

LYNDHURST AND DISTRICT COMMUNITY ASSOCIATION

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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LYNDHURST AND DISTRICT COMMUNITY ASSOCIATION REPORT OF THE TRUSTEES

The trustees submit their annual report and the financial statements for the year ended 31st December 2021.

GOVERNING DOCUMENT

The Association is registered with the Charities Commission in England and Wales and is governed by a Trust Deed dated 22nd August 1944 and a scheme dated 11 July 1961.

TRUSTEES

The trustees who served during the year were:-

Mr R Dewing (Chairman)	
Mr J Brown (Treasurer)	resigned 13th May 2021
Mrs J Green (Secretary)	
Mrs C Brown	resigned 13th May 2021
Mrs R Emm	
Mrs J Harding	resigned 29 November 2021
Mr J Howell	
Mr M Lord	resigned ??? date tbc
Mrs S Shelton	
Mr M Weston	
Mr C Willsher	
Mr J Rickcord	appointed 30th June 2021
Mr P Dawson	appointed 30th June 2021
Mrs C Dawson	appointed 30th June 2021
Mrs M Weston	appointed 17th August 2021

Charity Commission registered number: 301883

Principal office: Lyndhurst Community Centre
Main Car Park
Off High Street
Lyndhurst
SO43 7NY

Bankers: CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

Independent Examiner: Mr Alan Nicholas
15a Wellands Road
Lyndhurst

LYNDHURST AND DISTRICT COMMUNITY ASSOCIATION REPORT OF THE TRUSTEES

OBJECTS

The objects of the Association are:-

- a) To promote for the benefit of the inhabitants of Lyndhurst, Emery Down, Bank and the surrounding area, the advancement of education and the provision of facilities to encourage interest in social welfare for recreation and leisure activities with the object of improving conditions of life for the said inhabitants.
- b) To establish a Community Centre and to maintain and manage the same.

ACTIVITIES AND ACHIEVEMENTS

During the year, and after lockdown, the Association has provided facilities at the Community Centre for educational and leisure activities for the inhabitants, voluntary groups and associations in its area and provided facilities for exhibitions of interest and educational value to the local area and its inhabitants. It continues to encourage the use of its facilities by the local inhabitants, voluntary groups and associations in the furtherance of its objectives.

ELECTION AND APPOINTMENT OF TRUSTEES

All Trustees, with the exception of the President, shall retire at the Annual General Meeting of the Association, and are eligible for re-election. Honorary Officers - President, Chairman, Secretary and Treasurer and up to six additional Trustees shall be elected at the Annual General Meeting; additional Trustees may be co-opted during the year but their appointment must be confirmed at the next AGM.

FINANCIAL RESULTS AND ACTIVITIES

The Community Centre has inevitably been severely impacted by lockdown and tier restrictions during the first half of the year. The Centre was closed for much of that time as the types of activities which we host were mostly not permitted, and even where permitted, user groups were deciding not to participate.

We make most of our income from room hire, and therefore we have had virtually none of our normal income for the first half of the year. Even after re-opening in June 2021 it became obvious that our usual clientele were taking a cautious approach with activity much reduced from what we would expect in more normal times. This became a feature throughout the remainder of the year with activity estimated to be around 50% of pre COVID levels. Great tribute must be paid to our staff who, along with volunteers, have worked hard to ensure that when the time came to re-open the Centre to the public we were a Covid safe environment. This was secured, again through great efforts by staff and volunteers, at only a modest cost.

We have continued to receive substantial government funding during the year to alleviate the worst effects of lockdown - £24,500 in Business Support and £2,949 from the Coronavirus Job Retention Scheme. In spite of this support the closures and loss of income has led to an ordinary deficit for the year of £25,264; there is an unrealised gain on the COIF investment of £4,468 and a further amount of £27,676 withdrawn from reserves and put towards the library development costs (see below for further details). The net deficit after other gains and losses is therefore £48,472.

The decision by Hampshire County Council in 2020 to close the library was a further major blow to our community with the removal of another source of rental income for the centre. Nevertheless the building works to convert the library for other uses were successfully completed during the first half of 2021. The scope of the project included an office for the Parish Council, a new meeting room with audio-visual facilities targeted at education and training, and a smaller library particularly aimed at younger members of the community. The Parish Council immediately occupied their office but a hitherto unexpected problem arose with lack of soundproofing between the new library and the

Chestnut room. The strain on our funds caused by COVID has meant that the required remedial work has yet to be undertaken causing the opening of the new library to be deferred for the foreseeable future.

Amid all of the COVID disruption we also suffered a major water leak within the premises which caused **serious** damage and additional workload for our staff and trustee volunteers. No sooner had the Linden Hall floor been replaced because of water damage we then had another water damage incident causing almost half of the new wooden floor to be replaced **[I don't think half was replaced; I think half was relaid of which a lesser proportion was actual replacement]**. In both cases it is pleasing to report that 3rd party insurance (the first a contractor and the second a customer) covered all costs.

The Centre has been accumulating a reserve fund over the past 10 years, earmarked for such needs as roof replacement and the development of new facilities. The opportunity for the library redevelopment seemed a good reason to dip into those reserves, and the trustees agreed to release just under half of our reserve fund for the redevelopment. We have also been fortunate to receive substantial grants from Hampshire County Council to assist us to transition to a new model of library, supplemented by a grant from the Community Lottery Fund, and a grant via the Parish Council from INEOS for our conference room development.

We still retain a much reduced level of reserves, and we are soon going to have to address the less exciting need to replace large parts of our felted roof area, but we have also been able to move the Centre forward to be even more of a community hub with the Parish Office, meeting suite, and the reshaped Community Library.

Due to COVID, Omicron and the various after effects, the Centre is still some way from being back in a positive trading position. It is also with great disappointment that Trustees report a significant loss for the second year running. Trustees are now placing great emphasis on marketing the first class facilities on offer as well as seeking other fund raising opportunities throughout the **community**. However, we believe with continued help and support from Trustees and volunteers we are now well placed and in a good position to serve our community even better in the future. **Many** thanks are due to Trustees and our many volunteers for their efforts and commitment through what has been a **difficult** year for all concerned.

RESERVES POLICY

All of the Association's funds are unrestricted funds (sometimes referred to as free reserves). It is the policy of the Trustees to maintain reserve funds as follows:

- (a) £25,000 set aside for the library refurbishment project **which** has now been spent
- (b) to provide a buffer so that normal expenditure can be continued for a period of two months in the event of further major disruption in the Centre's stream of income; the Trustees calculate this to be £15,000 at current levels of expenditure;
- (c) £10,000 previously set aside for major planned roof repairs was used up during 2021
- (d) In view of our recognised roofing vulnerability the Trustees intend to build a reserve for eventual replacement of large areas of the roof. Due to the current strain on finances this plan has now been deferred, but it is the firm intention of Trustees to reintroduce this plan as soon as cash flows allow
- (e) to provide for the necessary expenditure to ensure that the premises and equipment are maintained to a good standard and, if necessary, enhanced for the benefit of members, visitors and staff.

INVESTMENT POWERS

Under the Trust Deed the charity has the power to make any investments that the trustees see fit.

RISK MANAGEMENT

The major risks to which the charity is exposed, as identified by the trustees, have been subject to a major **review** and procedures have been established to mitigate these risks.

STATEMENT OF PUBLIC BENEFIT

The Association owns and operates a Community Centre in Lyndhurst whose halls and rooms are available for hire by local organisations for events such as health and fitness activities, wellbeing clinics, training and educational activities, film nights, community lunches and meetings and fairs. The building also hosts the local library for the benefit of the local community.

ACCOUNTING AND REPORTING RESPONSIBILITIES

The trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and enable them to ensure that any financial statements comply with the governing document, applicable Accounting Standards and the Statement of Recommended Practice, Accounting and Reporting by Charities and the regulations made under the Charities Act 2016. 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.

Signed on behalf of the Trustees onby:

..... R Dewing - Chairman

LYNDHURST AND DISTRICT COMMUNITY ASSOCIATION REPORT OF THE INDEPENDENT EXAMINER

I report to the trustees on my examination of the financial statements of the Lyndhurst and District Community Association (the fund) for the year ended 31st December 2021.

Responsibility and basis of report

As the charity trustees of the fund 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 Fund's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all 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 can 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 Association 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 order to enable a proper understanding of the account to be reached.

.....

A Nicholas Examiner

Date:

LYNDHURST AND DISTRICT COMMUNITY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31st DECEMBER 2021

Income		Note	2021		2020
			£		£
	Room hire and education		24,789		28,252
	Library rent		1,050		5,250
	Social and catering income		3,469		4,369
	Film shows		788		1,192
	Advertising		7,108		9,422
	Government grants		24,500		27,000
	Coronavirus Job Retention Scheme		2,949		13,456
	Donations for furniture		4,739		-
	Other donations		1,021		-
	Insurance claim for loss of income		4,968		-
	Membership and affiliation fees		1,117		1,080
	Book sales		1,509		594
	Electricity feed-in tariff		1,285		1,418
	Miscellaneous income		562		591
	Surplus on fundraising events		1,933		-
	Gift Aid tax refund		250		-
	Bank interest		1		16
Total income			82,038		92,640
Expenditure					
	Salaries and national insurance		61,727		69,512
	Contributions to staff pension scheme		1,124		1,320
	Redundancy payments		-		1,724
	Staff training		18		-
	Staff uniforms		225		81
	Insurance		2,523		2,074
	Heat, light and water		6,635		5,193
	Copier costs		2,752		2,947
	Postages and stationery		1,363		1,296
	Telephone		1,988		1,132
	Library consumables and software		471		-
	Advertising		622		50
	Social and catering expenditure		2,643		1,386
	Cleaning		1,519		1,622
	Repairs and renewals		17,359		10,942
	Payroll and accountancy fees		364		492
	Film hire		539		461
	Miscellaneous expenditure		1,585		1,216

	Bank charges		171		60
	Depreciation		3,674		3,570
Total expenditure			107,302		105,078
Ordinary deficit for the year			(25,264)		(12,438)
	Costs of redeveloping the old library		(47,676)		-
	Donations and grants towards that redevelopment		20,000		498
Deficit for the year			(52,940)		(11,940)
	Realised and unrealised gains on Investment Bonds		4,468		4,256
Net Deficit after other gains and losses			(48,472)		(7,684)
	Retained funds brought forward		99,459		107,143
Retained funds carried forward			50,987		99,459

LYNDHURST AND DISTRICT COMMUNITY ASSOCIATION

BALANCE SHEET AS AT 31st DECEMBER 2021

			2021		2020
Fixed assets					
	At cost brought forward		25,658		20,868
	Additions in the year		9,926		4,790
	Depreciation brought forward		(10,732)		(7,162)
	Depreciation for the year		(3,674)		(3,570)
			21,178		14,926
Current assets					
	Trade debtors		4,752		1,876
	Prepayments		8,981		1,920
	COIF Charity Funds investment		18,359		58,893
	Bank deposit account		6,535		24,035
	Bank current account		8,997		1,517
	Cash in hand		80		247
Total current assets			47,704		88,488
Creditors: Amounts falling due within one year			17,895		3,955
Current assets less liabilities			29,809		84,533
Total assets less liabilities			50,987		99,459
Funds					
Unrestricted funds					
	Balance brought forward		99,459		107,143
	(Deficit)/Surplus for the year		(48,472)		(7,684)
			50,987		99,459
We are responsible for the preparation of the accounts and consider that the Charity is exempt from an audit.					
The accounts were approved by the Trustees on and signed on their behalf by:					

		R Dewing Chairman			
		J Rickord Treasurer			

LYNDHURST AND DISTRICT COMMUNITY ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of preparation

The accounts are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, applicable to charities preparing the accounts in accordance with the Financial Reporting Standard applicable in The UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Funds

All funds are held as unrestricted funds and are available to the Trustees for expenditure to support the charity's purposes.

Incoming resources

Donations

Donations are recognised in the accounts when they are received.

Legacies

Legacies are recognised once the charity has entitlement to the income and it is certain the income will be received.

Volunteers

The value of services provided by volunteers is not incorporated into these accounts.

Resources expended

Resources expended are accounted for on an accruals basis and include irrecoverable VAT where applicable.

2. TRANSACTIONS WITH TRUSTEES

The charity's trustees do not receive remuneration or expenses.

3. EMPLOYEES

During the year an average of **four** staff were employed; no employee earned in excess of £60,000.

4. FIXED ASSETS

- a) Fixed assets** are stated at cost less depreciation. Depreciation is provided at rates calculated to fully amortise the cost of the asset by the end of its useful life. The rates used during the year were:-

Kitchen equipment – 20% on reducing balance

Computer equipment – 33% on reducing balance

Fixtures & equipment – 20% on reducing balance

Office equipment – 15% on reducing balance

a) Property

The land upon which the Community Centre stands is leased from Forestry England at a peppercorn rent; that lease expires in 2060. The building was constructed and has been extended over many years with grants, donations from the local community and funds generated by its activities. Whilst it has a value to the Association as a functioning building enabling the many activities by which the Association carries out its purposes the Trustees considers that there are a number of restrictions on a possible disposal preventing it having a realistic resale value. Accordingly no cost or value is included in the financial statements. The property is owned by the Association but is held on its behalf by the The Official Custodian for Charities. It has a value for insurance purposes of £1.25m.