

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE

(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022



HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
(A company limited by guarantee)

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HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022

Trustees	R Howe, Chair (to 15 November 2022) (resigned 15 November 2022) R Sexton D Sheridan-Shaw (resigned 14 June 2022) C Browne (resigned 23 February 2022) C Steggles (resigned 9 March 2022) J Middleton (resigned 25 April 2022) C Axon (resigned 9 March 2022) S Boyd (appointed 14 June 2022) C Dougherty (appointed 14 June 2022) J Brown (appointed 11 May 2022) K Wilson, Chair (from 15 November 2022) (appointed 8 February 2022) R Galling (resigned 10 August 2021) W Parker (resigned 19 October 2021) S Sexton (appointed 21 December 2021, resigned 11 May 2022) B Simmonds (resigned 14 April 2021) P Weller (resigned 22 September 2021)
Company registered number	08409289
Charity registered number	1162412
Registered office	The Beehive Dowell Street Honiton Devon EX14 1LZ

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Key management	S Greenwell W Van der Plank J Browning I Browne D Urquhart
Accountants	Griffin Chartered Accountants 165 High Street Honiton EX14 1LQ
Bankers	Lloyds Bank 82 High Street Honiton Devon EX14 1JJ
Solicitors	Michelmores Woodwater House Pynes Hill Exeter Devon EX2 5WR

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees (who are also directors of the Charity for the purposes of the Companies Acts) present their annual report together with the financial statements of Honiton Community Complex (the Charity) for the year ended 31 March 2022. The Trustees confirm that the annual report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (RFS 102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

The Company also trades under the name The Beehive.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, as well as to the Charity's charitable objects, as approved by Honiton Town Council and set forth in its Articles of Association.

These refer to the advancement of education in the arts, to associating local residents, authorities and voluntary organisations to provide facilities in the interest of social welfare for recreation and leisure time occupations, and the establishment, maintenance and management of a community centre.

b. Activities undertaken to achieve objectives

In order to achieve these objects, Honiton Town Council and the Charity entered into a 10-year lease of the community centre known as The Beehive and a Service Level Agreement, both commencing on 11 September 2015 and expiring on 10 September 2025. Community organisations benefit from concessional room hire rates.

The activities of the Charity directed to its charitable objects consist principally of the following:

1. Artistic and cultural activities including theatre, live musical performances of all kinds, cinema, dances, craft fairs and exhibitions of local works of art.
2. Room hire to local community groups and organisations, including various public sector organisations, for the purposes of education, training, leisure activities and communal worship.
3. The maintenance of a café bar at the Beehive, which provides a meeting point and social centre for members of the public, both generally and for those taking part in the activities referred to above. The café bar is run by a wholly-owned subsidiary of the Charity, Beehive Hospitality Limited ("BHL": see below.)
4. Honiton Town Council's offices are within the Beehive building and its presence sits well with the social and community aspects of the Charity's objectives.
5. Upkeep of the building, which is key to the Charity's charitable activities.

c. Volunteers

The Board acknowledges with gratitude the enthusiasm, hard work and commitment of the volunteers from the community who have helped the staff since the Beehive re-opened in September 2021.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

a. Review of activities

At the beginning of this year the Beehive was closed to the public owing to the Covid-19 Pandemic, the then lockdown having started by Government order on 6 January 2021. Throughout this further period of lockdown, the Trustees and the operations committee continued to meet. Over a period of months, the Beehive gradually returned to community use as the restrictions were relaxed and the first paying audiences were admitted in September, subject for several months to social distancing. By Christmas we were offering a full programme of events and activities, but even after social distancing ceased the public was understandably slow to return. The local societies and dance and theatre groups that meet at the Beehive resumed their regular meetings in the autumn and the customary pantomime was presented by Honiton Community Theatre Company in February. Although we were confident that given time the Beehive would return to and surpass the footfall it had enjoyed pre-Covid-19, the recovery was slow and by the end of February the Trustees were aware that drastic action was necessary to avoid a slide into insolvency. The action taken is described below under 'Financial performance'. In spite of these difficulties the Beehive continued to discharge its charitable obligations in full up to the end of the financial year and has continued to do so, with the financial support of Honiton Town Council, to the date of signature of this report.

Financial review

a. Going concern

These accounts have been prepared on the going concern basis. Throughout the year of account, the Charity's reserves have conformed with the policy set out above, and at the date of signature of this Report the Trustees are confident that with the Town Council's financial support as described above and with a sustained recovery from the after-effects of Covid the Charity will be able to continue to operate for the foreseeable future.

General

At 1 April 2021 the Beehive was closed but, despite a very low income from its charitable activities during the preceding year due to closure resulting from the pandemic, its financial position was strong, owing to substantial donations and grants from governmental and private sources. Although the greater part of the salaries bill continued in the summer to be paid by the Government under the furlough scheme, this source of income ceased in September. Throughout, repair and maintenance bills continued to come in, and as recounted above, even after we reopened to the public, our income from ticket sales and room hire was slow to recover.

In February, having suffered exceptional losses during December and January, the Trustees realised that in the absence of a miracle the Charity would have run down its reserves by May or June and would be insolvent. To avoid this, on 7 February 2021 we gave our landlords, Honiton Town Council, notice to terminate our lease of the Beehive on 7 May 2022. This would, of course, have meant immediate closure of the Beehive. The response from the Council was prompt and generous. During March negotiations took place and the outcome was an agreement under which we withdrew the notice to quit in return for the Council's underwriting our losses for a limited period while a long-term solution was negotiated. This arrangement, which has become known as 'underwriting' and came into effect on 7 March 2022, has enabled the Trustees to continue the Charity's activities as before, with the financial support of the Council, up to the date of signature of this Report and is an interim measure to allow time for HTC to consider its long-term options.

The Trustees are greatly indebted to the Town Council for this timely and effective rescue from imminent closure and respite to enable recovery from the effects of the pandemic.

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

The underwriting arrangement entails scrutiny of the Beehive's monthly profit and loss accounts by the Council's officers and accountant, a review meeting, followed by resolutions by the full Council first to pay any loss shown by the accounts for the month in question and secondly to extend the arrangement for the next three months. The latter resolution gives the Trustees three months' notice of the cessation of underwriting to tie in with the operation of the break clause in the lease. The arrangement is to subsist for a maximum of 12 months from its commencement.

b. Reserves policy

The Charity's policy on reserves is to maintain, in its monthly management accounts and its annual accounts, net assets sufficient to accommodate the liquidity required by all businesses in amounts varying from time to time, and also to provide for an orderly and solvent winding-down of the business should the necessity arise. The latter is most likely to occur on termination of the lease of the building, either by operation of the break clause or at the end of the ten-year term in September 2025. The Trustees monitor the net assets of the Charity with these criteria in mind, and throughout the year of account they were satisfied that they were met.

c. Financial performance

We would add the following notes on certain aspects:

1. The Compromise Agreement of 12 November 2019 and the Deed of Variation on 30 March 2021 replaced the Service Charge based on the cost to the Charity of running the Beehive building with a fixed New Service Charge of £10,000pa, with effect from 1 April 2020. During the year of account, the Charity received £10,000pa from the Town Council in quarterly instalments by way of the New Service Charge. The Charity also received a Covid-19 Support Grant of £15,000 and a Minor Grant of £1,530 for the purchase of electrical equipment from HTC during the year of account.
2. Financial support received from other governmental sources during the year of account included two separate grants of £12,000 and £4,000 from East Devon District Council and a total of £29,141 under the furlough scheme. The last represents approximately 90% of the Charity's salary costs during the relevant period.
3. No donations were made to other charities during the year of account owing to financial constraints, although several local community groups enjoyed reduced room hire rates.
4. The period of closure and reduced usage due to lockdown and social distancing respectively saved some cost of services but this was offset by the higher standard of cleaning required to combat the risk of Covid-19 infection.
5. The general public continued to support the Beehive with minor casual donations. In particular when an event is cancelled due to circumstances beyond our control a proportion of the ticket holders usually refuse a refund and ask us to keep their money as a donation.
6. We are grateful for the generous year's sponsorship by Jurassic Fibre which was received shortly before the start of the year of account.
7. As in previous years 100% of the takings of Beehive Hospitality Limited were donated to the Charity.
8. Reserves and working capital are kept under review continually by the Trustees, who have read-only access online to the Charity's accounting records and bank account. Monthly profit and loss accounts and balance sheets are seen by Trustees a few days after the end of each month, and before each meeting Trustees receive a report with key data including bank balances, creditors, tickets sold in advance.
9. A new Business Plan is under preparation by the Trustees which will cover the period from the present to the end of the 10-year lease in September 2025 and lay the foundation for the Charity's bid for the contract to continue to run the Beehive from then on.
10. The major risk to which the Charity is exposed are identified by the Trustees and regularly updated and reviewed during the year, see under 'principal risks and uncertainties', below. Where appropriate, insurance cover is effected to mitigate risks.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

The Statement of Financial Activities show incoming resources for the year of a revenue nature of £237,890 (2021 - £173,184), and outgoing resources of a revenue nature of £250,784 (2021 - £123,190), making a net deficit of £12,894 (2021 - £49,994 surplus). The total free unrestricted reserves at the year end stand at £62,583 (2021 - £75,477).

d. Principal risks and uncertainties

The systems and procedures to manage major risks are covered by the Directors by way of :

- Trustees' meetings
- Ongoing reference to the existing Business plan and work on the draft new plan
- Organisational risk assessments
- Financial monitoring
- Ongoing review of health and safety issues

The principal immediate risk and uncertainty this year was the protracted closure that began the year followed by the restriction of economic activity occasioned by Covid-19. It impacted on our profit and loss account as set out above. The approach of the end of our 10-year lease of the Beehive building also cast a shadow of uncertainty over our activities, making it more difficult to plan ahead and retain the enthusiasm of staff and volunteers. A vital but temporary solution to these difficulties was provided by the underwriting agreement with HTC and we are strenuously looking for systems to monitor profitability and for ways to increase our income and efficiency. Many similar establishments in this country are in like straits.

Another source of anxiety is that we are understaffed. This not only results in high stress levels among staff, but also restricts our economic activity. If we had more staff, we could use our building to greater advantage. The understaffing also leads to lack of resilience in that it is difficult for the staff to cover for each other's sick leave and holidays. We have a good band of volunteers but we could use more; many volunteers did not return after Covid-19 and by the end of the year of account numbers were not yet back to pre-Covid levels. The use of volunteers is an essential part of our business model because of the saving in salary costs.

Structure, governance and management

a. Constitution

The Charity is registered at Companies House as a company limited by guarantee under number 08409289 and is constituted under a Memorandum of Association dated 19 February 2013 with Articles of Association adopted on 31 March 2015. It is also registered with the Charity Commission as a Charity under number 1162412.

The Charity's objects ('Objects') are specifically restricted to the following:

4.1.1. To advance the education of the public in Honiton and East Devon, in particular (but without limitation) in the arts;

4.1.2. To further or benefit the residents of Honiton and East Devon, without distinction of age, sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations operating in those areas in a common effort to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for the residents; and

4.1.3. To advance, for the benefit of the public in Honiton and East Devon, such other purposes as are exclusively charitable under the law of England and Wales as the Directors may from time to time determine; in particular (but without limitation) by the establishment, maintenance and management of a community centre for charitable activities promoted by the Charity.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

New Trustees may be nominated by the Charity Members, the existing Trustees or Honiton Town Council. Nominees and appointees are subject to meeting the qualification criteria as defined by the Articles of Association as well as the Board of Trustees' approval, and they are invited to attend Board Meetings for a trial period, after which both parties confirm or otherwise their desire to pursue the appointment. The Articles of Association limit the numbers and voting power of local authority-influenced trustees and the voting power of local authorities or companies controlled by them, to avoid the Charity becoming Local Authority influenced or controlled.

c. Members

Individuals who support the Beehive are encouraged to become members of the Company. Their liability is limited to £10, and they are known as Charity Members. They pay a nominal subscription, currently £10. There are about 50, and many work as volunteers at the Beehive.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on
and signed on their behalf by:

 20/12/2022

K Wilson
(Chair of Trustees)

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Independent examiner's report to the Trustees of Honiton Community Complex t/a The Beehive ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the Trustees of the Company (and 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 the Company's accounts 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

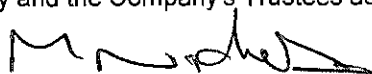
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed:



Dated:

27/12/22

Misty Nickells FCA

Griffin
Chartered Accountants
165 High Street
Honiton
EX14 1LQ

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	3	92,445	92,445	158,492
Charitable activities	4	145,020	145,020	14,672
Other trading activities:	5			
Other trading activities		420	420	20
Investments	6	5	5	-
Total income		<u>237,890</u>	<u>237,890</u>	<u>173,184</u>
Expenditure on:				
Charitable activities		250,784	250,784	123,190
Total expenditure		<u>250,784</u>	<u>250,784</u>	<u>123,190</u>
Net movement in funds		<u>(12,894)</u>	<u>(12,894)</u>	<u>49,994</u>
Reconciliation of funds:				
Total funds brought forward		75,477	75,477	25,483
Net movement in funds		(12,894)	(12,894)	49,994
Total funds carried forward		<u>62,583</u>	<u>62,583</u>	<u>75,477</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 12 to 27 form part of these financial statements.

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
(A company limited by guarantee)
REGISTERED NUMBER: 08409289

BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	1,907	-
Investments	12	1	1
		<u>1,908</u>	<u>1</u>
Current assets			
Debtors	13	12,237	17,016
Cash at bank and in hand		89,892	87,811
		<u>102,129</u>	<u>104,827</u>
Creditors: amounts falling due within one year	14	(27,954)	(16,351)
Net current assets		<u>74,175</u>	<u>88,476</u>
Total assets less current liabilities		<u>76,083</u>	<u>88,477</u>
Provisions for liabilities		(13,500)	(13,000)
Net assets excluding pension asset		<u>62,583</u>	<u>75,477</u>
Total net assets		<u><u>62,583</u></u>	<u><u>75,477</u></u>
Charity funds			
Restricted funds		-	-
Unrestricted funds		62,583	75,477
Total funds		<u><u>62,583</u></u>	<u><u>75,477</u></u>

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
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BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022


The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on
and signed on their behalf by:

 20/12/2022.

K Wilson
Chair of Trustees

The notes on pages 12 to 27 form part of these financial statements.

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Honiton Community Complex is a standard charity registered in England and Wales. The registered office address is The Beehive, Dowell Street, Honiton, Devon, EX14 1LZ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Honiton Community Complex t/a The Beehive meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The directors confirm that, having considered their expectations and intentions for the next twelve months, and the availability of working capital, the Charity is a going concern. Over the next twelve months, there are going to be increased costs due to the cost of living crisis. The Board is going to have regular meetings to monitor the additional costs, and look at ways they can save money.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- 8 years
Plant and machinery	- 4 years
Fixtures and fittings	- 4 years
Digital equipment	- 4 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.12 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. Income from donations, legacies and grants

	Unrestricted funds 2022 £	Total funds 2022 £
Donations	30,774	30,774
Government grants	61,671	61,671
	<u>92,445</u>	<u>92,445</u>
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	48,886	48,886
Government grants	109,606	109,606
	<u>158,492</u>	<u>158,492</u>

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Temporary lettings & licensing of charitable property	53,679	53,679
Cultural & community events	91,341	91,341
	<u>145,020</u>	<u>145,020</u>
Total 2022		

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from charitable activities (continued)

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Temporary lettings & licensing of charitable property	6,513	6,513
Cultural & community events	8,159	8,159
<i>Total 2021</i>	<u>14,672</u>	<u>14,672</u>

5. Fundraising income

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £
Other trading activities	420	420

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Other trading activities	20	20

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment income	5	5	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Temporary lettings & licensing of charitable property	-	47,019	47,019
Cultural & community events	69,542	133,609	203,151
Fundraising	-	614	614
	<u>69,542</u>	<u>181,242</u>	<u>250,784</u>

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Temporary lettings & licensing of charitable property	-	31,283	31,283
Cultural & community events	1,974	81,861	83,835
Fundraising	-	8,072	8,072
	<u>1,974</u>	<u>121,216</u>	<u>123,190</u>

Analysis of direct costs

	Cultural & community events 2022 £	Total funds 2022 £
Payments to artists	50,485	50,485
Film costs	8,124	8,124
Publicity	2,144	2,144
Other	8,789	8,789
	<u>69,542</u>	<u>69,542</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Temporary lettings & licensing of charitable property 2021 £</i>	<i>Total funds 2021 £</i>
Film costs	600	600
Publicity	288	288
Other	1,086	1,086
	<u>1,974</u>	<u>1,974</u>

Analysis of support costs

	Temporary lettings & licensing of charitable property 2022 £	Cultural & community events 2022 £	Fundraising 2022 £	Total funds 2022 £
Staff costs	34,181	58,165	268	92,614
Postage & stationery	234	399	2	635
Licenses & subscriptions	77	133	1	211
Equipment & maintenance	9,826	16,719	77	26,622
Communications	612	1,041	5	1,658
Premises costs	(4,286)	26,210	119	22,043
IT & website support	1,855	3,156	15	5,026
Professional fees	3,697	6,292	29	10,018
Sundry	407	692	3	1,102
Motor expenses	33	55	-	88
Donations	19	31	-	50
Bank fees	12	20	-	32
Delapidation provision	-	20,097	92	20,189
Depreciation	352	599	3	954
	<u>47,019</u>	<u>133,609</u>	<u>614</u>	<u>181,242</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Temporary lettings & licensing of charitable property 2021 £</i>	<i>Cultural & community events 2021 £</i>	<i>Fundraising 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	27,784	59,177	5,694	92,655
Postage & stationery	25	54	5	84
Licenses & subscriptions	187	399	38	624
Equipment & maintenance	2,032	4,328	416	6,776
Communications	378	805	77	1,260
Premises costs	6,644	9,617	1,123	17,384
IT & website support	1,043	2,497	240	3,780
Professional fees	2,737	807	77	3,621
Sundry	1,555	4,177	402	6,134
Bad debts written off	(11,102)	-	-	(11,102)
	<u>31,283</u>	<u>81,861</u>	<u>8,072</u>	<u>121,216</u>

8. Independent examiner's remuneration

	2022 £	2021 £
Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts	473	450
Fees payable to the Company's independent examiner in respect of:		
All other services not included above	914	870

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. Staff costs

	2022	<i>2021</i>
	£	£
Wages and salaries	88,548	<i>88,548</i>
Social security costs	2,117	<i>2,158</i>
Contribution to defined contribution pension schemes	1,949	<i>1,949</i>
	92,614	<i>92,655</i>

The average number of persons employed by the Company during the year was as follows:

	2022	<i>2021</i>
	No.	No.
Employees	5	<i>5</i>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity comprise the management team (see page 1). The total employee benefits of the key management personnel of the charity is £90,497 (2021 - £90,497).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Computer equipment £	Digital equipment £	Total £
Cost or valuation					
At 1 April 2021	3,992	45,171	2,822	18,045	70,030
Additions	-	-	-	2,861	2,861
At 31 March 2022	3,992	45,171	2,822	20,906	72,891
Depreciation					
At 1 April 2021	3,992	45,171	2,822	18,045	70,030
Charge for the year	-	-	-	954	954
At 31 March 2022	3,992	45,171	2,822	18,999	70,984
Net book value					
At 31 March 2022	-	-	-	1,907	1,907
At 31 March 2021	-	-	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2021	1
	<hr/>
At 31 March 2022	1
	<hr/> <hr/>
Net book value	
At 31 March 2022	1
	<hr/>
At 31 March 2021	1
	<hr/> <hr/>

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
Beehive Hospitality Limited	09492649	The Beehive, Dowell Street, Honiton, Devon, EX14 1LZ.	Public houses and bars

Class of shares	Holding
Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Beehive Hospitality Limited	23,270	(21,852)	1,418	2,844

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	2,652	8,180
Other debtors	5,715	3,259
Grants receivable	3,870	5,577
	<u>12,237</u>	<u>17,016</u>

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	7,412	1,566
Other creditors	1,171	599
Accruals and deferred income	19,371	14,186
	<u>27,954</u>	<u>16,351</u>

15. Provisions

	Lease provision £
At 1 April 2021	13,000
Additions	500
	<u>13,500</u>

The provision is a delapidation provision on the lease.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
General funds	<u>75,477</u>	<u>237,890</u>	<u>(250,784)</u>	<u>62,583</u>

Summary of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2021 £</i>
General funds	<u>25,483</u>	<u>173,184</u>	<u>(123,190)</u>	<u>75,477</u>

HONITON COMMUNITY COMPLEX T/A THE BEEHIVE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	1,907	1,907
Fixed asset investments	1	1
Current assets	102,129	102,129
Creditors due within one year	(27,954)	(27,954)
Provisions for liabilities and charges	(13,500)	(13,500)
Total	62,583	62,583

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Fixed asset investments	1	1
Current assets	104,827	104,827
Creditors due within one year	(16,351)	(16,351)
Provisions for liabilities and charges	(13,000)	(13,000)
Total	75,477	75,477

18. Pension commitments

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £1,949 (2021 - £1,949). £433 (2021 - £433) was payable to the fund at the balance sheet date and is included in creditors.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

19. Related party transactions

Included within other debtors is £3,136 (2021 - £3,259) owed to the charity from its subsidiary, Beehive Hospitality Limited in respect of transactions with Beehive Hospitality Limited throughout the year. The transactions can be summarised as follows:

£1,078 (2021 - £34) for sales made by Beehive Hospitality Limited to Honiton Community Complex.
£1,197 (2021 - £547) for purchases made by Honiton Community Complex on behalf of Beehive Hospitality Limited.

Donations of £10,800 were received from Beehive Hospitality Limited.

Included in debtors is £3,870 owed to the charity from Honiton Town Council. During the year they received £16,530 of grants from Honiton Town Council. S Sexton is a councillor for Honiton Town Council, and was a trustee until 11 May 2022.