

**ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE FIRST PERIOD ENDED 31ST DECEMBER 2021**



**HONITON COMMUNITY SPACES
(CUB)**

(Charitable Incorporated Organisation)

CHARITY REGISTRATION No: 1192604

Castle View Accounting Ltd
New Barn
Mudberry Lane
Bosham
Chichester
West Sussex
PO18 8TS

HONITON COMMUNITY SPACES (CUB)

(Charitable Incorporated Organisation)

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HONITON COMMUNITY SPACES (CUB)

(Charitable Incorporated Organisation)

LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER	1192604
DATE OF REGISTRATION	1st December 2020
START OF FINANCIAL PERIOD	1st December 2020
END OF FINANCIAL PERIOD	31st December 2021
TRUSTEES AT 31ST DECEMBER 2021	Michael Jones Thomas Hedger Stephen Craddock Zoe Allars Diane Virgin Jason Hannay Christopher Doran
LEGAL STATUS	Charitable Incorporated Organisation
GOVERNING INSTRUMENT	CIO - Foundation Registered 1st December 2020

OBJECTS

To further or benefit the residents of Honiton and the neighbourhood, without distinction of 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 in a common effort to advance education and to promote facilities in the interest of social welfare for recreation and leisure time occupation with the object of improving the condition of life for the residents. In furtherance of these objects but not otherwise, the Trustees shall have the power: a) To establish or secure the establishment of a community centre and to maintain or manage or co-operate with any statutory authority in the maintenance and management of such a centre for the activities promoted by the Charity in furtherance of the above objects.

CORRESPONDENCE ADDRESS	Honiton Community Use Building School Lane Honiton Devon EX14 1QW
PRIMARY BANKERS	Lloyds Bank Plc 25 Gresham Street London EC2V 7HN
INDEPENDENT EXAMINERS	Castle View Accounting Ltd New Barn Mudberry Lane Bosham Chichester West Sussex PO18 8TS

HONITON COMMUNITY SPACES (CUB)

(Charitable Incorporated Organisation)

TRUSTEES' REPORT

FOR THE FIRST PERIOD ENDED 31ST DECEMBER 2021

Background

In early 2014, the restructuring and funding cuts within Devon County Council led to a reduction of the Devon Youth Service provision. As a direct consequence of this, DCC closed both Honiton Youth Club and the Youth Centre at the bottom of School Lane. HCS (CUB) obtained the freehold of the building and grounds on the 27/08/2021 under covenant.

The Future of the CUB Site

We are a year into ownership and management and it has been a steep learning curve; there is a world of difference between the two years of negotiating ownership and the daily grind of managing people and expectations, mending stuff and replacing lost keys, not to mention crumbling bits of building.

We are still not fully out of 'Covid time' and so are only just getting used to something like a new normal.

If we start at the positive end; we host a great selection of vulnerable groups and when the invoices get paid on time, we have a reasonably healthy revenue position.

We are indebted especially to Mike for making daily running possible in this preliminary time of unpaid management/caretaking services and to Zoe & latterly Mike for invoicing & accounting. They like all the Trustees are giving their free time because they can see the obvious benefits for vulnerable people in our community. But we all have our lives to live and need to get a balance between personal life, family, pleasure and other community commitments.

We are lucky to have a committed group of volunteers, but we cannot take anyone for granted and don't want to lose folks because the project has simply worn them out.

We need a process that can allow each team member to commit only what they are happy doing and increasing the number of committed volunteers to make that possible.

We need to give all the Trustees full assurance about the liabilities involved in the project and protect them from risks. We should think about third party advice about where we presently are with improving fire access and other building regs issues as we plan to obtain approval but cannot presently finance work. We should will in place stringent user group self-management with every vulnerable group identifying a member of the team as safety manager in the room.

Funding

The funding strategy needs to break down to three target areas:

Revenue needs to include grants for support services and paid management/caretaking. We need a plan to fundraise say £22k/per year from grant applications. At the moment we could use generate say £400/month from room hire after overheads. We have assisted user groups in their funding applications so that they can pay the higher costs. This will continue to be important for the obvious reason, but also that we have to wean our way off being dependant on UR/ROC money. It may be worth asking Sharon if Volunteer4All turns into a CIC supporting voluntary groups, to do fundraising on a commercial basis, i.e. they take an admin fee of 5% for every successful bid.

Example of smaller building maintenance and refurb costs. We need to gradually build a £40,000 fund to do the fire, access and reception works over the next twelve months. There will be two strands to this, firstly the identification of likely funding opportunities and just keep chipping away. Secondly to create a local sub-contract (Friends of CUB) skills base so we get added-value for our funds from lower labour cost and mates-rates. If Jason & Nathan are willing to organise a pie & pint event at the rugby club at the end of April we can begin to build that network.

The main work (new roof, new windows, and new wall insulation) is in some ways a more straight-forward pitch to some funders if we call it low-carbon retro-fit, climate change, net carbon community building. Chris & Steve could do that as a completely separate piece of desk-top work without any implications on daily use of the building.

We currently have three volunteer probationary trustees (the probationary period is afforded to them to see if they feel they can commit to our charity)

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TRUSTEES' REPORT (Continued) FOR THE FIRST PERIOD ENDED 31ST DECEMBER 2021

We are also starting to build a squad of volunteers to help us on various activities and events such as; we have recently opened a free warm welcome space to the public.

We started at the end of last August with four long stay user groups we now have ten (as of Sept 2022) Some of our groups have been using the building for 25+ years. On average between 350 and 400 people use the building weekly.

Local Support

As a charity that manages a building for community groups we pledged to offer the lowest possible cost room and space hire to our groups.

Honiton Town Council

HTC has always given its full and unanimous support for the retention of The CUB for the people of Honiton. It recognises the benefit this building brings and its reach beyond the veteran users like the Parent & Toddler Group and the Youth Club. The CUB is also currently used by the 729 Club, Honiton Shredders and United Response.

It has played hosted a variety of groups and organisations, including: Young Devon, Craft Station, Kick-boxing, Honiton University of the Third Age, Honiton Twirlstars, Say Yes to Life Karate, Upbeat Street Dance and other one-off bookings from individual townsfolk.

In August 2019, Honiton Town Council awarded HCS (CUB) a start-up grant of £12,000. It came from the budget line 'Youth Support' in the Earmarked Reserves (EMR) for 2019-20, which was always intended to help support, the CUB provision. These start-up funds have been absolutely key to launching the CUB; giving it a firm foundation to grow from. The funds are vital for covering the costs associated with the actual 'asset transfer', like site surveys and legal fees but also important items like building insurances and its initial reserves and cash-flow. The funds were paid to HCS (CUB) in January 2020, following its successful registration with the Charity Commission.

In early 2021, Honiton Town Council also awarded HCS (CUB) a grant towards improving disabled parking and access to the building. They also gave Honiton Parent and Toddler Group funds to introduce a 'Sensory Den' for the young children. Dark dens and their accessories create a calming sensory and engaging space. This offers a new activity that the children can benefit from but also helps improve the variety of things available and introduces a beneficial activity supported by modern research and evidence. Importantly, it also gives the opportunity to children who would not be able to benefit from something of this nature otherwise.

We live in a vibrant community where a lot of residents have experienced the building in one form or the other over the last 30 years, from our youth club, the parent & toddler group, our mental health support group, men's sheds or the 729 club. There is a lot of fondness & local support both from residents and local business. We intend to build on this by making the space more accessible to all with regular updates on our Facebook page, the warm welcome sessions we have recently started, birthday parties and other building based events.

Angela Gallagher Memorial Fund

The very first donation that HCS (CUB) received was from this fund, which was much appreciated and helped establish the bank account and provide some initial cash funding, Thank You.

HCS (CUB) would like to thank everyone who has been involved in this project over the years, from Devon County Council and East Devon District Council to Honiton Community College and all the people who gave their time voluntarily to help navigate HCS (CUB) into being. This also extends to the Trustees who managed the project. They are unpaid volunteers too.

Everyone believes in the importance of retaining this kind of community space in a rapidly expanding Honiton. The charity would not have come into being without the strong support of the community. This is very real evidence of a healthy, co-operative and collaborative approach that helps us all, as a town, move forward with confidence; understanding the power of the positive impact we can have together.

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TRUSTEES' REPORT (Continued) FOR THE FIRST PERIOD ENDED 31ST DECEMBER 2021

Trustees' Responsibilities

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the CIO and of the surplus of the CIO for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in existence.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the CIO. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 17/10/2022

Signed on their behalf by Trustee 

Printed Name: Michael Bryn Jones

HONITON COMMUNITY SPACES (CUB)

(Charitable Incorporated Organisation)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FIRST PERIOD ENDED 31ST DECEMBER 2021

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £
INCOMING RESOURCES				
Incoming Resources from Generated Funds				
Donations, Grants & Legacies	3a	33,531	-	33,531
Activities for Generating Funds	3b	5,420	-	5,420
Investment Income	3c	-	-	-
Other Incoming Resources	3d	585	-	585
TOTAL INCOMING RESOURCES		39,536	-	39,536
RESOURCES EXPENDED				
Costs of Generating Funds				
Cost of Charitable Activities	4a	10,467	-	10,467
Governance Costs	4b	8,987	-	8,987
TOTAL RESOURCES EXPENDED		19,454	-	19,454
NET INCOMING (OUTGOING) RESOURCES		20,082	-	20,082
Funds Brought Forward		-	-	-
TOTAL FUNDS CARRIED FORWARD		20,082	-	20,082

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 9 to 14 form part of these financial statements.

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BALANCE SHEET AS AT 31ST DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 31-Dec-21 £
Fixed Assets				
Tangible Assets	2	-	-	-
Investments	6	-	-	-
Total Fixed Assets		-	-	-
Current Assets				
Debtors & Prepayments	8	200	-	200
Cash at Bank and in Hand	7	20,457	-	20,457
Total Current Assets		20,657	-	20,657
Creditors: Amounts falling due within one year	9	575	-	575
NET CURRENT ASSETS		20,082	-	20,082
TOTAL ASSETS less current liabilities		20,082	-	20,082
Creditors: Amounts falling due in more than one year	10	-	-	-
NET ASSETS		20,082	-	20,082
Funds of the Charity				
General Funds		20,082	-	20,082
Restricted Funds	5	-	-	-
Total Funds		20,082	-	20,082

Approved by the Trustees on 17/10/2022

Signed on their behalf by Trustee 

Printed Name: Michael Bryn Jones

HONITON COMMUNITY SPACES (CUB)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FIRST PERIOD ENDED 31ST DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of Preparation & Assessment of Going Concern

Basis of Preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP - FRS102) and the Charities Act 2011.

The Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

Assessment of Going Concern

Preparation of the accounts is on a going concern basis. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Incoming Resources

Recognition of Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability

Incoming Resources with Related Expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resource and related expenditure are reported gross in the SOFA.

Grants and Donations

Grants and Donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Tax Reclaims on Donations and Gifts

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

Contractual Income and Performance Related Grants

This is only included in the SOFA once the related goods or services has been delivered.

Gifts in Kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

Donated Services and Facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Volunteer Help

The value of any voluntary help received is not included in the accounts.

Investment Income

This is included in the accounts when receivable.

Investment Gains and Losses

This included any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

HONITON COMMUNITY SPACES (CUB)

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE FIRST PERIOD ENDED 31ST DECEMBER 2021**

1. ACCOUNTING POLICIES (continued)

Expenditure and Liabilities

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance Costs

Include costs of the preparation and examination of statutory accounts, the costs of the trustees meetings and cost of any legal advice to trustees on governance or constitutional matters.

Grants with Performance Conditions

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specified service or output.

Grants Payable without Performance Conditions

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to a grant which remain in control of the charity.

Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at trustees' best estimate of market value.

Unrestricted funds

These funds can be used for the general objectives of the charity as set out in the trustees report. The movements of the unrestricted funds are given in the Statement of Financial Activities.

Restricted funds

These funds are where the donor has specified a purpose for the donation made. These restrictions often arise as a result of appeals for special offerings for specific purposes.

Designated funds

These funds are funds set aside by the trustees out of unrestricted general funds for particular purposes or projects.

Fixed Assets

Fixed Assets are capitalised if they can be used for more than one year and cost at least £1,500. They are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation Expense

Depreciation is calculated at a rate to write off the cost of tangible fixed assets over their estimated useful lives. The rates applied are as follows:

Fixtures, Fittings and Equipment	25% - Reducing Balance Basis
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2. TANGIBLE FIXED ASSETS

The CIO held no fixed assets during this or the previous financial period.

The annual commitments under non-cancelling operating leases and capital commitments are as follows:

31st December 2021 : None

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NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FIRST PERIOD ENDED 31ST DECEMBER 2021

3. INCOMING RESOURCES

	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £
a) Donations, Grants & Legacies			
Gifts & Donations	3,651	-	3,651
Grants Received	29,880	-	29,880
	33,531	-	33,531
b) Activities for Generating Funds			
Premises Hire	5,420	-	5,420
	5,420	-	5,420
c) Investment Income			
Interest	-	-	-
	-	-	-
d) Other Incoming Resources			
Sundry Income	585	-	585
	585	-	585

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NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FIRST PERIOD ENDED 31ST DECEMBER 2021

4. RESOURCES EXPENDED

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £
a) Cost of Charitable Activities				
Cleaning Costs		2,040	-	2,040
Equipment Costs		414	-	414
Gifts & Donations		870	-	870
Health & Safety Costs		576	-	576
Insurance Costs		870	-	870
Repairs & Maintenance		3,097	-	3,097
Sundry Expenses		927	-	927
Travel & Subsistence		100	-	100
Utility Costs		1,573	-	1,573
		10,467	-	10,467
b) Governance Costs				
Independent Examiners Fees	9	575	-	575
Legal & Professional Fees		8,412	-	8,412
		8,987	-	8,987

HONITON COMMUNITY SPACES (CUB)

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NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FIRST PERIOD ENDED 31ST DECEMBER 2021

5. RESTRICTED FUNDS

The CIO held no restricted fund during this initial financial period.

6. INVESTMENTS

The CIO held no fixed assets investments during this initial financial period.

7. CASH AT BANK AND IN HAND

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-21 £
Cash at Bank & in Hand	20,457	-	20,457
	20,457	-	20,457

8. DEBTORS AND PREPAYMENTS

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-21 £
Sundry Debtors	200	-	200
	200	-	200

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-21 £
Independent Examiners Fees	575	-	575
	575	-	575

10. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

The CIO held no long term liabilities during this initial financial period.

11. NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 31-Dec-21 £
Fixed Asset Investments	-	-	-
Net Current Assets	20,082	-	20,082
Long Term Liabilities	-	-	-
	20,082	-	20,082

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE FIRST PERIOD ENDED 31ST DECEMBER 2021

12. STAFF COSTS AND NUMBERS

The Charity employed no members of staff during this initial financial period.

13. TRUSTEES AND OTHER RELATED PARTIES

No payments were made to trustees or any persons connected with them during this financial period. No material transaction took place between the organisation and a trustee or any person connected with them.

14. RISK ASSESSMENT

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

15. RESERVES POLICY

The Trustees have considered the level of reserves they wish to retain, appropriate to the CIO's needs. This is based on the CIO's size and the level of financial commitments held. The Trustees aim to ensure the CIO will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

16. PUBLIC BENEFIT

The CIO acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the CIO has achieved this are provided in the Trustees report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the CIO should undertake.

17. COMPARATIVE FIGURES

There are no comparative figures available as this is the initial period of registered Incorporated Charitable Activity.

HONITON COMMUNITY SPACES (CUB)

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INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the trustees/ members of Honiton Community Spaces (CUB) on the accounts for the first period ended 31st December 2021 set out on pages 7 to 14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

K. Collaku MAAT
Castle View Accounting Ltd
New Barn
Mudberry Lane
Bosham
Chichester
West Sussex
PO18 8TS



Date: 19th October 2022