

Hungarian Cultural Association

Directors' / Trustees' Annual Report 2020/21

for the Financial Year ending 31 August 2021

**Thanking our key supporters:
National Lottery Community Fund
Bethlen Gabor Alap Zrt**

Directors' / Trustees' Annual Report 2020/21

Prepared in accordance with the special provisions provided for smaller companies by Part 15 of the Companies Act 2006 and the Charities SORP (FRS102) guidelines for charities.

This is the Company's ninth Annual Report since incorporation on 15 April 2011, for the Financial Year from 1 September 2020 to 31 August 2021.

Reference and administrative information

Name of the company / charity: Short name:	Hungarian Cultural Association HCA
Any other name by which the company / charity makes itself known:	Hungarian School and Cultural Association Guildford Magyar Iskola és Kulturális Egyesület Guildford
Charity registration number in England and Wales:	1144110
Company registration number:	7606402
The address of the principal office of the charity:	2 Elles Avenue, Guildford, GU1 2QH
The names of the charity's trustees or trustee(s) for the charity on the date the report was approved:	Maria Chambers, Katalin Hegedus Andrea Norman-Walker Dora Blazsek-Dixon Maria Padfield (from 10 January 2022)
The names of any other person who served as a charity trustee in the financial year:	none

Structure, Governance and Management

The nature of the governing document and how the charity is constituted:

The Hungarian Cultural Association is a Company Limited by Guarantee, constituted with a Memorandum and Articles of Association.

How the Charity is constituted:

The Hungarian Cultural Association (HCA) was established on 15 April 2011 as a company limited by guarantee and was registered as a Charity in October 2011. The HCA has continued the activities founded by its predecessor organisation, the Hungarian Cultural Group Guildford (HCG) established in March 2009.

The methods adopted for the recruitment and appointment of new trustees:

The Hungarian Cultural Association invites all its beneficiary members, volunteers and contracted staff to participate in the governance of the charity. It has invited any member or associated partner to apply for Trustee positions. New Trustees/Directors can be appointed by a resolution of the Board of Trustees/Directors or at the AGM. Trustees will resign on a rotation basis, but can be re-elected at the AGM. During the Financial Year, all Trustees resigned and were re-appointed on the AGM in January 2020 and again in January 2021.

Objectives and Activities:

A summary of the objects of the charity as set out in its governing document:

The charity's objects as set out in the Articles of Association agreed on 16 September 2011 and accepted by the Charity Commission are as follows:

- (1) To advance the education of the public in the subject of Hungarian Culture (language and literature, music, art and craft, folk dance, history, etc.) in particular, but not exclusively, amongst families with Hungarian connections in the Surrey area.
- (2) The prevention or relief of poverty, sickness and distress amongst families with Hungarian connections in Surrey or nationwide by providing grants, items and services to individuals in need.

Summary of the main activities undertaken in relation to those objects:

The charity achieves its aims through delivering regular educational sessions of Hungarian language and literature, folk dancing, singing and music, history, traditional art and craft to children aged 0-18 years as well as to adults who wish to learn Hungarian as a foreign language.

There are also regular music, folk music and dancing, puppet show and poetry events, as well as educational trips to museums and botanical gardens open for all people from the wider community. Members with financial or other disadvantages can participate in activities free or at reduced price to ensure events and educational sessions are open to all. The charity also provides support and advice for people in need and aids personal development and employability through volunteering opportunities and coaching.

The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit.

Achievements and Performance

The Charity had **175** beneficiary members representing individuals aged 0-80, many of them families with 1-3 children. They represent all segments of society from Surrey, Hampshire, Sussex, London and the Home Counties. There were **2331 beneficiaries** (members and non-members) who took part in the HCA's activities and events in Guildford and London in this financial year between September 2020 and August 2021. At the start of the COVID pandemic in March 2020, the Charity suspended its face-to-face activities and provided most of its services online, combined face to face activities with virtual, maintaining a steady membership and even reaching regions elsewhere in the UK. From the spring 2021, education has resumed face-to-face, with two online groups remaining for families living further away. Despite the pandemic, significant numbers of new families joined and membership numbers by September 2021 reached record levels.

Education

Our unique **Hungarian Cultural Identity Programme (HCIP)** entered into its 12th year. We moved our main operational location to St Thomas of Canterbury Catholic Primary School in Guildford that provides more flexible teaching tools and a wide outdoor space and also kept our old venue St John Centre for our major events.

The HCIP delivered educational activities in **7 age groups**: 0-3, 4-5, 6-7, 8-10, 11+, ECL, adults in Guildford, with fortnightly face to face sessions between September 2020 – December 2020 and from April 2021-August 2021, two fortnightly on-line sessions and four educational trips in the Easter and summer breaks. Sessions are ranging from 60 – 210 minutes/week and cover: Hungarian language and literature, singing and music, folkdance, traditional craft, free play and library, delivered by 14 teachers and 3 volunteers, between 10.30 -14.00 on Saturdays on 20 occasion/ year face to face in separate rooms or on-line in the learners' homes. Total number of sessions per child were up to 80-100 this year depending on participation levels, for approximately **78 enrolled learners** this year. They also benefited from our excellent teaching resources including a Hungarian children's library, traditional folk costumes, and laptops. All school aged learners received a free learning pack at the beginning of the year.

The 15+ group were preparing for the ECL exam that was unfortunately cancelled due to the pandemic and is yet to be rearranged. This group was following the ECL curriculum.

The 6-7 year-old group focused on learning to read and write in Hungarian using a method developed by one of our teachers, using the foundations of the phonics method. All age groups participated singing and music, language, folkdance, craft free play on each teaching day.

Events

Along with the teaching programme, Hungarian cultural events play an integral part of the HCIP. Despite the pandemic, we delivered the following **9** events:

In September we opened our year with a family trip to RHS Wisley with 90 children and parents attending – it was an amazing experience and a perfect teaching environment.

In early **December** we held our first online concert with our patron, award winning singer-songwriter Vilmos Gryllus, who entertained over **260** fans via Zoom from his living room in Hungary, playing traditional children's favourites. The event was attended not only by our member families, but also families from Hungary and Romania. Member children still received their traditional gift bags from our Hungarian Santa by post.

In late **December**, we prepared a Covid-safe **Christmas Celebration** at Holy Trinity Church Guildford, with the participation of members of the Le Page Ensemble and the BBC Concert Orchestra and volunteer parents and students. The programme consisted of traditional winter classical music, folk songs and Hungarian poems. The concert had to be cancelled last minute due to changing regulations but was recorded instead and shared with all families as an **online recording**.

In **February** our traditional masked ball was celebrated by two online **concerts**, one by our patron **Gryllus Vilmos** and the **Kolompos Band** playing from Hungary. We all dressed up and had fun from our homes together!

In **March**, the National Day of 15 March 1848, was marked by home recordings of traditional songs, poems and dances. A medley of past and present performances by our students was also played on the national satellite television channel Duna World TV as part of the “5 continents, one nation” programme.

Due to COVID restrictions, meetings started first with an **outdoor excursion** and Easter Egg hunt at **Devil's Punchbowl** in Surrey in **April 2021**.

May saw 77 of our members walking a 5 km challenge at Alice Holt Forest and discovering the wonderful natural playgrounds and we enjoyed the sunshine and a well-deserved ice-cream at the end.

In **June**, a large year-end event celebrated the gradual relaxation of pandemic restrictions, with all year-groups working together to perform a traditional Hungarian folk tale, the “**Starry-eyed shepherd**” in front of parents and grandparents. The children also received year-end awards and gifts. The party finished with outdoor activities, a bouncy castle and plenty of traditional food and crafts. We also thanked **those who worked** for us during the pandemic keeping us safe.

Both educational and cultural projects were supported by the Bethlen Gábor Alap foundation and the National Lottery **Community Fund** that provided vital financial support to deliver such high quality Hungarian cultural events in Guildford and online. Virgin Media O2 supported our year-end event and MAOSZ also provided a contribution to our insurance costs.

HCA provided bursaries of up to 100% to families in difficult circumstances to ensure financial means do not limit access to its activities.

The organisation continued to show its resilience and continue to grow during the pandemic while succeeding to maintain both the quality and frequency of activities, and keep up a sustained community spirit. These activities have continued in the 2021-2022 financial year

Financial Review

In this financial year the charity's turnover was £27,925 (2020: £34,671)

In this financial year, although the turnover has continued to reduce compared to the prior year, the Charity was still able to improve its financial health while maintaining its level of activities and with continued funding from grants. Reserves at the end of the Financial Year stood at £21,069 – an increase of £6,133. While this financial position remains healthy, due to the increased uncertainties of the pandemic and the future of grant financing this level of reserve was agreed to be maintained at the Directors' Meeting on 10th January 2022. A small proportion of the reserve was agreed to be used for trialling stand-up comedy events aimed at young adults, widening our target audience but not necessarily profitable. HCA also agreed to recruit more teachers and teaching assistants in September 2021 as participant numbers increase.

There were no funds in deficit during the financial year and the charity has no concerns or uncertainties about its ability to carry out its activities in the medium term, even if grant financing becomes less accessible. The Charity has obtained further grant financing in the Financial Year 2021/22 and is confident it will continue to operate as a going concern.

In the financial year 2020/2021, the Charity obtained grants from four donor organisations and was able to cooperate with other Hungarian schools and community organisations.

- Bethlen Gabor Alapkezelő Zrt (Bethlen Gabor Fund Management Private Limited Company, BGA Zrt) in Hungary, responsible for the promotion of Hungarian culture, language and heritage outside Hungary. The full grant £5,786 covers teaching fees, resources and rent for full calendar year of 2021. Of this amount, £2,371 was used by 31/08/2021, but was only paid retrospectively in October 2021, after the end of the financial year and is therefore shown still as receivables in the accounts.
- National Lottery Community Fund Covid fund was £10,000 for operational expenses and events. All project funding was spent by 31/03/2021.
- Virgin Media O2 Neighbourly Fund provided £1,000 for the year-end event. All project funding was spent by 30/06/2021.
- MAOSZ donated £271 for insurance support.

The Charity's regular sources of income continued: including membership fees and course fees, income from events. Fundraising income from sale of food and toys reduced substantially through online operations. This year again, no Gift Aid request was submitted because the amounts are immaterial. The successful receipt of the grants this year meant that for the fourth consecutive year, HCA exceeded the £25,000 threshold requiring an Independent Examination and will submit this Trustees' Annual Report to the Charity Commission.

Further details are available in the Financial Accounts below.

THE 2020-2021 HCA Team

Mária Chambers	Trustee/Director (Operations and Education, Safeguarding)
Katalin Hegedüs	Trustee/Director (Finance)
Andrea Norman-Walker	Trustee/Director (Policies)
Dóra Blazsek-Dixon	Trustee/Director

Patrons

Dr Beáta Pászthy	Former Director of the HCC London
Dr Ilona Gállné Gróh	Head of Ringato music foundation, Forrai Award winning music teacher
Veronika Marék	Janikovszky Éva Award and József Attila Award winning writer
Vilmos Gryllus	Kossuth Award and Prima Primissima Award winning
Margaret Olivers	singer-songwriter
	Chairman of the British Kodaly Academy, music and Montessori
Kolompos Ensemble	teacher
	Hungarian Folk Band

Operative Team

Mária Chambers	Session Leader – Music and Language 0-5, Music 5-11, Folk dance
Niki Cseh	Session Leader – Kindergarten
Katalin Hegedüs	Session Leader – Language 5-7, Folk dance
Katalin Vincze	Session Leader – Language 7-9 and 10-14, Adults
Péter Pál Tóth	Session Leader - Language 15-18, Adults
Anasztazia Chambers	Teaching Assistant
Orsolya Pinter	Teaching Assistant
Katalin Fabian- Markus	Librarian
Csilla Bedy	Librarian
Maria Padfield	Librarian
Denisszia Gerocz	Teaching Assistant
Orsolya Nemeth	Teaching Assistant
Andras Csakany	Teaching Assistant
Alexandra Norman Walker	Teaching Assistant
Daniella Norman Walker	Teaching Assistant
William Norman Walker	Parent Helper
Reka Denes	Kindergarten Teacher

Financial Accounts as at 31 August 2020 - Hungarian Cultural Association

Registered Charity in England and Wales reg. Number 1144110
Company Limited by Guarantee in England and Wales, company number 7606402

Balance Sheet

Balance Sheet	Current Financial Year (1 September 2020- 31 August 2021)			Previous Financial Year (1 September 2019 - 31 August 2020)			Notes
	Restricted funds	Unrestricted funds	Total	Restricted funds	Unrestricted funds	Total	
Assets							
Fixed Assets	350	-	350	1,400	-	1,400	
Total Fixed Assets	350	-	350	1,400	-	1,400	(1)
Stock and materials			-			-	(2)
Debtors							
Accounts Receivable		2,371	2,371	3,789	-	3,789	(3)
Provisions	-	-	-	-	-	-	(4)
Cash and Bank Account							
Current bank account	-	38,697	38,697	-	11,178	11,178	(5)
Petty Cash	-	23	23	-	79	79	(5)
Total Current Assets	-	41,091	41,091	3,789	11,257	15,046	
Total Assets	350	41,091	41,441	5,189	11,257	16,446	
Liabilities due within one year:							
Payables							
Cheques Issued, not yet cleared	-	-	-	-	-	-	(7)
Accounts Payable	-	570	570	-	410	410	(7)
Reserve for breakage	-	-	-	-	200	200	(7)
Deferred Income	-	19,802	19,802	-	900	900	(9)
Tax Payable	-	-	-	-	-	-	(8)
Total Current Liabilities	-	20,372	20,372	-	1,510	1,510	
Net Current Assets before Accruals	-	20,719	20,719	3,789	9,747	13,536	
Total Assets less Current Liabilities	350	20,719	21,069	5,189	9,747	14,936	
Liabilities due after more than one year			-			-	(6)
Net Assets before Accruals	350	20,719	21,069	5,189	9,747	14,936	
Accrued (Pre-paid) Expenses for subsequent Financial Year	-	-	-	-	-	-	(10)
Accrued Income for current Financial Year	-	-	-	-	-	-	(10)
Net Assets	350	20,719	21,069	5,189	9,747	14,936	
Charity Funding Available (Capital and Reserves)							
Share Capital		-	-		-	-	(11)
Retained Earnings							
Retained earnings from current year (P&L)	(1,050)	7,183	6,133	(1,050)	4,931	3,881	
Retained earnings from previous year	1,400	13,536	14,936	2,451	8,604	11,055	
Transfer of reserves			-	3,789	(3,789)	-	
Total Capital and Reserves	350	20,719	21,069	5,189	9,746	14,936	

Prepared in accordance with the special provisions provided for smaller companies by Part 15 of the Companies Act 2006 and the Charities SORP (FRS102) guidelines for charities.

For the Financial Year ending 31 August 2020, the Company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The accounts give a true and fair view of the state of affairs of the Company as at the end of the Financial Year and of its Profit and Loss for the Financial Year in accordance with the requirements of Sections 394- 396, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the Company. All figures rounded to the nearest pound (£).

Trustee's Annual Report and Financial Accounts approved by the Board of Directors/Trustees on 13 May 2022.
Signed on behalf of the Board of Directors/Trustees:

Katalin Hegedus
Director / Trustee

Maria Chambers
Director / Trustee

Statement of Financial Activities (Profit and Loss Account)

Statement of Financial Activities (Profit and Loss Account)	Current Financial Year (1 September 2020 - 31 August 2021)			Previous Financial Year (1 September 2019 - 31 August 2020)			Notes
	Restricted funds	Unrestricted funds	Total	Restricted funds	Unrestricted funds	Total	
Incoming Resources (Turnover)							
<u>Incoming Resources from Generated Funds</u>							
In-kind donations and volunteer services	-	1,600	1,600	-	1,150	1,150	(14)
In-kind Volunteer Hours	-	-	-	-	20	20	(14)
In Kind Donations for Sale	-	-	-	-	1,467	1,467	(12)
Donations and Other Income	-	-	-	-	466	466	(12)
Reimbursement of costs by third parties	-	-	-	-	1,001	1,001	(12)
Other donations	-	-	-	-	-	-	(12)
<u>Incoming Resources from Charitable Activities</u>							(13)
Grants and Gift Aid							
BGZRT	2,371	-	2,371	13,960	-	13,960	(12)
Grant Income – Big Lottery	10,000	-	10,000	-	-	-	-
MAOSZ Grant	297	-	297	-	280	280	-
Grant Income Neighbourly Together Fund	1,000	-	1,000	-	-	-	-
Gift Aid	-	-	-	-	-	-	-
Fundraising Income	-	1,511	1,511	-	4,389	4,389	-
Buffet Income	-	763	763	-	4,203	4,203	-
Fundraising Sales	-	748	748	-	186	186	-
Interest Received	-	-	-	-	-	-	-
Income from charitable services	-	-	-	-	-	-	-
Event Fee Income	-	1,363	1,363	-	4,278	4,278	-
Course Fee Income	-	8,958	8,958	-	8,647	8,647	-
Membership Fee Income	-	825	825	-	480	480	-
Membership Fees	-	-	-	-	325	325	-
Business Membership	-	-	-	-	155	155	-
Total Incoming Resources (Turnover)	13,668	14,257	27,925	13,960	20,711	34,671	
Statement of Financial Activities (Profit and Loss Account)	Restricted funds	Unrestricted funds	Total	Restricted funds	Unrestricted funds	Total	
Resources Expended (Expenses)							(16)
<u>Cost of Fundraising Activities</u>							
In kind donation – cost of fundraising activities	-	-	-	-	20	20	-
Cost of Fundraising Activities - Bufe Expenses	266	14	280	-	1,532	1,532	-
Cost of Fundraising Sales	-	-	-	-	-	-	-
Bufe Expenses	-	-	-	-	1,532	1,532	-
<u>Cost of Charitable Activities</u>							
Teaching Fees	5,815	300	6,115	4,311	756	5,068	-
Management Fees	3,010	2,885	5,895	2,215	5,603	7,818	-
In-kind volunteer services	-	-	-	-	-	-	-
In-Kind Volunteer Hours	-	1,600	1,600	-	1,150	1,150	-
Teaching Materials	717	523	1,240	-	758	758	-
Rent	756	26	730	168	2,519	2,687	-
Volunteers Expenses	155	50	205	-	221	221	-
Artist Performance/Professional Fees	1,450	150	1,600	2,791	292	3,083	-
Marketing and Advertising Costs	-	340	340	-	98	98	-
Travel and Entertainment	374	476	850	4,387	1,611	5,998	-
Insurance Premiums	297	-	297	-	-	-	-
Tax	-	-	-	-	-	-	-
Depreciation	1,050	-	1,050	1,050	-	1,050	-
Other Expenses	828	762	1,590	88	1,219	1,307	-
Bank costs and charges	-	-	-	-	5	5	-
Miscellaneous expenses	-	150	150	-	-	-	-
Office / General Admin expenses	828	65	893	-	500	500	-
Printing & Office Stationery	-	393	393	88	513	601	-
Telephone	-	154	154	-	201	201	-
Total Expenses	14,718	7,074	21,792	15,010	15,780	30,790	
Net Incoming Resources (Net Operating Income)	1,050	7,183	6,133	(1,050)	4,931	3,881	
Income related to Investments and Financial Activities	-	-	-	-	-	-	-
Expenses related to Investments and Financial Activities	-	-	-	-	-	-	-
Net Profit before Tax relating to Ordinary Activities	1,050	7,183	6,133	(1,050)	4,931	3,881	
Corporate Tax Payable	-	-	-	-	-	-	-
Profit on Ordinary Activities after Taxation	1,050	7,183	6,133	(1,050)	4,931	3,881	
Profit for the Financial Year	1,050	7,183	6,133	(1,050)	4,931	3,881	

Summary of Fund Movements

Outline summary of Fund Movements - Current Year (2020/21)	Opening Balance	Incoming Resources	Outgoing Resources	Gains/Losses	Transfers	Carried Forward
Unrestricted Funds	9747	14257	7074	7183	3,789	20719
Restricted Funds	5189	13668	14718	(1,050)	(3,789)	350
Endowment Funds	0					
Total Fund Movements Current Year	14936	27925	21792	6133	0	21069

Outline summary of Fund Movements - Prior Year (2019/20)	Opening Balance	Incoming Resources	Outgoing Resources	Gains/Losses	Transfers	Carried Forward
Unrestricted Funds	8604	20711	15779	4931	(3,789)	9747
Restricted Funds	2451	13960	15010	(1,050)	3789	5189
Endowment Funds	0					
Total Fund Movements Current Year	11055	34671	30789	3881	0	14936

Notes to the Accounts for the Financial Year ending 31 August 2021

Hungarian Cultural Association:

Registered Charity in England and Wales reg. Number 1144110 Company Limited by Guarantee in England and Wales, company number 7606402

Prepared in accordance with the special provisions provided for smaller companies by Part 15 of the Companies Act 2006 and the Charities SORP (FRS102) guidelines for charities.

All figures are rounded to the nearest pound (£).

The Accounts show a true and fair view, and were prepared on the going concern assumptions and using the accruals concept and provide information that is relevant, reliable, comparable and understandable.

Financial Review Policy on reserves:

The charity aims to hold the equivalent of the running costs of three school terms (c. £20,000) as reserve due to the uncertainties of the pandemic. The reserves reported in the Accounts have reached the target level, and are now expected to be maintained. A small portion of the reserves may be used for online events at reduced cost or free of charge that are not otherwise financially viable.

Details of any fund materially in deficit and the circumstances giving rise to the deficit and steps being taken to eliminate the deficit:

The Hungarian Cultural Association has not had funds in deficit at any time during the financial year ending 31 August 2021.

Funds held as Custodian Trustee:

The Hungarian Cultural Association does not hold funds as Custodian Trustee.

Detailed Notes to the Accounts:

1. Fixed Assets

The Company has a policy to only capitalise assets with values in excess of £500. In the previous financial year 2018/19 the company purchased 8 laptops from the BGA Zrt grant for the "Digital Hungarian School". Although the individual purchase value was under £500, the Trustees decided to capitalise the assets and depreciate them over 3 years. The purchase was made from a grant which

contains certain restrictions, so the assets are shown as restricted assets.

Original Cost of Fixed Assets: £ 3,151
Cumulative Depreciation: £ 2,801
Net Balance Sheet Value: £ 350

There were no new purchases of fixed assets this year.

The resale value of all teaching materials currently in use by the Company but shown at zero value on the Balance Sheet is estimated at £2,500 and consists of around 250 library books, teaching reference books and teaching materials, 50 sets of folk costumes for adults and children, musical instruments and children's toys.

2. Stocks

The Company does not capitalise any stocks purchased and therefore calculates no revaluation or depreciation. Stocks, if any, would be valued at the lower of cost and net realisable value.

3. Debtors

£2,371 Bethlen Gabor BGA Zrt Teaching & Teaching Travel 2021 grant was received by bank transfer in October 2021, after the accounts were closed. This was in agreement with the grant donor and the amount was not treated as overdue. The full grant £5,786 covers the cost for the whole calendar year of 2021. The Debtors amount is an Accrued income against expenditure spent between January and August 2021.

4. Provisions

The Company has no activities that would require any Provisions.

5. Financial Assets

The Company has no Financial Assets other than a non-interest-bearing bank current account for transactional purposes and a small amount of petty cash kept as change for cash payments for fundraising sales.

6. Creditors over one year

The Company has no long-term financial or other liabilities.

7. Creditors within one year

Payables of £570 relate to invoices received in August and paid in September.

8. Tax

The Company is not subject to Corporation Tax as all its activities are exempt under Charity tax regulations. The Company has no employees, therefore it pays no PAYE and NI contributions.

9. Deferred Income

£9,802 relates to course fees and event fees paid in advance in August for the term starting in September 2021, and deferred for the following financial year. None of these pre-paid fees had to be refunded and were realised as income in September 2021. An additional £10,000 relates to a grant received from the National Lottery which is relating to FY21/22.

10. Prepaid and Accrued Expenses

There were no prepaid and accrued expenses this financial year.

11. Capital

The Company has no share capital, as it is registered as a Company Limited by Guarantee. The total amount of guarantee is £30.

12. All donations were received as detailed in the activities section of the Annual Report.

13. The main source of unrestricted income for the organisation is from its regular courses and events as well as the membership fees received. The Company also conducts fundraising activities (e.g. Hungarian food buffet, book and folk costume sales), all related to Hungarian culture.

14. The Treasurer (Katalin Hegedus) contributed 100 hours of professional management, accounting and financial services in-kind. Additionally, approximately 60 professional hours were contributed in the course of the financial year by volunteers in teaching, operational and administrative services, event management, catering and other services. These services were considered at a value of £10/h. Volunteer hours for non-professional services are not represented in the accounts but have exceeded 160 hours in the year. Cakes and books donated for sale and eligible for Gift Aid were not recognised this year. Other in-kind donations of books, toys, provision of travel, storage and other services not eligible for Gift Aid were not represented in the accounts but exceeded £1,000 in total value.

15. The Company's major expense line items are below.

Professional Fees for Performing Artists: £1,600

Fees paid for the teachers, all of whom are self-employed and work on a fixed-term contract basis: £6,115, of which £2,325 are related party transactions.

Teaching Materials: £1,240.

Management Fees: £5,895, of which £5,445 are related party transactions.

Details of the expenses are given in the Profit and Loss Account. All costs were attributed to the activity where it was incurred. Management fees and teaching fees were tracked based on actual hours spent on the activity.

For related party transactions including Directors' Remunerations as permitted by the Articles of Association and agreed by the Board of Trustees see the below table.

Note 16

Transactions with trustees and related parties

In the period the charity has paid trustees remuneration and benefits. Please give the amount of, and legal authority for, any remuneration or other benefits paid to a trustee by the charity or any institution or company connected with it.

This year

Name of trustee	Legal authority (eg order, governing document)	Amounts paid or benefit value				
		Remuneration	Pension contribution	Redundancy (including loss of office)/ex gratia	Other	TOTAL
		£	£	£	£	£
Maria Chambers	Articles of Association and Management Contract	5,365	-	-	-	5,365
Maria Chambers	Articles of Association and Teaching Contract	2,325	-	-	-	2,325

Please give details of why remuneration or other employment benefits were paid.

As agreed by the Board of Directors and Trustees, and permitted by the Article of Association, Maria Chambers received remuneration for managing the Charity's day-to-day operations, recruitment and teaching activities, coordinating event management, including liaison with artists and external organisations. She is also a key member of the teaching team.

Where an ex gratia payment has been made to a trustee, provide an explanation of the nature of the payment.

n/a

If a third party has been reimbursed for providing one or more trustees, state the nature of the payment and amount of the reimbursement.

n/a

State the number of trustees to whom retirement benefits are accruing under a defined contribution pension scheme.

n/a

Last year

Name of trustee	Legal authority (eg order, governing document)	Amounts paid or benefit value				
		Remuneration	Pension contribution	Redundancy (including loss of office)/ex gratia	Other	TOTAL
		£	£		£	£
Maria Chambers	Articles of Association and Management Contract	6,943	-	-	-	6,943
Maria Chambers	Articles of Association and Teaching Contract	1,650	-	-	-	1,650

Please give details of why remuneration or other employment benefits were paid.

As agreed by the Board of Directors and Trustees, and permitted by the Article of Association, Maria Chambers received remuneration for managing the Charity's day-to-day operations, recruitment and teaching activities, coordinating event management, including liaison with artists and external organisations. She is also a key member of the teaching team.

Where an ex gratia payment has been made to a trustee, provide an explanation of the nature of the payment.

n/a

If a third party has been reimbursed for providing one or more trustees, state the nature of the payment and amount of the reimbursement.

n/a

State the number of trustees to whom retirement benefits are accruing under a defined contribution pension scheme.

n/a

16.2 Trustees' expenses

If the charity has paid trustees expenses for fulfilling their duties, details of such transactions should be provided in this note.

Type of expenses reimbursed	This year	Last year
	£	£
Travel	100	779
Subsistence	-	-
Accommodation	-	-
Other (please specify):		146
TOTAL	100	925

Please provide the number of trustees reimbursed for expenses or who had expenses paid by the charity

2	2
---	---

16.3 Transaction(s) with related parties

Please give details of any transaction undertaken by (or on behalf of) the charity in which a related party has a material interest, including where funds have been held as agent for related parties.

This year

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	Amount	Balance at period end	Provision for bad debts at period end	Amounts written off during reporting period
			£	£	£	£
Maria Chambers	Director/Trustee	Purchases made behalf of the Charity	387	-	-	-
Katalin Hegedus	Director/Trustee	Purchases made behalf of the Charity	2,316	-	-	-
Anasztazia Chambers	Daughter of Director/Trustee	Catering management fee	80	-	-	-

In relation to the transactions above, please provide the terms and conditions, including any security and the nature of any payment (consideration) to be provided in settlement.

Transactions by the Trustees were in relation to the purchase of items that require credit card. The charity cannot have a credit card as it only permits transactions with dual signature. The expense forms are checked by another Trustee before reimbursement. Expenses are reimbursed at cost. Transaction with a relation of a Trustee were done with Board approval and related to a formally advertised role.

For any related party, please provide details of any guarantees given or received.

none

Last year

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	Amount	Balance at period end	Provision for bad debts at period end	written off during reporting period
			£	£	£	£
Maria Chambers	Director/Trustee	Purchases made behalf of the Charity	3,077	-	-	-
Katalin Hegedus	Director/Trustee	Purchases made behalf of the Charity	504	-	-	-

In relation to the transactions above, please provide the terms and conditions, including any security and the nature of any payment (consideration) to be provided in settlement.

These transactions were in relation to the purchase of items that require credit card. The charity cannot have a credit card as it only permits transactions with dual signature. The expense forms are checked by another Trustee before reimbursement. Expenses are reimbursed at cost.

For any related party, please provide details of any guarantees given or received.

none



CHARITY COMMISSION
FOR ENGLAND AND WALES

Independent examiner's report
on the accounts

Section A

Independent Examiner's Report

Report to the
trustees/directors/
members of

HUNGARIAN CULTURAL ASSOCIATION

On accounts for the year
ended

31/08/2021

Charity no.:

1144110

Company no.:

7606402

Set out on pages

1 - 2

(remember to include the page numbers of additional sheets)

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31/08/2021.

Responsibilities and basis
of report

As the charity's trustees of the Company (who are also the directors of the company 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 for this year 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 material matters have come to my attention (other than that disclosed below *) which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.

* Please delete the words in the brackets if they do not apply.

Signed:

Date:

9 MAY 2022

IER

Name: PETER SIMON DAVEY

**Relevant professional
qualification(s) or body
(if any):**

Address: 19 THE RIDGEWAY
FETCHAM
SURREY KT22 9BB

Section B

Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

**Give here brief details of
any items that the
examiner wishes to
disclose.**

NONE