

Orpington Village Hall Trust
Unaudited Financial Statements
31 December 2021

COOK & CO ACCOUNTANTS LLP

Chartered Accountants
Riverside Business Centre
River Lawn Road
Tonbridge
Kent
TN9 1EP

Orpington Village Hall Trust

Financial Statements

Year ended 31 December 2021

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Orpington Village Hall Trust

Trustees' Annual Report

Year ended 31 December 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

Reference and administrative details

Registered charity name	Orpington Village Hall Trust
Charity registration number	302959
Principal office	311 High Street Orpington Kent BR6 0NN

The trustees

Mr M Smart	
Mr P Cavalli	
Mrs J Bailey	
Mr N Farrow	
Mr R Gower	
Mrs D Pickering	
Mr R Servant	
Mrs P Woodhouse	(Appointed 8 December 2021)
Mr J Parker	(Appointed 8 December 2021)

Independent examiner	Cook & Co Accountants LLP Chartered Accountants & Registered Auditors Riverside Business Centre River Lawn Road Tonbridge Kent TN9 1EP
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Structure, governance and management

The Orpington Village Hall Trust is an unincorporated registered Charity created by Deed on 31st December 1896.

Trustees are appointed by existing Trustees.

All funds within the Trust are unrestricted and are retained to maintain the Trust.

The Trustees review the affairs on an ongoing basis and meet regularly to agree strategy and the Trust activities.

Orpington Village Hall Trust

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Objectives and activities

Under the terms of the Deed the Trustees run the charity to provide religious, moral, social and intellectual welfare and rational recreation and amusement of the inhabitants and visitors to the Parish of Orpington and to their friends.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Achievements and performance

The Covid pandemic had a major impact on many businesses and individuals, and as a charity and a community facility - we did not escape the impact of this. However, with huge thanks to government financial support we have managed to navigate our way through this and adapt to flexible times, constant changes, compromise and acceptance.

When we moved into another full lockdown in December 2020, we expected this to be 1 to 2 months long, and then we could reopen again in some format early 2021 and try to return to normal. The continuation of 'flexible furlough' allowed us to support our remaining team as this continued and we focused on trying to get ourselves in a position to be open and ready to go when the time came.

However, what we never expected was to receive a phone call early February 2021 from building contractors working above our facility, asking if they could inspect the facility with a suspected leak from above. We immediately rushed to let them in, to discover history repeating itself - with a vengeance. 2019 water damage had happened again - our ceilings had collapsed in the Alfred Brown Hall once again, water covered the floor, and we knew immediately that the sprung flooring that had barely been touched over the past year, would soon buckle and be destroyed. A burst water pipe in the flat above the halls, where work was being completed, had led to tonnes of water pouring out for over 12hrs until the leak was discovered. Having learnt the processes involved we were able to act quickly. Remedial teams were called and were onsite by the end of the day. Water was cleared up off the floors as quickly as possible, but we knew it wouldn't be enough - all we wanted to do was to ensure the water didn't spread into the Aubrey Mullock Hall from underneath the floorboards. However, despite acting so quickly, the damage and water ingress was so severe that the damage came from the wall cavities across the entire facility. Water was pouring down inside the walls and reached the second hall this way - eventually damaging the kitchen, toilet areas and meeting room as well. There was nothing we could do.

We had plans in place, suppliers lined up, remedial work underway, repairs booked in, and took the time when the facility was already closed due to covid, to get things in place to be repaired in time for reopening. But due to lack of responsibility and therefore liability from third parties, our Building Insurance did not authorise any repairs or work and we were at the mercy of discussions and non-urgency from the powers above us. All we could do was to strip out the halls and allow for drying to take place.

With support of our contents insurance, we were allowed to purchase a temporary flooring to open the smaller hall in April - when government restrictions lifted and children's classes were allowed to resume. Stage 1 of reopening bought in very little income, but it gave the team a sense of moving forward - it brought everyone together with a purpose and this was important. Stage 2 of reopening with further restrictions lifted came in May, when adult fitness classes could return - and we were able to negotiate classes into the one small hall - and relocate other hirers to other venues so they could start to bring in their own income again. Stage 3 of reopening in June saw very little change for us as this came so close to the summer holidays, that hirers did not intend to start again until September - with the hope of us having two halls up and running by that time. We had very limited one off hires during this period as well, so just worked on skeleton staff around building works.

Building Insurance did not accept the claim until July 2021 which meant we didn't have enough time (with lead times required) to have the sprung flooring installed for the beginning of September and new terms starting. We were able to screed the floors in both halls during the summer holidays to ensure

Orpington Village Hall Trust

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

this levelling was done, and then laid another temporary flooring down in the larger hall so we could reopen in September with two halls.

August also saw a secondary leak appear in the ceiling of the Gents toilets. After months of investigation, this was attributed to faulty protection on the balcony floor above, and Hyde Housing (tenants above us) did accept the responsibility for this work. However, repairs have not taken place for the damage to date and this will go into 2022.

From September onwards, we more or less had 'normal running' with functions back - although we didn't take any adult or large functions due to the temporary flooring. Our priority was to protect this flooring for the regular classes. The new sprung flooring was finally installed at the end of October/beginning of November 2021, and we closed for 10 days to allow for this work. The remaining repair works were able to take place around normal opening - although approvals for each individual repair took time, and repairs continued well into 2022.

The 'loss of income' from the water damage was not clear cut to calculate, and the Contents Insurers had to factor in the 'covid factor' to our business interruption claim. This significantly reduced the amount we were offered for the losses incurred, as we were not able to calculate the impact that covid had on our predicted hires. We also didn't have a full 'normal' year to compare to over the past 4 years, proving difficulties further in assessing where we should have been.

As expected, fundraising activities were paused during the year, along with our Dementia support projects and café. However, with funding in our accounts to support these projects, we restricted these funds to ensure the relaunch of the Dementia projects in 2022 could go ahead.

Due to the damages, restrictions and the risk of covid still being around, we were forced to delay our AGM in 2021 until December, with the approval of the Charity Commission. This AGM saw the retirement of our dear Chair of Trustees due to ill health, and the subsequent re-election of our current Chair.

A tough year. But we are still standing.

Financial review

Once again, priorities to keep the Trust and Facility financially secure were only possible with government supported grants and employment financial support. Our long standing 'savings' were eaten into considerably whilst we paid for repair costs up front to ensure timeframes allowed us to be up and running as quickly as possible. We will continue to rebuild these savings over the next year or so.

The drop of income from 2019 (£125,400) to 2020 (£37,354) slightly increased to £50,612 in 2021 despite 4 months of full closure, 4 months of one halls and restrictions and the rest as close to normal as we could be. The grant income brought in a further total of £71,074 during 2021, including £26,300 from business support grants and £44,774 from CJRS (Furlough) support.

Income from regular hirers increased in April from only £994 in the whole month to a peak in November of £9188 which was reassuring that the business was there despite everything. One off functions varied greatly during these last 4 months.

Despite the Coronavirus Job Retention Scheme ("Furlough") supporting staff costs for part of the year, following the water damage, we had to pay for staffing to be on site at our own costs for long periods of time during repairs and inspections. This was due to be covered by insurance or as compensation from contractors, however, did not eventually get accepted in the claim. £103,799 was therefore spent on staff wages, PAYE and Pensions.

The vending machine contract expired in June 2021 and we did not reopen the machine following closures - this will at least no longer be an expense to us moving forward. Electricity costs obviously increased with 24/7 drying machines running for many months. This was covered in insurance claims for 3 months whilst we were closed, but thereafter were our costs to bear. Business rates were given

Orpington Village Hall Trust

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

further relief for part of the year.

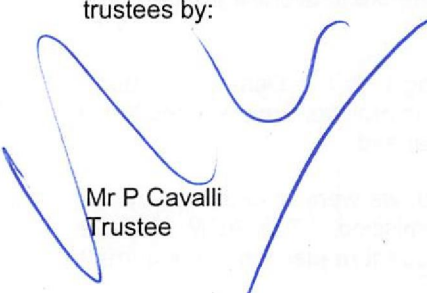
Building Insurance costs continue to be a huge concern, following an already big increase in 2019 following the initial fire (2018), and then subsequent flood (2019), and the further damage in 2021. The cost has risen from around £2.5k prior to these events, to just under £10k for 2021. We have sought legal advice and the landlord is also using legal aid to resolve liability to reduce the costs, as that cost is not a sustainable amount for the Trust to cover long term.

With costs associated to the 2021 water damage surpassing £111k outlaid by OVH, and only £78,679 received to date on insurance claims and compensation, OVH finished the year with a loss of -£47,772 however this should be repaid during 2022. If this was all repaid, we would have finished the year in a positive.

Plans for future periods

The Trustees have been granted a 999 year lease and will continue to run the Charity in accordance with the Deed.

The trustees' annual report was approved on 20 October 2022 and signed on behalf of the board of trustees by:



Mr P Cavalli
Trustee

Orpington Village Hall Trust

Independent Examiner's Report to the Trustees of Orpington Village Hall Trust

Year ended 31 December 2021

I report to the trustees on my examination of the financial statements of Orpington Village Hall Trust ('the charity') for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements 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 charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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.

Cook & Co Accountants LLP

Cook & Co Accountants LLP
Chartered Accountants & Registered Auditors
Independent Examiner

Riverside Business Centre
River Lawn Road
Tonbridge
Kent
TN9 1EP

20 October 2022

Orpington Village Hall Trust

Statement of Financial Activities

Year ended 31 December 2021

		2021	2020
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	4	–	125,478
Other income	5	–	78,679
Total income		<u>–</u>	<u>204,157</u>
Expenditure			
Expenditure on raising funds:			
Costs of raising donations and legacies	6	–	250,642
Expenditure on charitable activities	7,8	–	1,287
Total expenditure		<u>–</u>	<u>251,929</u>
Net (expenditure)/Income and net movement in funds		<u>–</u>	<u>(47,772)</u>
Reconciliation of funds			
Total funds brought forward		67,501	67,501
Total funds carried forward		<u>67,501</u>	<u>67,501</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

Orpington Village Hall Trust

Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
Current assets			
Stocks	13	—	41
Debtors	14	—	30
Cash at bank and in hand		25,020	72,368
		<u>25,020</u>	<u>72,439</u>
Creditors: amounts falling due within one year	15	<u>5,291</u>	<u>4,938</u>
Net current assets		19,729	67,501
Total assets less current liabilities		19,729	67,501
Net assets		19,729	67,501
Funds of the charity			
Unrestricted funds		67,501	67,501
Total charity funds	16	<u>67,501</u>	<u>67,501</u>

These financial statements were approved by the board of trustees and authorised for issue on 20 October 2022, and are signed on behalf of the board by:

Mr P Cavalli
Trustee

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

Orpington Village Hall Trust

Statement of Cash Flows

Year ended 31 December 2021

	2021 £	2020 £
Cash flows from operating activities		
Net (expenditure)/income	(47,772)	1,797
<i>Adjustments for:</i>		
Interest payable and similar charges	94	61
Accrued (income)/expenses	(672)	756
<i>Changes in:</i>		
Stocks	41	—
Trade and other debtors	30	(2)
Trade and other creditors	1,025	1,525
Cash generated from operations	(47,254)	4,137
Interest paid	(94)	(61)
Net cash (used in)/from operating activities	(47,348)	4,076
Net (decrease)/increase in cash and cash equivalents	(47,348)	4,076
Cash and cash equivalents at beginning of year	72,368	68,292
Cash and cash equivalents at end of year	25,020	72,368

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

Orpington Village Hall Trust
Notes to the Financial Statements
Year ended 31 December 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Orpington Village Hall, 311 High Street, Orpington, Kent, BR6 0NN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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 (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

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

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Orpington Village Hall Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Orpington Village Hall Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Orpington Village Hall Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Hall rentals	—	50,613	37,354	37,354
Vending machine sales	—	17	325	325
Fundraising income	—	25	—	—
Donations	—	66	20	20
Advertising	—	430	335	335
Dementia Cafe	—	764	7,636	7,636
COVID grants	—	71,075	83,335	83,335
COVID External venue hire	—	2,488	—	—
	<u>—</u>	<u>125,478</u>	<u>129,005</u>	<u>129,005</u>

5. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Insurance Claim	—	78,679	19,138	19,138
	<u>—</u>	<u>78,679</u>	<u>19,138</u>	<u>19,138</u>

Orpington Village Hall Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Costs of generating income - Rentals	<u>—</u>	<u>250,642</u>	<u>145,502</u>	<u>145,502</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Support costs	<u>—</u>	<u>1,287</u>	<u>844</u>	<u>844</u>

8. Expenditure on charitable activities by activity type

	Support costs £	Total funds 2021 £	Total fund 2020 £
Governance costs	<u>1,287</u>	<u>1,287</u>	<u>844</u>

9. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>756</u>	<u>756</u>

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	<u>103,799</u>	<u>107,994</u>

The average head count of employees during the year was 16 (2020: 11).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

Orpington Village Hall Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

12. Tangible fixed assets

	Equipment £	Total £
Cost		
At 1 January 2021 and 31 December 2021	<u>35,730</u>	<u>35,730</u>
Depreciation		
At 1 January 2021 and 31 December 2021	<u>35,730</u>	<u>35,730</u>
Carrying amount		
At 31 December 2021	<u>-</u>	<u>-</u>
At 31 December 2020	<u>-</u>	<u>-</u>

13. Stocks

	2021 £	2020 £
Raw materials and consumables	<u>-</u>	<u>41</u>

14. Debtors

	2021 £	2020 £
Other debtors	<u>-</u>	<u>30</u>

15. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	816	1,488
Other creditors	<u>4,475</u>	<u>3,450</u>
	<u>5,291</u>	<u>4,938</u>

16. Analysis of charitable funds

Unrestricted funds

	At 1 January 20 21 £	Income £	Expenditure £	At 31 December r 2021 £
Unrestricted Fund	<u>67,501</u>	<u>-</u>	<u>-</u>	<u>67,501</u>

	At 1 January 20 20 £	Income £	Expenditure £	At 31 December 2020 £
Unrestricted Fund	<u>65,704</u>	<u>148,143</u>	<u>(146,346)</u>	<u>67,501</u>

Orpington Village Hall Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

17. Analysis of changes in net debt

	At 1 Jan 2021 £	Cash flows £	At 31 Dec 2021 £
Cash at bank and in hand	<u>72,368</u>	<u>(47,348)</u>	<u>25,020</u>