	-	20% straight line (included in equipment)

Land and buildings have not been depreciated this year as the beneficial ownership of the Hall is currently being investigated. Until such time as the Trustees can establish the ownership with certainty, this policy will continue.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

4. Limited by guarantee

Holsworthy Memorial Hall Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	1,050	1,050	480	480
Government grants				
Coronavirus Job Retention Scheme				
Grants	7,763	7,763	2,251	2,251
Other Covid grant income	29,500	29,500	25,000	25,000
	<u>38,313</u>	<u>38,313</u>	<u>27,731</u>	<u>27,731</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Letting of hall	11,382	11,382	26,358	26,358
Events	—	—	437	437
	<u>11,382</u>	<u>11,382</u>	<u>26,795</u>	<u>26,795</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Charitable activities	22,184	9,965	32,149
Support costs	1,438	—	1,438
	<u>23,622</u>	<u>9,965</u>	<u>33,587</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Charitable activities	31,339	4,396	35,735
Support costs	3,063	—	3,063
	<u>34,402</u>	<u>4,396</u>	<u>38,798</u>

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

8. Analysis of charitable activities and support costs

	Analysis of charitable activities £	Total 2021 £	Total 2020 £
Wages	9,331	9,331	10,851
Water rates	824	824	1,509
Light and heat	4,274	4,274	10,574
Repairs and maintenance (restricted)	9,568	9,568	3,899
Insurance	1,462	1,462	2,600
Telephone and broadband	1,217	1,217	1,215
Depreciation (restricted)	397	397	497
Bank charges	87	87	206
Loan interest	180	180	-
Sundry expenses	1,449	1,449	1,023
Other administrative costs	3,360	3,360	3,361
Governance costs	1,438	1,438	3,063
	<u>33,587</u>	<u>33,587</u>	<u>38,798</u>

9. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>397</u>	<u>497</u>

10. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,290</u>	<u>1,250</u>

11. Staff costs

The average head count of employees during the year was 1 (2020: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Number of staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustee expenses were incurred during the year.

13. Tangible fixed assets

	Freehold property £	Equipment £	Total £
Cost			
At 1 July 2020 and 30 June 2021	<u>673,862</u>	<u>77,697</u>	<u>751,559</u>
Depreciation			
At 1 July 2020	68,448	75,712	144,160
Charge for the year	—	397	397
At 30 June 2021	<u>68,448</u>	<u>76,109</u>	<u>144,557</u>
Carrying amount			
At 30 June 2021	<u>605,414</u>	<u>1,588</u>	<u>607,002</u>
At 30 June 2020	<u>605,414</u>	<u>1,985</u>	<u>607,399</u>

14. Stocks

	2021 £	2020 £
Raw materials and consumables	<u>2,000</u>	<u>2,000</u>

15. Debtors

	2021 £	2020 £
Other debtors	<u>996</u>	<u>1,456</u>

16. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	19,500	21,200
Accruals and deferred income	7,622	8,017
Social security and other taxes	132	—
	<u>27,254</u>	<u>29,217</u>

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

17. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021 £	2020 £
Recognised in income from donations and legacies:		
Government grants income	<u>37,263</u>	<u>27,251</u>

18. Analysis of charitable funds

Unrestricted funds

	At 1 July 2020 £	Income £	Expenditure £	At 30 June 2021 £
General funds	<u>75,895</u>	<u>49,695</u>	<u>(23,622)</u>	<u>101,968</u>

	At 1 July 2019 £	Income £	Expenditure £	At 30 June 2020 £
General funds	<u>55,771</u>	<u>54,526</u>	<u>(34,402)</u>	<u>75,895</u>

Restricted funds

	At 1 July 2020 £	Income £	Expenditure £	At 30 June 2021 £
Restricted Fund	<u>528,648</u>	<u>—</u>	<u>(9,965)</u>	<u>518,683</u>

	At 1 July 2019 £	Income £	Expenditure £	At 30 June 2020 £
Restricted Fund	<u>533,044</u>	<u>—</u>	<u>(4,396)</u>	<u>528,648</u>

Restricted funds are for the building and refurbishment of the hall.

Holsworthy Memorial Hall Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	88,319	518,683	607,002
Current assets	40,903	–	40,903
Creditors less than 1 year	(27,254)	–	(27,254)
Net assets	<u>101,968</u>	<u>518,683</u>	<u>620,652</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	78,752	528,648	607,400
Current assets	26,361	–	26,361
Creditors less than 1 year	(29,217)	–	(29,217)
Net assets	<u>75,896</u>	<u>528,648</u>	<u>604,544</u>

20. Related parties

There were no related party transactions during the year. During the previous year, a trustee made an interest free loan to the charity of £5,000. This amount is outstanding as at 30 June 2021.