

**THE AZELIA HALL CHARITY
ANNUAL REPORT AND
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022**

THE AZELIA HALL CHARITY

Charity No. 214872

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REFERENCE AND ADMINISTRATIVE INFORMATION

REGISTERED NAME:	The Azelia Hall Charity
CHARITY REGISTRATION NUMBER:	214872
TRUSTEES:	Mr N S J Kanaar (Chairman) Mrs D M Belfourd (Treasurer) Mr V Hope Mr P Finch Mr J Young
KEY MANAGEMENT PERSONNEL:	Mrs M Spears – Hall Manager Trustees
PRINCIPAL AND OPERATING ADDRESS:	258 Croydon Road Beckenham Kent BR3 4DA
INDEPENDENT EXAMINER:	M Wilkes FCA Azets Audit Services Greytown House 221-227 High Street Orpington BR6 0NZ
BANKERS:	HSBC Bank plc
INVESTMENT MANAGER:	CCLA Investment Management Ltd One Angel Lane London EC4R 3AB

REPORT OF THE TRUSTEES

The Trustees of The Azelia Hall Charity are pleased to present their report and the financial statements of The Azelia Hall Charity for the year ended 31 December 2022. The Reference and Administrative Information on page 1 also forms part of this report.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's Trust Deed, the Charities Act 2011 and 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 published on 16 July 2014 and updated by Bulletin 1.

The Trustees who served during the year and up to the date of signing are listed on page 1.

OBJECTIVES AND ACTIVITIES

The late Mr. Alfred Parker created the Charity in 1953. The objects of the Charity were and still are the provision and maintenance of a hall for use by the inhabitants of the former Borough of Beckenham and the surrounding district, in particular for the use of persons who are sick, convalescent, disabled, elderly or infirm, with the objects of improving their condition of life.

PUBLIC BENEFIT STATEMENT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

ACHIEVEMENTS AND PERFORMANCE

The hall continued to be hired a large proportion of the time to local charities for the elderly, the sick and for social events. The increase in hall hire income in 2022 was due to the hall being open for a full year after being closed for COVID-19 virus for part of the year.

FINANCIAL REVIEW

Total income of £ 109,753 (2021: £91,705) was received in the year. This includes £55,109 (2021: £53,579) dividends and interest. The charity received a large donation during the year from one of the charities using the hall it was gratefully received (£10,000).

Expenditure totalled £ 68,148 (2021: £51,226), the increase reflected the increase in running costs with the hall open a full year.

The investment value decreased during the year by £ 251,450 (2021: increased £263,024).

Total funds decreased over the year by £209,845 (2021: increased £303,503). Total funds carried forward of £1,996,125 compared with £2,205,970 at 31 December 2021.

This includes general funds of £ 68,410 (2021: £26,805) and designated reserves of £ 1,906,280 (2021: £2,157,730). The designated funds are set out in note 8 of the accounts and include the value of the investment portfolio which generates income for the charity.

The Charity has a small permanent endowment but apart from the limited sums raised from lettings its investments provide its main source of income. It was the founder's intention that the capital be invested to bring in sufficient funds to ensure the long-term future of the hall that he endowed in

THE AZELIA HALL CHARITY

memory of his wife Azelia. The Trustees continue to provide the facilities unhampered by financial restraints. In the Trustees' opinion the market value of the Hall is considerably in excess of historic cost.

REPORT OF THE TRUSTEES

Reserves policy

The Trustees consider it essential to maintain reserves sufficient to provide, in an ever-changing economic environment, adequate income to ensure the Charity's continuing activities, and to provide the resources necessary to maintain and improve the Azelia Hall.

The Trustees consider the general funds of the Charity to be adequate to generate sufficient returns to maintain the Charity's activities. The unrestricted funds at 31 December 2022 total £68,410 (2021: £26,805). This is an increase due to the hall reopening for a full year and no major repairs being undertaken.

As detailed in note 8 of the accounts the Trustees have set aside £ 60,000 (2021: £60,000) as a working reserve for major repairs and building improvements. At present no contracts or estimates have been sought or received for this work. The Trustees have also designated the investments funds as designated funds, £ 1,846,280 (2021: £2,097,730) (see note 8).

Investment policy and performance

Under the Trust deed, the Trustees may invest surplus funds in any investment they consider appropriate. To this end the Trustees have invested surplus funds in COIF Investment Funds as they consider the flexibility and returns of this investment suitable for the Charity. The COIF investment is split between two funds with different asset allocations.

These investments will continue to fund current and future activities of the Charity, and to provide resources to ensure that a hall is available for use by the inhabitants of the former Borough of Beckenham for the foreseeable future.

The Trustees receive market updates monthly and valuations (including income projections) quarterly.

Risk

The Trustees have examined the principal areas of the Charity's operations and considered what major risks may arise in each of these areas. In the opinion of the Trustees the Charity has established resources and systems which, under normal conditions, should allow the risks identified by the Trustees to be mitigated to an acceptable level in its day-to-day operations.

GOING CONCERN REVIEW

The value of the investments at 31 March 2023 has increased since 31 December 2022 by £62,757 (3.4%) and income continues to be received from these funds.

Based on the above the Trustees consider the Charity to be a thriving asset to the community for both charity use and good causes and consider the hall a going concern for the foreseeable future

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REPORT OF THE TRUSTEES

FUTURE PLANS

The Trustees feel the garden of the hall is in need of some new ideas and are considering at present what to do either have it as a garden or open it to the local community as a Community Project.

The Hall itself has been well maintained over the past few years however we have decided the gents' toilets need replacing and this is being done this year.

The Hall charity usage has declined over the past years and the Trustees held an open day inviting the public to view the hall and other charities to have a table promoting their charity. This was a good event and we hope to do it again in the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is governed by the Scheme of the Charity Commissioners dated 30 March 1998. The Trustees who served during the period and up to the date of signing this report are listed on page 1.

The existing Trustees select new Trustees on the basis of their knowledge and expertise, taking into account the knowledge and experience they can bring to The Azelia Hall Charity and their willingness to give time to the Charity.

The current Trustees include a practising solicitor, a retired logistics programmer, a retired trade union official and a retired finance manager of a national Charity. Under the Trust Deed, Trustees are appointed for life.

The day to day running of the hall is delegated to the Hall Manager who reports to the Chairman. In addition to face-to-face meetings report is by phone and email. The Hall Manager has sole responsibility for the letting of the hall on a commercial basis when it is not used by charities and clubs. This brings in income that is used to pay the salary of the Manager and in part covers the day-to-day expenses.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 Charity and of the incoming resources and application of resources of the Charity 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 in the Charities SORP 2015 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Charity will continue to operate.

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REPORT OF THE TRUSTEES

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This Report was approved by the Board of Trustees and signed on their behalf by:

Nick Kanaar
Chairman

Date: 26 April 2023

THE AZELIA HALL CHARITY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the Trustees on my examination of the financial statements of The Azelia Hall Charity for the year ended 31 December 2022.

Respective responsibilities of Trustees and Examiner

As the Charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act;
or
2. the accounts do not accord with those records

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.

M Wilkes FCA
Azets Audit Services
Greytown House
221 – 227 High Street
Orpington
Kent BR6 0NZ

Date : 2 May 2023

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STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted Funds	Endowment Fund	Total 2022 £	Total 2021 £
INCOME FROM:					
Hire of Hall		30,900	-	30,900	14,625
Hire of new meeting rooms		6,019	-	6,019	1,508
Contribution to heating costs		7,725	-	7,725	4,033
Dividends and interest		55,109	-	55,109	53,587
Donations		10,000	-	10,000	-
Local Authority - Business support grant		-	-	-	9,959
Job Retention Scheme income		-	-	-	7,993
TOTAL INCOME		<u>109,753</u>	<u>-</u>	<u>109,753</u>	<u>91,705</u>
EXPENDITURE ON:					
Charitable activities:					
Maintenance and upkeep of the Hall		68,148	-	68,148	51,226
	2	<u>68,148</u>	<u>-</u>	<u>68,148</u>	<u>51,226</u>
TOTAL EXPENDITURE					
NET SURPLUS BEFORE ADJUSTMENT FOR INVESTMENTS		41,605	-	41,605	40,479
Net unrealised loss/gain on investments in the year	5	(251,450)	-	(251,450)	263,024
NET MOVEMENT IN FUNDS		<u>(209,845)</u>	<u>-</u>	<u>(209,845)</u>	<u>303,503</u>
TOTAL FUNDS BROUGHT FORWARD		<u>2,184,535</u>	<u>21,435</u>	<u>2,205,970</u>	<u>1,902,467</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,974,690</u>	<u>21,435</u>	<u>1,996,125</u>	<u>2,205,970</u>

All income and expenditure derive from continuing activities.

All income and expenditure in 2021 related to unrestricted funds

The notes on pages 9 to 15 form part of these financial statements.

BALANCE SHEET
YEAR ENDED 31 DECEMBER 20

	Notes	Total Funds 2022 £	Total Funds 2021 £
FIXED ASSETS			
Tangible assets	4	21,435	21,435
Investments	5	<u>1,846,280</u>	<u>2,097,730</u>
		<u>1,867,715</u>	<u>2,119,165</u>
CURRENT ASSETS			
Debtors	6	1,020	815
Short term deposits		332	332
Cash at bank and at hand		<u>140,697</u>	<u>94,735</u>
		<u>142,049</u>	<u>95,882</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	7	<u>13,639</u>	<u>9,077</u>
NET CURRENT ASSETS		<u>128,410</u>	<u>86,805</u>
NET ASSETS		<u>1,996,125</u>	<u>2,205,970</u>
FUNDS OF THE CHARITY			
Endowment funds			
Permanent Endowment	8	21,435	21,435
Unrestricted Funds			
General fund	8	68,410	26,805
Designated funds	8	1,906,280	2,157,730
TOTAL CHARITY FUNDS	10	<u>1,996,125</u>	<u>2,205,970</u>

The financial statements were approved and authorised for issue by the Trustees on 26 April 2023 and signed on their behalf by:

Nick Kanaar

The notes on pages 9 to 15 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) General information and basis of preparation

The Azelia Hall Charity is constituted by virtue of its Trust Deed supplemented by a scheme of the Charity Commissioners dated 30 March 1998. The nature of its operations is described in the Report of the Trustees.

The Azelia Hall Charity is a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with Financial Reporting Standard 102, applicable in the UK and Republic of Ireland, the Statement of Recommended Practice; "Accounting and Reporting by Charities" (the FRS 102 Charities SORP, effective 2015), updated for Bulletins 1 & 2 and the Charities Act 2011. The Charity has taken advantage of the concession for small charities to prepare their financial statements using "natural classification".

After making enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis under the historical cost convention, modified to include certain items at fair value, in preparing the financial statements.

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

The significant accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied in all years presented unless otherwise stated.

b) Income

Income is recognised when the criteria of entitlement and measurement have been met, and it is probable (more likely than not) that the income will be received. Hire of Hall relates to income received from completed bookings in the year. Deposits received for future Hall hire are deferred. Dividends and bank interest are recognised during the year in which they are received.

No amount is included in the Financial Statements for volunteers' time in line with the SORP (FRS 102).

c) Expenditure

All expenditure is accounted for on the accruals basis and has been classified under headings that aggregate all costs related to the category.

Expenditure on repairs and maintenance is charged as expenditure in the year in which

the work is carried out. Expenditure on furniture is capitalised when it meets the definition of a tangible fixed asset and it is over the capitalisation threshold of £500.

Governance costs are those associated with compliance with constitutional and statutory requirements, and are allocated, along with other support costs, to charitable expenditure. The Charity incurs no fundraising costs.

The CCLA investment management service is run for churches and charities and no annual fee is payable.

d) Irrecoverable VAT

The charity is not VAT registered and all VAT is irrecoverable. VAT is included in the costs to which it relates.

e) Freehold property

Freehold property comprises the Hall and is stated at the 1953 cost of £21,435. The balance sheet value of £21,435 as at 31 December 2022 is not considered by the Trustees to be impaired due to ongoing maintenance and upkeep during the year. Depreciation is not charged. No value has been attributed to the land.

f) Investments

Investments included in fixed assets are stated at fair value at the year-end which is determined by reference to the midmarket value at the balance sheet date. Any change from the previous year is included in the Statement of Financial Activities prior to arriving at net income/net movement in funds for the year.

g) Debtors receivable/ creditors payable due within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

h) Funds structure

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

Designated funds comprise unrestricted funds which have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity and comprise the freehold property (the Hall).

i) Taxation

The charity is able to take advantage of applicable charity tax exemptions on income applied for charitable purposes.

j) Going Concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

YEAR ENDED 31 DECEMBER 20

k) Financial Instruments

The charity 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.

l) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

m) Judgements and key sources of estimation uncertainty

There are no material judgements or key sources of estimation uncertainty that are considered to have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities in this financial year, or within the next financial year.

2. TOTAL EXPENDITURE	2022	2021
	£	£
Maintenance and upkeep of the Hall:		
Major repairs	6,854	3,840
General repairs	<u>6,560</u>	<u>4,826</u>
	<u>13,414</u>	<u>8,666</u>
Maintenance of premises and equipment:		
Rates and Council Tax	3,862	3,840
Insurance	3,138	2,600
Heat and light	8,581	4,952
Cleaning Materials and laundry	2,487	1,880
Postage, telephone and stationery	1,120	954
Sundries	159	260
Performing Rights Society, Music licence	152	600
Staff and Pension	16,972	14,123
Gardening and general work	9,991	9,554
Cleaning costs	2,703	792
Computer costs	<u>207</u>	<u>755</u>
	<u>49,372</u>	<u>40,310</u>
Governance costs:		
Independent Examination: current year	2,500	2,250
Ex gratia payment - Treasurer	2,800	-
Bank charges	<u>62</u>	<u>-</u>

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	<u>5,36</u>	<u>2,25</u>
	<u>2</u>	<u>0</u>
	<u>68.14</u>	<u>51.22</u>
Total charitable expenditure	<u>8</u>	<u>6</u>

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YEAR ENDED 31 DECEMBER 20

3. STAFF NUMBERS AND COSTS

	2022	2021
The number of employees during the year was:		
Full time staff – Hall Manager	<u>1</u>	<u>1</u>

The total staff costs and employee benefits was as follows;

	2022	2021
Gross Salaries	16,672	13,881
Pension	300	242
	<u>16,972</u>	<u>14,123</u>

Key management personnel comprise the Hall Manager and Trustees. The remuneration of this group totalled £ 16,972 (2021: £14,123).

As shown above, there are no members of staff who were paid more than £60,000 a year.

4. FIXED ASSETS

	£	£
Freehold Property		
Cost at 1 January 2022 and 31 December 2022	<u>21,435</u>	<u>21,435</u>

The Hall is used for the purpose of the Charity and no depreciation is provided (see Note 1 (e)).

5. FIXED ASSET INVESTMENTS

	2022	2021
	£	£
Market value at 1 January 2022	2,097,730	1,834,706
Purchased at cost during year	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued) 22

Unrealised loss/ gain on revaluation	(251,450)	263,024
<hr/>		
Market value at 31 December 2022	<u>1,846,280</u>	<u>2,097,730</u>
Historical cost 31 December 2022	<u>898,565</u>	<u>898,565</u>
Market value of investments comprises:		
COIF Charities Investment Fund	1,677,410	1,900,805
COIF Global Equity Fund	<u>168,870</u>	<u>196,925</u>
	<u>1,846,280</u>	<u>2,097,730</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2022

6. DEBTORS	2022	2021
	£	£
Prepayments and accrued income	1,020	815
	<u>1,020</u>	<u>815</u>
	0	5
 7. CREDITORS: Amounts falling due within one year	 2022	 2021
	£	£
Hire deposits	400	500
Hire in advance	2,185 11	2,295
PAYE & NI		-
Accruals	11,043	6,282
	<u>1,633 9</u>	<u>9,077</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2022

8. FUNDS

Current year

	Balance 1 Jan 2022 £	Income £	Expenditure £	Net investment movement £	New designations/ Designations released £	Balance 31 Dec 2022 £
Permanent Endowment – Hall	21,435	-	-	-	-	21,435
Unrestricted funds:						
General funds	26,805	109,753	(61,294)	-	(6,854)	68,410
Designated:						
Repair fund	60,000	-	(6,854)	-	6,854	60,000
Investment fund	2,097,730	-	-	(251,450)	-	1,846,280
	2,205,970	109,753	(68,148)	(251,450)	-	1,996,125

	Balance 1 Jan 2021 £	Income £	Expenditure £	Net investment gains £	New designations/ designations released £	Balance 31 Dec 2021 £
Permanent Endowment - Hall	21,435	-	-	-	-	21,435
Unrestricted funds:						
General fund	1,326	91,705	(51,226)	-	(15,000)	26,805
Designated:						
Repair fund	45,000	-	-	-	15,000	60,000
Investment fund	1,834,706	-	-	263,024	-	2,097,730

<u>1,902,467</u>	<u>91,705</u>	<u>(51,226)</u>	<u>263,024</u>	<u>-</u>	<u>2,205,970</u>
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Designated funds

Repair fund is in respect of major repairs costs to the building. During the year a transfer was made from the designated building fund to the unrestricted fund to cover costs. Balance of £60,000 is considered appropriate to cover major building/repair works.

Investment fund – these funds are invested to maximise total return and generate income.

Permanent Endowment Fund

This fund comprises the Hall.

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NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31 DECEMBER 2022

9. RELATED PARTY TRANSACTIONS

No other remuneration or expenses were paid to the Trustees in either year. No financial donations were made to the charity by the Trustees in either year. An ex gratia payment was paid to Denise Belfourd of £2,800 in recognition of her finance work over the past 3 years following approval by the other members of the Board of Trustees (2021 : nil)

The Hall Manager's son was contracted during the year as a part time help doing general maintenance & gardening at the hall and received £ 9,991 (2021: £9,554).

There were no other related party transactions during the year.

10. ANALYSIS OF NET ASSETS BY FUND

Current year	Unrestricted funds £	Endowment funds £	Total £
Fixed assets	1,846,281	21,435	1,867,716
Current assets	142,048	-	142,048
Current liabilities	(13,639)	-	(13,639)
Total	<u>1,974,690</u>	<u>21,435</u>	<u>1,996,125</u>

Prior year	Unrestricted funds £	Endowment funds £	Total £
Fixed assets	2,097,730	21,435	2,119,165

Current assets	95,882	-	95,882
Current liabilities	(9,077)	-	(9,077)
Total	<u>2,184,535</u>	<u>21,435</u>	<u>2,205,970</u>