

Stonehaugh Community Charity Trustees' Annual Report

For the year ending 30 June 2023

Administrative Information

- **Charity Name:** Stonehaugh Community Charity
- **Charity Number:** 1125384
- **Principal Address:** Stonehaugh Community Hall, Stonehaugh, NE48 3DZ
- **Trustees During the Period:**
 - Albert Alderson
 - Brenda Murray
 - Sarah Mercer
 - Rupert Hollom
 - Barbara Alderson-Byford
 - Hannah Murray

Objectives and Activities

Stonehaugh Community Charity exists to manage and maintain Stonehaugh Community Hall for the benefit of the local community. The hall provides a space for events, activities, and private hire, serving as a vital resource for the Parish of Wark.

Achievements and Performance

During the year, the charity hosted a variety of community events and private hires. A significant highlight was a **charity ball**, held in aid of the **Pulmonary Hypertension Association UK (PHA UK)**, which raised over £4,000. The event brought the community together and demonstrated the hall's value as a social hub.

In addition, the charity secured a grant of £17,000 for the future installation of a diesel generator to ensure continuity of operations during power outages. Installation is planned for the following year.

Financial Review

The charity's income was derived from hall hire, fundraising events, and grant funding. Total income and expenditure are outlined in the attached financial accounts. The charity maintains a prudent level of reserves to cover ongoing costs and planned improvements.

Public Benefit Statement

The trustees confirm they have complied with their duty to consider the Charity Commission's guidance on public benefit when planning activities to achieve the charity's objectives.

Approval

This report was approved by the trustees on [**15/01/25**] and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'Hannah Murray', written in a cursive style.

Hannah Murray, Trustee

STONEHAUGH COMMUNITY HALL

Profit and Loss Report

01 July, 2022 - 01 June, 2023

Sales		
4900 - Other income	20,272.68	
4940 - Rental Income	5,130.00	
10000 - Unknown income	782.00	
10002 - Events Income	3,121.49	
	Total Sales	£29,306.17
Direct Expenses		
5000 - Cost of Sales - Goods	161.12	
5050 - Sub-Contractors	150.00	
5060 - Other Direct Expenses	62.56	
8400 - Expenses for events	132.28	
10001 - UNKNOWN EXPENSE	973.02	
10003 - Music Licensing Fees	139.20	
	Total Direct Expenses	£1,618.18
	GROSS PROFIT / LOSS	£27,687.99
Overheads		
7110 - Water Rates	103.74	
7130 - Premises Insurance	439.96	
7200 - Electricity	1,507.71	
7210 - Gas & Oil	2,970.99	
7430 - Entertainment	960.00	
7630 - Business Insurance	550.26	
7800 - Repairs and Renewals	5,856.04	
7810 - Cleaning	89.94	

8200 - General Expenses	1,898.58	
10004 - Wood chips for heating	633.22	
	Total Overheads	£15,010.44
	NET PROFIT / LOSS	£12,677.55

14 Kern Green
Stonehaugh
Hexham
Northumberland

28/2/25

REPORT ON ACCOUNTS OF STONEHAUGH COMMUNITY HALL

I have been asked to review the accounts for the Stonehaugh Community Hall for the period 1/7/22 to 1/6/23, an 11 month period. As a person independent of the new hall committee I was also asked to comment on their accuracy.

Over the last few months a completely new committee has taken over the running of the Community Hall. This new committee has had to piece together the financial dealings of the hall and wishes to submit a set of accounts through to the charities commission.

From my review of the documentation given to me there is no reason to suggest that the accounts are in any way inaccurate and also that there has been no impropriety. However, there are some comments that I think need to be made with respect to clear and effective financial reporting.

The paperwork submitted for me to review was for an 11 month period which seems a little strange because normally accounts would generally cover a 12 month period, and the reason for an 11 month time span was not clear. However, I think that the paperwork submitted for review was created from a forensic unpicking of bank statements handed over to the new committee from a previous committee member. It is clear that the new Hall Committee have a greater focus on ensuring that financial matters are more rigorously controlled and is evidenced by asking for this review.

The profit and loss report is broken down in soon three main areas covering sales, direct expenses, and overheads the P&L account is relatively simplistic however there are some figures that lack full explanation. An example of this would be a line item of £20,272.68 listed under 'other income', further down in the sales section is another amount for £782 which is listed as unknown income and £3121.49 as events income. However, in the income and expenses day book, there is reference to a grant of circa £17,000 for a generator which actually cost £12,800 and may account for much of this unknown income.

Rental income is listed as £5130 however this amount could be further broken down but is not in the reports. Stonehaugh social club rent the bar area for £350/month and a resident of the village also rented a room for business purposes at £60 a month which is a total of £4510 against a stated income of £5130. Multipliers of this do not seem to come to the £5130 total however there might have been other income and other rental to support this figure but that was not clear.

There was no explanation of where the other income line items came from, or the unknown income, but they are for substantial amounts of money and that's led to an overall income of £29,306.17 for the period of these accounts.

Direct expenses and overheads seem entirely straightforward, sensible and are very clear in where these costs were landing, and that has led to a net profit of £12,677.55 for the period and clearly suggests that the hall is at the moment a going concern.

The committee should examine the difference between the income and the overheads of the hall as if the £20,272.68 of the 'unknown income' was excluded there would have been sales of around £9000 and overheads of circa £15,000 suggesting that there is currently a delta for the reporting period of £6000 between income and expenditure. What is not clear is whether this is a normal condition or an aspect of the 11 months reported in these accounts.

The community hall daybook accounts that were issued show a number of regular expenses that are not necessarily explained but then I wouldn't expect them to be, such as payments to Allied Westminster £85.53 on a regular basis and it was not clear what line item in direct expenses this related to.

There were a number of payments identified in the income and expenses day book for what is assumed to be maintenance work, such as two payments (to Robin Watson) listed as 'Odd job Man' one of £3000 on one of £2800 and this was not obvious what it was for because there was nothing in the direct expenses subcontractors line that suggests that £5800 had been spent as the P&L total only showed direct expenses of £1618.18, similarly a payment of £675 to Albert Alderson and a payment of £870 to Stonehaugh social club are identified but the reasons for these are not clear, or where they landed in the P&L report. There was no 'exceptional items' listed in the report which might explain this anomaly.

In summary the Hall is a going concern but there needs to be greater rigour when reporting financial matters. It is recommended that the new committee establish a clear triangular relationship between its accounts, its income and expenses day book and committee meeting minutes to show that all expenses are approved by the committee. It is also recommended that the committee expand its reporting to include a balance sheets and maybe a source and application of funds statement.

Yours faithfully

JD Harrison

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