

DIGBY HALL AND LIBRARY

REGISTER CHARITY NUMBER: 275065

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

**DARKIN MILLER LIMITED
CHARTERED ACCOUNTANTS
24E DEVEREL ROAD
CHARLTON DOWN
DORCHESTER
DORSET**

DIGBY HALL AND LIBRARY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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DIGBY HALL AND LIBRARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report and financial statements of the Trust for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 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.

Objectives and activities for the public benefit

The Trust was created for the purpose of providing a Public Hall and Library for the use and benefit of Sherborne residents. The Trust owns one property, the Digby Hall & Library, which had an insured value of £3,109,638 (including fixtures and fittings) at 31 March 2021.

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

Grant making policy

The Trust awards no grants.

Induction and training of trustees

Sherborne Town Council is the sole Trustee.

Achievement and performance

During the year the Trust continued to provide a Public Hall and Library for the benefit of Sherborne Residents.

Financial Review

Income generated for the year amounted to £33,419 (2020: £482,189). This comprised £8,877 rental income; £3276 car park income; grants of £20,000 (towards running costs) from the The Simon Digby (Sherborne) Memorial Trust, and bank interest and miscellaneous items which amounted to £1,266

The Digby Hall and Library was due to re-open for hire following the completion of the refurbishment works. The Hall re-opened in September 2020 at the end of the first lockdown, but was forced to close again during the second lockdown in December 2020. From January 2021 onwards the Hall was used exclusively as a vaccine centre by the NHS. The inability to full re-open has led to significantly lower levels of hire income than would be expected in a normal year.

At its meeting of 21 June 2021, Sherborne Town Council confirmed that it would allocate £20,307 from the Community Pandemic Recovery Fund monies to the Trust to pay off the deficit on the Trust's reserves as at 31 March 2021, enabling the Trust to maintain its Going Concern status.

DIGBY HALL AND LIBRARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Expenditure for the year amounted to £64,547 (2020: £475,563). This includes £4,449 relating to the final works on the refurbishment of the Digby Hall (2020: £419,876). The Balance Sheet at 31 March 2021 shows negative reserves of £(20,307) (2020: positive reserves of £10,821).

Investment policy and performance

In a normal year, the Trust holds modest reserves sufficient to cover minor improvements or the renewal of equipment. Funds are held in current and deposit accounts, with priority given to security of capital and liquidity of funds over the return received. Following the closure during the Coronavirus Pandemic, in-year losses resulted in negative reserves of £20,307. The Trust will work towards rebuilding pre-pandemic reserves over the next few years.

Risk management

The major risks that the charity is exposed to have been identified and reviewed by the trustees and procedures established to manage this risk.

The main financial risk faced by the charity is that of falling revenues, and unexpected maintenance costs, both of which are related to the condition of the building. A major refurbishment was completed this year, following which the charity hopes to generate additional income that will cover on-going running and maintenance costs for the future.

Reserves policy

Specific reserves are held only for the provision of improvements or the renewal of equipment provided for the facility, and such reserves are reviewed continuously. The Town Council, as Trustee, maintained a building & property reserve, but the funds have been spent on the planned refurbishment works.

Structure, governance and management

The Trust is an unincorporated trust, constituted under a trust deed dated 13th January 1978 and is a registered charity number 275065. The Trust was established between Mr K S D Wingfield Digby (Mr Digby); G F Pinney and D M J Dear; and the Sherborne Town Council.

Sherborne Town Council is the sole Trustee.

Trust business is discussed and decisions minuted as part of each Town Council meeting.

Reference and administrative information

Trustee

Sherborne Town Council

Clerk

Mr Stephen Shield

DIGBY HALL AND LIBRARY
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Principal Office

Address: Manor House, Newland, Sherborne, Dorset, DT9 3JL

Charity Number: 275065

External Examiners

Darkin Miller Limited, 24e Deverel Road, Charlton Down, DT2 9UD

Trustees' responsibilities in relation to the financial statements

The charity trustee is responsible for preparing a trustee's annual report and 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 charity trustees to prepare financial statements for each 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 the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be 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 in business.

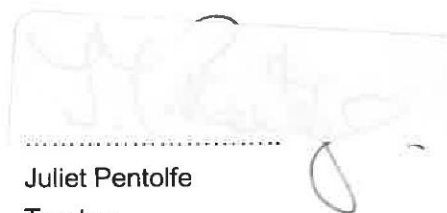
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations,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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Signed:


Anne Hall
Trustee

Signed:


Juliet Pentolfe
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE DIGBY HALL AND LIBRARY

I report to the trustees on my examination of the accounts of the Digby Hall and Library (the Trust) for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity trustees of the Trust 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 Trust's accounts carried out under section 145 of the 2011 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Signed: 
Name: Rosie Darkin-Miller LLB (Hons) FCA
Institute of the Chartered Accountants in England and Wales
Address: 24e Deverel Road, Charlton Down, Dorchester, Dorset DT2 9UD
Date: 23/06/2021

DIGBY HALL AND LIBRARY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDING 31 March 2021

	Total funds 2021	Total funds 2020
	£	£
Income and endowments from:		
Hire Charges	8,877	21,593
Car Parking Income	1,546	11,576
Car Park Rents	1,730	1,772
Library Charges	1,248	865
Grants	20,000	20,000
Bank Interest	19	77
Contribution towards refurbishment	-	426,306
Total income	<u>33,419</u>	<u>482,189</u>
Expenditure on:		
Wages and Salaries	36,117	29,604
Maintenance and Supplies	8,680	7,136
Services	9,931	12,961
Administration, Licences and other Professional	5,238	5,983
Car Park Operating Costs	132	160
Bad Debt written off	-	158
Depreciation	4,449	419,876
Total expenditure	<u>64,547</u>	<u>475,563</u>
Net income/(expenditure)	<u>- 31,128</u>	<u>6,627</u>
Transfers between funds	-	-
Other recognised gains/(losses)	-	-
Net movement in funds	<u>- 31,128</u>	<u>6,627</u>
Reconciliation of funds:		
Total Funds brought forward	10,821	4,194
Total Funds carried forward	<u>- 20,307</u>	<u>10,821</u>

DIGBY HALL AND LIBRARY

Balance Sheet as at 31 March 2021

	Note	Total funds 2021 £	Total funds 2020 £
Fixed assets			
Fixtures, fittings and equipment	5	-	-
Total fixed assets		-	-
Current assets			
Debtors and prepayments		2,828	2,664
VAT		2,178	9,041
Cash at bank and in hand		3,588	35,194
Total current assets		8,594	46,899
Liabilities			
Creditors: Amounts falling due within one year			
Trade Creditors		27,450	25,660
Receipts in Advance		-	171
Accruals		1,451	10,247
Total current liabilities		28,901	36,078
Net current assets or liabilities		- 20,307	10,821
Total assets less current liabilities		- 20,307	10,821
The funds of the charity:			
Unrestricted funds	6 -	20,307	10,821
Total charity funds		20,307	10,821

All funds held by the Trust are Unrestricted. The Trust holds no Restricted or Endowment Funds.

The notes at pages 7 to 10 form part of these accounts.

Approved by the Trustees on 21st June 2021 and signed on their behalf by:

Anne Hall
Trustee

Juliet Pentolfe
Trustee

DIGBY HALL AND LIBRARY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. 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 (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

b) Funds structure

All funds held by the Trust are Unrestricted. The Trust holds no Restricted or Endowment Funds.

c) Income recognition

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Grants or Donations are recognised when received.

Interest on funds held on deposit is included when received.

d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

e) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS

f) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to external examinations.

g) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

h) Fixed assets

The Trust owns one property, the Digby Hall & Library, which had an insured value of £3,109,638 at 31st March 2021. The Charity SoRP requires that donated assets are recognised within the accounts when the resource is controlled by the charity, it is probably that expected future economic benefits will flow to the charity, and the historical cost or fair value can be measured. Whilst the Trust expects to benefit from income derived from the hire of the building, it is expected that any income will just cover the running costs, allowing the Trust to break even. In addition, the property is subject to a restrictive covenant which reduces the market value to £nil. As such, no monetary value is recognised within the accounts.

Fixtures, fittings and equipment are depreciated in full in the year of acquisition.

i) Debtors

Debtors are measured at their recoverable amounts.

j) Cash at bank and in hand

Cash at bank and in hand consists entirely of cash balances held with the Trust's bankers.

k) Creditors

Creditors are measured at the amount required to settle the liability.

2 Investment Income

	2021	2020
	£	£
Deposit interest received	19	77

All of the investment income is attributable to unrestricted funds.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS

3 Analysis of expenditure on charitable activities and support costs

Activity	Support and governance costs	2021 Total	2020 Total
	£	£	£
Independent examiner		170	280
	-	170	280

4 Emoluments and staff costs

The Trust has no employees. A full time caretaker and a part time caretaker are employed by Sherborne Town Council, and the cost of this is reimbursed by the Trust. Letting, accounting, maintenance and general supervision are performed by Sherborne Town Council staff. For this service the Trust pays a fixed contribution, currently £5,000 p.a.

5 Analysis of fixed assets

	Fixtures, fittings and equipment 2021 £	Fixtures, fittings and equipment 2020 £
Cost		
At 1 April 2020	419,876	-
Purchases during year - refurbishment of Digby Hall	4,449	419,876
At 31 March 2021	424,325	419,876
Depreciation		
At 1 April 2020	419,876	-
Charge for year	4,449	419,876
At 31 March 2021	424,325	419,876
Net Book Value		
At 31 March 2021	-	-

DIGBY HALL AND LIBRARY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS

6 Analysis of charitable funds

Fund name	Fund balances brought forward	Income	Expenditure	Gains and (losses)	Fund balances carried forward
	£	£	£	£	£
Unrestricted funds	10,821	33,419	- 64,547	- -	20,307

The unrestricted funds are available to be spent for any purposes of the charity.

7 Related Party Transactions

Sherborne Town Council is the sole Trustee. The Council employs two caretakers who look after the Hall, the costs of whom are reimbursed by the Trust. The Town Council also recharges the actual cost of goods and services ordered on behalf of the Trust. The Trust pays a fixed contribution of £5,000.00 p.a. in relation to other staff services provided by the Town Council.

Sherborne Town Council provided no grant funding during the year. The Council agreed at its meeting of 21 June 2021 to provide £20,307 of funding from the Community Pandemic Recovery Fund to clear the negative balance as at 31 March 2021.

The Simon Digby (Sherborne) Memorial Trust was set up in 1989 with an objective 'to benefit the inhabitants of the Town of Sherborne'. The Settlor's wishes were that the monies would be devoted to the maintenance and improvement of the Digby Hall, and the Terrace Playing Field. The Trust made grants totalling £20,000 during the year to support the running of the Digby Hall.

All transactions with organisations to which Councillors belong, or are associated with in any way, are conducted at arm's length.