

Horndean Community Association

Annual Report and Financial Statements

For the Year ending June 30 2021

**Horndean Community Association
Reference and Administration details**

Charity Name	Horndean Community Association
Charity Registration number	301854 (unincorporated)
Principal Office	Merchistoun Hall 106 Portsmouth Road PO8 9LJ
Registered Office	Merchistoun Hall 106 Portsmouth Road PO8 9LJ
Trustees	John Topley Margaret Plumridge Yvonne Sprack Brendan Charles Carol Cockett
Association Manager	Brendan Charles
Solicitor	
Bankers	National Westminster PLC 93 London Road Waterlooville PO7 7EG
Accountant	Tanya Dowthwaite Community First Leigh Park Community Centre Havant

INTRODUCTION

Horndean Community Association is a registered charity operating in the area of Horndean parish and its environs on the southern fringes of the East Hampshire District Council area. It is also within the jurisdiction of Hampshire County Council.

OBJECTS OF THE CHARITY

The objects of the Association are to encourage and promote, education, social welfare and recreation for the inhabitants of Horndean and to manage a community centre for the local community – Merchistoun Hall and its Park (Grade II listed)

The trustees regularly review the association's activities, and at least once a year hold a major strategy review to ensure that future plans are compatible with the objectives and the opportunities within the area of benefit and to ensure that the activities planned are in line with the Charity Commission's guidance on public benefit.

THE ACTIVITIES OF THE CHARITY

The Association is involved in the development of the following activities

- The provision of leisure and educational activities & services.
- The provision of facilities for other organisations running similar activities
- The provision of hiring space to organisations for private meetings and functions.
- The maintenance and development of the site for community use

It achieves this by working both on its own and more often through working in partnership with other agencies. Through this activity Horndean Community Association demonstrates its ability to:

- Work in partnership & collaborate with a wider community
- Promote to a far wider audience its services, activities and events
- Provide funding to support the needs of the local community

STRUCTURAL GOVERNANCE AND MANAGEMENT

Horndean Community Association is governed by a board of trustees. The trustees hold regular Trustees meetings though these were halted during covid. In the interim the trustees are in communication by email and additional decision making meetings are held when necessary.

The decisions of the trustees are implemented by the staff led by the Association Manager and by nominated trustees and other volunteers. At the end of the year, there were 3 full time equivalent employees. This includes the staff of the "Minnows" pre-school.

There are 5 trustees of the Association.

Horndean Community Association also benefits from the work of a number of volunteers who help to ensure the Association functions effectively. We have with the permission of the charity commission appointed 2 staff to the board of trustees. All safeguards are in place to ensure that there is no conflict of interest. The public are made aware of the opportunity to become a trustee through internal communications to our users and volunteers, through our website, through appeals in other local

magazines and community fora and occasionally through press releases. Trustees can either be appointed at the Annual General Meeting or by co-option during the year.

OVERVIEW OF THE RECREATIONAL, EDUCATIONAL AND SOCIAL ACTIVITY

The Association provides a comprehensive programme of sessions that meet the aims of the Association

Our approach continues to be:

To retain our community services at a cost that does not discriminate

That our hiring rates for voluntary, not for profit and community groups remain at a level that acknowledges their status

The development of projects that meet the changing needs of our community

The development of existing partnerships and the creation of new ones

DIRECTLY MANAGED ACTIVITIES

These groups have been severely curtailed because of covid. We are intending to restart as many of these groups as possible as covid comes to an end. Some are part of the silver stars programme and attendees get a discounted rate with the silver stars card. We will be looking to develop new activities as and when we can. Our current groups are :-

1. Minnows Preschool
2. Movement2Music
3. The Monday Morning Social
4. Short Mat Bowls
5. Tea Dance
6. Bridge
7. Fencing

OUR VOLUNTEERS

Once again the association and Horndean residents owe much to the many volunteers who give freely of their time to help in the smooth running of Horndean Community Association. They provide essential administrative assistance, raise money, lead and help with so many activities to make Merchistoun Hall a good place to be. The trustees wish to express their gratitude and thanks to them all as the association would not exist without them.

DUTY OF CARE - SAFEGUARDING

Staff, Trustees, and volunteers in sensitive areas are all subject to a robust induction and recruitment procedures where safeguarding is integral

The Association has in place both a Safeguarding & Deputy Safeguarding Officer who continue to be trained to ensure that the association is up to date with all relevant practises and legislation in this area

This commitment is supported by

- The requirements of the Disclosure & Barring Services (DBS) in support of our vulnerable beneficiaries to include relevant checks on relevant staff & volunteers as administered through the DBS
- The reporting requirements of the Charities Commission

- Our policies and procedures

This is further supported by the information & advice delivered through our engagement with relevant partners.

RELATED PARTY TRANSACTIONS

There were no trustee payments made

A REVIEW OF THE YEAR AT MERCHISTOUN HALL

HORNDEAN COMMUNITY ASSOCIATION JULY 2020 – JUNE 2021

Feeling the effects of covid all year.

- Functions had to be abandoned and money returned or held over for the future
- We supported the food bank throughout
- Minnows continued to function throughout covid
- We had some commercial activity meetings in September, December, April and June. All took place in the hall where we could manage the appropriate spacing
- The bar was closed July 2020 to May 2021 and we had to dispose of all stock.
- Parklands tea rooms were in a similar position and a lot of the stock had to be thrown away. We did do takeaways in the park
- We managed to provide 25 takeaway Christmas lunches for those who wanted one.
- There were 2 arts workshops in 2020
- The Baptist church used our bandstand for one of its events
- Our regular community groups met August – October 2020 and restarted in June 21
- Our own activities met when appropriate and we purchased 2 gazebos so that they could meet outside in the summer months. The tea dance when unable to dance had an outside social instead
- We were producing activity packs during covid for all our silver stars and sending them out by email and post. We kept in weekly phone contact with everyone as far as possible to make sure everyone was managing and didn't need any help.
- There was one skittles night in October 2020
- The staff were all on furlough except Brendan and Minnows staff. Brendan and the trustees continued to manage the organisation and the building during this period.
- The trustees remained in contact by email to manage everything and met when they could. The decision was taken by them to apply for a covid bounceback loan which had very favourable rates in order to protect the organisation should covid continue to damage business. This loan (£33,000) is currently in the reserves. Repayment begins in January 2022.

New Community Project – The Community Library

The trustees agreed to take on the community library during this year when it was known that the county council's library was closing. In many ways Merchistoun Hall is an ideal venue for the community library.

Once the trustees decided they were going to provide this community asset Hampshire County Council gave the community association £10,000 to create it, a further £1000 was received from Cllr Hatter EHDC in the next financial year. The cost to date has been £12,156. We also received all the books (as I am sure

you must have noticed during the year) from the Horndean library and all the shelving we required and the pick of the furniture which you can now see around the building including the Parklands chairs, the reception desk and furniture amongst other items. We have valued the books, furniture and new reception desk at £7000. Thanks to Hampshire County Council for donating all these. This project will continue to be developed during the next financial year. New volunteers are coming forward to help run the library. Jean Reynolds gave us a donation of £80 towards this project.

MANAGING THE COMMUNITY ASSOCIATION'S ASSETS –

MERCHISTOUN HALL AND PARK

The trustees are managing to the best of their ability the building and the park with extremely limited and sometimes virtually no finance. As you all know the building is grade 11 listed, as is the garage (workshop) and this listing itself brings its own expense. The trustees manage by setting priorities concentrating on those things that can be done within the financial limitations. A tree survey and a building survey (£1400) has been completed.

The Trees in the park

There are a substantial number of trees in the park mainly ash trees that will need to be removed as they are dead or dieing. We are as far as possible replacing these with smaller trees in areas where they are near local houses and buildings.

Repairs and renewals

The total spent on repairs and renewals this year is £26641. Below is an outline of the main works and costs throughout this year.

Action	Cost	Notes
	£	
Building Survey	1400	Carried out by professional surveyor to give the trustees some idea of the current state of the building
Plumbing	379	General repairs
Roof repairs	300	Replacement of tiles damaged by young people on the roof
Felling Dangerous trees stage 1	1158	As per the tree survey
Rear security cages	2724	Built to reduce activity on the roof
Repairs to ceiling in hall	3555	The trustees had been tracking the cracks as they were widening. Over xmas the ceiling in the hall fell onto the hall floor. It is a lath and plaster ceiling. It has been replaced with plasterboard but should eventually be replaced with lath and plaster cost £12,000. The plasterboard is currently protecting what remains of the ceiling.
Upgrade boiler and other gas works	1315	
Skips	420	The trustees have over the last 4 years been removing 70 years accumulated rubbish from the premises. This is ongoing
Library project	11868	To date
For park gates	1200	Initial payment
Planning permission for gates	69	A regular occurrence because of the listing
Planting and tidying the park	401	

- The building survey indicated that Merchistoun Hall was showing her age – no surprise there. The major issues are water ingress and the state of the chimney pointing and rendering. The trustees

have set up a programme of inspection within the roof space and of the roof itself by drone (thanks to John groundsman for this) There are problems with breathability making it damp and consequently cold as the building should not have been coated with modern paint but there is little we can do about this at the moment.(Incidentally when we last checked (May 22) there was no leaks from the roof which marks some progress)

Financial review 2020/21

Key challenges for the organisation

- The organisation is asset rich and cash poor
- The land and building itself can be as much a liability as an asset. The ability for a small unincorporated charity to raise sufficient income to refurbish and upgrade the manor house and park to meet its Grade 11 listed status is limited.
- The trustees have continuing to develop strategies to both decrease expenditure, including continuing to review the staff costs, and increase the income through new programme developments and social enterprise.
- The trustees have not changed from their view that the community association needs to generate £80,000 per annum if it is to cover its costs (excluding minnows which is supposed to be self sufficient) and £100,000 if we are to provide income for the restoration and up-keep of this grade 11 listed building and park.

COVID

It behoves me to make some comment about the accounts this year because they are not as normal. As you know the building was shut for our activities most of the time due to covid, causing the trustees some anxiety. But they did decide to try and stay open to provide services as required as far as possible including keeping Minnows open with just Brendan and the Minnows staff at work. The rest of the staff were furloughed.

We did however meet the criteria for government funding. Thanks to Brendan for dealing with the paperwork. So you will find under voluntary income a sum of £57472 which were covid grants to support our core costs.

We also got a grant from Hiwcf (£5000) for the work we were doing staying in contact with all our members during the covid year seen under incoming resources for charitable activities.

Finally the furlough money £12759 (which went out again in staff payments of course) can be found under other incoming resources.

The trustees decided on one other action to try and ensure there was a future for the association once we got through covid and that was to obtain a covid bounce back loan of £33000. Year one, this year we made no repayments. This monies can be seen on the balance sheet.

Horndean Community Association

Balance sheet to June 2021

	To June 21		To June 20
	£	£	£
ASSETS			
Fixed assets			
Property	3000000		3000000
Plant and machinery	4820		4820
Plant and mac - accumulated depreciation	-4715		-4233
Office equipment and IT Cost	6871		4871
Office equipment and IT accumulated depreciation	-4266		-3740
Furniture and fittings cost	33863		24731
Fixtures and fittings Accumulated Depreciation	-22281		-20062
Total fixed assets		3014292	3006387
Current assets			
Stock bar/catering	0		900
Trade Debtors	6205		195
Prepayments	4860		5298
Nat West current account	30749		19262
Petty cash	50		61
Reception bar till	302		91
Minnows Cash	0		210
Minnows bank	24822		15133
Business Reserves	33001		2004
Savings account/functions	14		14
Card payment account	749		81
Floats	38		201
Community First holding account	6000		4000
Total current assets		106790	47450
TOTAL ASSETS		3121082	3053837
LIABILITIES			
Current liabilities			
Trade Creditors	8343		6816
Accruals	18481		8309
Total current liabilities		26824	6816
Future Liabilities			
long term loans and mortgages (see note 13)	33000		
Total future liabilities		33000	0
TOTAL LIABILITIES		59824	6816
TOTAL NET ASSETS		3061258	3047021
RESERVES			
Property re evaluation		2980927	2980927
Funds		80331	57785

Horndean Community Association

Statement of Financial Activities

Incoming resources (see note 1)

	Totals 2020/21 £	Unrestricted Funds £	Restricted Funds £	Total 2020/21 £	2019/20
Voluntary income	65041	57961	7080	65041	31324
Activities for generating funds	6449	6449		6449	18894
Investment income	3	3		3	0
Charitable activities	60127	13803	46324	60127	83630
Other incoming resources	16393	383	16010	16393	15879
Total	148013	78599	69414	148013	149727

Resources expended (See Note 2)144789

	Totals 2020/21 £	Unrestricted Funds £	Restricted Funds £	Total 2020/21 £	2019/20
Fundraising and trading costs	28071	28071		28071	4779
Charitable activities	95180	70796	27772	95180	133172
Governance & other costs	1502	1502		1502	4001
Other resources expended	714	714		714	
Total	125467	101083	27772	125467	141952

Horndean Community Association

Notes to the Financial Statements for the Year Ended June 30th 2021

Accounting Policies

Incoming resources

Recognition of incoming resources	These are included in the statement of Financial Activities (SOFA) when <ul style="list-style-type: none"> • 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 resources and related expenditure are reported gross.
Grants and Donations	Grants and donations are only included when the charity has unconditional entitlement to the resources
Tax reclaims on donations and gifts	Incoming resources from tax reclaims are included at the same time as the gift to which they relate
Contractual income and performance related gifts	This is only included once the goods or services have 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 as incoming resources when receivable
Donated goods and service	These are only included in incoming resources (with the 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 but is described in the Trustees Annual Report
Investment Income	This is included in the accounts when receivable
Investment gains and losses	This includes 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.

EXPENDITURE AND LIABILITIES

Liability recognition	Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay our resources
Governance costs	Include costs of the preparation and examination of the statutory accounts, the costs of trustee 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 provided, such grants are only recognised once the recipient of the grant has provided the specified service or output.
Grants payable without payment conditions	These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity

Support Costs	Support costs include central functions and have been allocated to activity cost categories. On a basis consistent with the use of resources,
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ASSETS

Tangible fixed assets for use by the charity	These are capitalised if they can be used for more than one year. And the cost at least £500. They are valued at cost or , if gifted, at the value to the charity on receipt.
Investments	Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at the trustees best estimate of market value
Stocks and work in progress	These are valued at the lower of cost or market value

Note 1**Analysis of incoming resources****Voluntary Income**

	This year 2020/21	2019/20
	£	£
Membership and silver stars cards	177	1234
Donations	7392	5181
Government covid grant	57472	16800
Total	65041	23215

Activities for generating funds

	This year 2020/21	2019/20
	£	£
Hire of building by external parties	4642	17696
Sales bar and catering	1666	11071
Social Activity tickets	119	1103
Fundraising	22	3117
Outreach Commission		300
Total	6449	33287

Investment income

	This year 2020/21	2019/20
	£	£
Total	3	

Incoming resources from**Charitable activities**

	This year 2020/21	2019/20
	£	£
Contribution from activities by users	12981	10548
Hire of building to other community users	797	12851
Contribution to Minnows (grant & fees)	27764	45187
Contribution to Hats		4965
Project and activity grants	18560	5733
MMSocial		3319
Loan of equipment	25	75.50
Total	60128	82678

Other Income

	This year 2020/21	2019/20
	£	£
Refunds/insurance claims	382	
Returned deposits		1901
Employment allowance	3250	2067
Employment allowance furlough	12761	
Other miscellaneous		927
Total	16393	4895

Note 2

Analysis of resources expended

Fundraising and trading costs

	2020/21	2019/20
	£	£
Sales bar and catering	735	3102
Fundraising costs	0	25
Overheads	13894	11187
Managerial costs	13442	14555
Total	28071	28869

Charitable Activities

	2020/21	2019/20
	£	£
Community Activities	181	7587
Community activity supported by grants	27772	34514
Bandstand		894
Overheads	33588	31595
Managerial costs	33639	58582
Total	95180	133172

Governance & other costs

	2020/21	2019/20
	£	£
Governance	1502	321
Other	714	3680
	2216	4001

Note 3

Trustees Expenses -

No trustees were paid expenses this financial year

Note 4

Independent examiner for reporting on the accounts

£

Note 5**Paid employers for the period to June 30 2021**

No of staff	2.5	Full time equivalent approximately				
	HCA 2021	2020	Minnows 2021	2020	Total 2021	2020
	£	£	£	£	£	£
Salaries	40903	46352	24763	29003	65666	75355
National Insurance	2248	4924	1077	996	3325	5920
Pension	980	1019	742	688	1722	1707
Total	44131	58582	26582	30582	70713	82982
Administration costs			£ 504			
Employment allowance			£ 3250			
Furlough			£ 12761			

Note 6**Defined contribution pension scheme**

Horndean Community Association honours its legal requirement by offering a pension scheme for eligible staff. This is paid using the three stage incremental process with relevant percentages deducted from staff salaries and balances honoured by the Association. The Association uses the NEST provision.

Note 7**Horndean Community Association Grants July 1 2020 - 30 June 2021**

C/F	Description	Date received	New this year	Spend on capital activities	Recharge against running costs	C/F June 21
				£	£	£
450	sudacrem			308		142
1000	HCC Cllr toilets			200		800
500	EHDC Cllr toilets			500		
1000	EHDC screen					1000
2000	HIWCF			2000		
	EHDC Cllr Hatter rear security	16/07/20	1000	1000		
	EHDC Cllr Woodard rear security	21/07/20	1000	1000		
	EHDC tree survey	27/08/20	1560	1560		
	ehdc project funding (returned 30/6/21)		6240			
	HCC library funding	08/03/21	10000	10000		
	Hicwf funding	02/10/21	5000		5000	
	Covid EHDC	09/02/21	1500		1500	
	covid grant government	all year	29722		29722	
	covid restart government	sept	24000		24000	
	masons rear security	15/01/21	250	250		
	Furlough	all year	12761		12761	
	Minnows	all year	37274		37274	
4950			124067	16818	110257	1942

Note 8**Debtors**

	2021	2020
	£	£
Trade Debtors	6205	185
Totals	6205	185

Note 9**Creditors**

Creditors	2021	2020
	£	£
Trade creditors	2217	1391
Wages	6216	5425
Accruals	10171	5468
Total	18604	12284

Note 10**Fixed Assets**

The Community Association owns the Building – Merchistoun Hall, Horndean a Grade 2 listed Manor house and the surrounding 4.5 acre park. The Association Trustees allow the public access to this park. These assets are used to house activities that further the charities aims.

The land and buildings were valued at £2.8K when last valued in 2008. We have adjusted the balance sheet to reflect this.

Note 11**The Asset register**

The value of the equipment on the asset register is shown under the following headings

- Plant and Machinery
- Office equipment and IT
- Fixtures and Fittings

Stock Value**Note 12 (we had to destroy the stock during covid)**

Bar	£00
Catering	£00
Total	£0

Note 13

The Community Association secured a Bounce Back Loan from Natwest Bank on December 2020 for the value £33,000 – the final repayment against this loan will be December 2026. The Bounce Back Loan scheme allows small

businesses, such as ours, access to financial support as a result of the Covid pandemic. Loans are made up to a maximum of 25% of the annual turnover at time of application. We applied for the maximum loan amount. The repayment plan lasts for 6 years. The loan was offered with no repayments required for the first 12 months of the life of the loan.

The Horndean Community Association

Independent Examiners Report to the Trustees of The Horndean Community Association

I report on the accounts of the charity for the year end 30 June 2021.

Respective responsibilities of trustee and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 act;
- To follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- To state whether particular matters have come to my attention.

Basis of the Independent examiners report

My examination was carried out in accordance with the 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 you as 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 next statement.

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 2011; and
 - To prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 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.



Tanya Dowchwaite (FCA)
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Date 14/10/22