

PETTS WOOD WAR MEMORIAL TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

PETTS WOOD WAR MEMORIAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr R E Jones
Mr L Parkes
Mr R L Brown
Mr M Ricketts
Miss J Barber
Mrs L Scothern
Mr A Stotesbury

Charity number

303032

Principal address

200 Petts Wood Road
Orpington
Kent
BR5 1LA

Independent examiner

Mr J L Coombs MA (Cantab) FCA
Simpkins Edwards LLP
Michael House
Castle Street
Exeter
Devon
EX4 3LQ

PETTS WOOD WAR MEMORIAL TRUST

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PETTS WOOD WAR MEMORIAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The Petts Wood War Memorial Trust is a charity whose objects are to provide and maintain a garden of remembrance and a community centre.

The charity owns and maintains a hall and gardens in Petts Wood, providing a venue for community events, regular activities and private functions.

The trustees have paid due regard to guidance issued by the Charity Commission regarding public benefit and in deciding what activities the charity should undertake.

The community halls and gardens provide a valuable recreational and educational resource to the local community.

Achievements and performance

The charity recorded net income/(expenditure) of £(12,444) for the year (2019: net expenditure of £11,887), with a gain/(loss) on investment assets of £(689) (2019: gain of £14,326) resulting in an overall (deficit)/surplus of £(13,220) (2019: surplus of £26,213).

The trustees consider the charity's period end financial position and the results above to be satisfactory, however, the trustee's comments regarding the effect of COVID 19 should be noted.

COVID 19

As a result of the on-going COVID 19 crisis the hall was closed for a period, although provisional bookings could be made. With the relaxation of restrictions, the hall was reopened during the summer of 2020. As a consequence, income from hall lettings was reduced in 2020.

The Trust's investments saw a significant drop in value at the start of the pandemic, although this position has been latterly reversed.

Financial review

The charity's principal sources of funds are hire of the hall and fundraising.

The charity has a diversified investment portfolio with a low overall risk. Investments are held as a means of earning revenue on surplus funds until they are required and as a reserve against any future shortfall in income to ensure that the charity can continue to meet its objectives.

The trustees have adopted a reserves policy which they consider appropriate to ensure the continued ability of the charity to meet its objectives and obligations. Sufficient funds are held to fund at least six months charitable expenditure and to improve facilities at the hall and gardens.

The trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. 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 and to provide reassurance that:

- its assets are safeguarded against unauthorised use or disposition
- proper records are maintained and financial information is reliable
- the charity complies with relevant laws and regulations

PETTS WOOD WAR MEMORIAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

As part of the charity's risk management process the trustees acknowledge their responsibility for the charity's system of internal control and reviewing its effectiveness. It is also recognised by the trustees that such a system is designed to manage rather than eliminate the risk of failure to achieve the charity's objectives and can only provide reasonable, not absolute, assurance against material misstatement or loss.

Structure, governance and management

The charity was formed by trust deed dated 31 July 1950. The governing body of the charity is the management committee which meets once a month. Subject to the trust deed, trustees may be elected by subscribers at an Annual General Meeting and also co-opted by the management committee.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr R E Jones
Mr L Parkes
Mr R L Brown
Mr M Ricketts
Miss J Barber
Mrs L Scothern
Mr A Stotesbury

The trustees' report was approved by the Board of Trustees.

Mr R E Jones

Trustee

Dated: 22 September 2021

PETTS WOOD WAR MEMORIAL TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF PETTS WOOD WAR MEMORIAL TRUST

I report to the trustees on my examination of the financial statements of Petts Wood War Memorial Trust (the charity) for the year ended 31 December 2020.

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 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 2011 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 financial statements to be reached.

Mr J L Coombs MA (Cantab) FCA

for and on behalf of Simpkins Edwards LLP

Michael House
Castle Street
Exeter
Devon
EX4 3LQ

Dated: 29 October 2021

PETTS WOOD WAR MEMORIAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Donations and grants	3	3,196	8,993
Charitable activities	4	46,039	90,858
Investments	5	17,287	9,742
Total income		66,522	109,593
<u>Expenditure on:</u>			
Charitable activities	6	77,780	96,171
Other	9	1,185	1,535
Total resources expended		78,965	97,706
Net gains/(losses) on investments	10	(689)	14,326
Net movement in funds		(13,132)	26,213
Fund balances at 1 January 2020		809,960	783,747
Fund balances at 31 December 2020		796,828	809,960

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

PETTS WOOD WAR MEMORIAL TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11		147,543		153,076
Investments	12		136,733		137,422
			<u>284,276</u>		<u>290,498</u>
Current assets					
Debtors	13	3,589		5,510	
Investments	14	505,835		504,375	
Cash at bank and in hand		7,661		13,180	
		<u>517,085</u>		<u>523,065</u>	
Creditors: amounts falling due within one year	15	(4,533)		(3,603)	
Net current assets			<u>512,552</u>		<u>519,462</u>
Total assets less current liabilities			<u><u>796,828</u></u>		<u><u>809,960</u></u>
Income funds					
Unrestricted funds			<u>796,828</u>		<u>809,960</u>
			<u><u>796,828</u></u>		<u><u>809,960</u></u>

The financial statements were approved by the Trustees on 22 September 2021

Mr R E Jones
Trustee

Mr L Parkes
Trustee

PETTS WOOD WAR MEMORIAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Petts Wood War Memorial Trust is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 200 Petts Wood Road, Petts Wood, Orpington BR5 1LA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% and 10% on a straight line basis
Plant and equipment	10% on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

PETTS WOOD WAR MEMORIAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price.

1.9 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

PETTS WOOD WAR MEMORIAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and grants

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and grants	900	8,993
Covid-19 Job Retention Scheme	2,296	-
	<u>3,196</u>	<u>8,993</u>

4 Charitable activities

	Charitable Income	Charitable Income
	2020	2019
	£	£
Room hire and letting fees	<u>46,039</u>	<u>90,858</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Rental income	12,350	4,734
Income from investments	2,324	2,319
Interest receivable	2,613	2,689
	<u>17,287</u>	<u>9,742</u>

PETTS WOOD WAR MEMORIAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

6 Charitable activities

	Charitable Expenditure 2020 £	Charitable Expenditure 2019 £
Staff costs	18,019	17,844
Depreciation and impairment	5,533	4,751
Admin services staff costs	26,331	27,787
Rates	3,787	6,076
Power, light and heat	6,186	10,746
Repairs, maintenance and refurbishments	4,836	12,280
Telephone and internet	607	618
General costs and licences	4,609	6,838
Insurances	7,872	7,481
Bad debt	-	1,750
	<u>77,780</u>	<u>96,171</u>

7 Trustees

Trustees neither received nor waived any emoluments during the year.

Expenses totalling £666 (2019: £612) were reimbursed to 1 (2019: 1) trustee during the year.

Indemnity insurance is provided for the trustees. Premiums paid during the year were £390 (2019: £325).

The key management personnel of the charity are deemed to be the trustees and the hall manager.

8 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	<u>2</u>	<u>2</u>
Employment costs	2020	2019
	£	£
Wages and salaries	<u>18,019</u>	<u>17,844</u>

Employees were employed predominantly for dealing with management of the hall.

No employee received emoluments of over £60,000 during the year (2018: £Nil).

PETTS WOOD WAR MEMORIAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

9 Other

	Unrestricted funds	Total
	2020	2019 £
Legal and professional fees	-	480
Accountancy	1,185	1,055
	<u>1,185</u>	<u>1,535</u>

10 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Revaluation of investments	<u>(689)</u>	<u>14,326</u>

11 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Total £
Cost			
At 1 January 2020	<u>184,828</u>	<u>13,982</u>	<u>198,810</u>
At 31 December 2020	<u>184,828</u>	<u>13,982</u>	<u>198,810</u>
Depreciation and impairment			
At 1 January 2020	<u>35,006</u>	<u>10,728</u>	<u>45,734</u>
Depreciation charged in the year	<u>5,049</u>	<u>484</u>	<u>5,533</u>
At 31 December 2020	<u>40,055</u>	<u>11,212</u>	<u>51,267</u>
Carrying amount			
At 31 December 2020	<u>144,773</u>	<u>2,770</u>	<u>147,543</u>
At 31 December 2019	<u>149,822</u>	<u>3,254</u>	<u>153,076</u>

PETTS WOOD WAR MEMORIAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Fixed asset investments

	Investments £
Cost or valuation	
At 1 January 2020 & 31 December 2020	137,422
Valuation changes	(689)
	<hr/>
Carrying amount	
At 31 December 2020	136,733
	<hr/> <hr/>
At 31 December 2019	137,422
	<hr/> <hr/>

13 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	1,105	3,064
Prepayments and accrued income	2,484	2,446
	<hr/>	<hr/>
	3,589	5,510
	<hr/> <hr/>	<hr/> <hr/>

14 Current asset investments

	2020 £	2019 £
Unlisted investments	505,835	504,375
	<hr/> <hr/>	<hr/> <hr/>

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	29	29
Other creditors	867	1,023
Accruals and deferred income	3,637	2,551
	<hr/>	<hr/>
	4,533	3,603
	<hr/> <hr/>	<hr/> <hr/>

16 Related party transactions

One trustee provided administrative support via a business owned by that trustee. This support was provided at a commercial rate and totalled nil (2019: £195). The trustees' partner is also the hall manager, and received £26,331 (2019: £27,592) in fees.