

DILHORNE RECREATION CENTRE

REGISTERED CHARITY No. 522635

TRUSTEES REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2021

**DILHORNE RECREATION CENTRE
TRUSTEES REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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The trustees are the management committee of Dilhorne Recreation Centre and administrate the trust on behalf of the custodian trustees Dilhorne Parish Council. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005. The trustees present their report with the financial statements for the Charity and trading arm DRC Bar Ltd for the year ended 31 December 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity No:
522635

Registered address:
New Road
Dilhorne
Stoke-on-Trent
ST10 2PQ

Trustees:

Jolie Camall - Chairperson & PC Representative
Gary Simms - Vice Chairperson
Eloise Whitehall - Treasurer & PC Representative
Ryan Brassington - Secretary
Rachel Challinor - Booking Secretary & PC Representative (Appointed 31 August 2021)

STRUCTURE, GOVERNANCE & MANAGEMENT

The charity is controlled by its governing document, the constitution sealed in 1969 which defines the trust purpose as the provision and maintenance of a recreation ground, playing field and community centre for the benefit of the inhabitants of the parishes of Cheadle and Dilhorne and the immediate neighbourhood thereof, without distinction of sex, race, political, religious or other opinion, and in particular, the provision of physical exercise and training, meetings, lectures and classes and other such forms of recreation and leisure time occupation having the condition of improving the conditions of life for the said inhabitants as the committee of management shall see fit.

The charity trading arm DRC Bar Ltd provides the management of the Village Hall Bar and donates any profits to the charity.

The Directors of DRC Bar Ltd, Ms H Thurstan and Mr W D Bateman, are volunteers at the charity.

Risk Management

The management committee are concerned about the rising running costs for the village hall. With the village hall only covering running costs there is concern around the funding of improvement works needed to the grounds and hall itself.

Report of the Trustees For Year Ended 31 December 2021 (CONTINUED)

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's principal objective is to provide the recreation ground, playing field and community centre for the benefit for all local people, we provide tennis courts, a bowling green and a playground for the provision of physical exercise with the hall available for hire to provide training, meetings, lectures and classes and other such forms of recreation and leisure time occupation having the condition of improving the conditions of life for the said inhabitants.

Principal activities, trading review and future developments.

The charity's principal activity is hiring the hall for private functions such as wedding ceremonies, christenings or family parties, public classes and providing events for the local community. The trading arm DRC Bar Ltd, provides the Bar facility for private and public functions. Currently the Bar provides a profit which allows the committee to tackle the ongoing upkeep of the grounds and hall.

No classes took place during 2021. From April 2021, once Covid-19 restrictions had eased, functions were once again held in the Centre and the Charity resumed taking deposits and bookings for future events.

A number of function booking refunds were also made in 2021, due to people either cancelling or postponing their planned event.

Net increase in funds for the year ending 31 December 2021 for the charity was £39,272. Reserves carried forward were £357,071 on the Unrestricted Fund and £42,000 on the Restricted Fund.

Fundraising

Due to Covid-19 the committee only organised one activity in the year, an open air theatre evening, which raised £399.

Restrictions and lock downs inflicted by the Coronavirus Pandemic has seriously affected this years fund raising efforts.

Public benefit

The charity continues to fulfill its public benefit duty by providing classes, opportunities to exercise, and other community events to bring the local population together.

Due to the Coronavirus Pandemic the hall could not be made available for a period of the year, due to Government restrictions and lock downs.

Finance

There was an unrealised profit on the Charity's investments during the year due to the increase in the value of COIF funds of £18,874.

During the year the Charity's activities have been financed by its main activities as detailed previously and investment income generated from the Charity's investments and reserves.

The Charity adopts a continuous revaluation approach in relation to its investment portfolio. The village hall is included in the accounts at historical cost.

Report of the Trustees For Year Ended 31 December 2021 (CONTINUED)**STATEMENT OF TRUSTEE RESPONSIBILITIES**

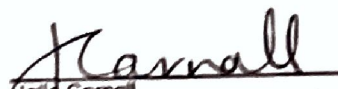
Charity law requires the trustees to prepare financial statements and a statement of assets and liabilities for each financial year, which give a true and fair view of the state of the affairs of the charity and of its financial activities for that year, together with its assets and liabilities at the end of the year, and adequately distinguish any material special trust or other restricted fund of the charity.

In preparing those financial statements the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations and with applicable Accounting Standards, subject to any material departures disclosed and explained in the financial statements; and
- d) prepare financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

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 the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice and the regulations made under s154 & s155 of the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

The Trustees report was approved on **2 Aug 2022** and signed on their behalf by: **The Chair**


Joelle Carnall
Chairperson

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE DILHORNE RECREATION CENTRE
ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021**

I report on the accounts of the Trust for the year ended 31 December 2021, which are set out on pages 6 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's 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 need.

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 independent examiner's report


My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Centre 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 statement below.

Independent Examiner's Statement

In the course of 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 2011 Act
 - and
 - to prepare accounts which accord with the accounting records and comply with the the accounting requirements of the 2011 Act have not been met.

2. which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Kieran Lynch FCA FCCA CTA
Lynch Accounting Limited
2 Loring Terrace South
Newcastle-under-Lyme
Staffordshire
ST5 8AF

DATE 2 Aug 2022

**DILHORNE RECREATION CENTRE
BALANCE SHEET
AS AT 31 DECEMBER 2021**

	NOTES	<u>31-Dec-21</u>		<u>31-Dec-20</u>	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	2		205,528		210,097
Investments	3		<u>151,927</u>		<u>133,053</u>
			357,455		343,150
Current Assets					
Debtors	4		28,814		12,170
Cash at bank and in hand			<u>16,165</u>		<u>8,156</u>
			44,979		20,326
Creditors					
Amounts falling due within one year	5		(3,363)		(3,677)
			<u>41,616</u>		<u>16,649</u>
Net Current Assets			<u>399,071</u>		<u>359,799</u>
Net Assets					
Funds					
Unrestricted Funds			357,071		317,799
Restricted Funds	6		42,000		42,000
Balance at 31 December 2021			<u>399,071</u>		<u>359,799</u>

These accounts were approved by the Trustees on 2 Aug 2022 and signed on their behalf by:

Jolie Carnall
Jolie Carnall
Chairperson

**DILHORNE RECREATION CENTRE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

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	UNRESTRICTED FUNDS	
	31-Dec-21	31-Dec-20
	£	£
INCOMING RESOURCES		
	25,479	9,371
Voluntary Income - Donations	399	441
Activities for Generating Funds	3,906	3,830
Investment Income	611	143
Rental Income		
Incoming Resources from Charitable Activities	8,522	5,791
Function Bookings	0	(287)
Classes		
	<u>38,917</u>	<u>19,289</u>
RESOURCES EXPENDED		
Costs of Generating Funds	0	33
Charitable activities	80	0
Publicity	<u>80</u>	<u>33</u>
Costs of Charitable Activities	2,737	7,718
Repairs & Maintenance	0	153
Hire of Equipment	619	650
Insurance	3,271	2,994
Heat, Light & Water	2,279	7,666
Gardening	1,517	1,740
Cleaning	147	83
Sundries	996	996
Operating lease rentals	5,612	5,887
Depreciation	<u>17,178</u>	<u>27,887</u>
Governance Costs	556	870
Telephone	115	183
Stationery & Postage	590	560
Accountancy	0	173
Legal Fees	<u>1,261</u>	<u>1,786</u>
TOTAL RESOURCES EXPENDED	<u>18,519</u>	<u>29,706</u>
NET INCOMING / (OUTGOING) RESOURCES	20,398	(10,417)
GAINS/(LOSSES) ON INVESTMENTS	18,874	7,998
Unrealised		
	<u>39,272</u>	<u>(2,419)</u>
NET MOVEMENT IN FUNDS		

**DILHORNE RECREATION CENTRE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

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	RESTRICTED FUNDS	UNRESTRICTED FUNDS	TOTAL FUNDS	TOTAL
		31-Dec-21		31-Dec-20
	£	£	£	£
NET MOVEMENT IN FUNDS	0	39,272	39,272	(2,419)
BALANCE 31 DEC 20	42,000	317,799	359,799	362,218
BALANCE 31 DEC 21	<u>42,000</u>	<u>357,071</u>	<u>399,071</u>	<u>359,799</u>

1 ACCOUNTING POLICIES

The following accounting policies have been consistently applied in dealing with items which are considered material in relation to the charity's accounts.

a) Bases of Accounting

The accounts have been prepared under the historical cost convention, as adjusted for the revaluation of investments, and in accordance with the Accounting & Reporting by Charities SORP and the Charities Act 2011.

b) Depreciation

Depreciation has been calculated to write off the cost of tangible fixed assets over their estimated useful lives, as follows:

Equipment	- 20% on net book value
Fixtures & Fittings	- 20% on net book value
Playground	- 20 years straight line basis
Office Equipment	- 3 years straight line basis

No depreciation is charged on Freehold Property as it is the charity's policy to maintain such property in good condition. Costs of repairs and maintenance are charged against incomings in the period in which they are incurred.

c) Operating Leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

d) Grants Received

Grants received are recognised as incoming resources in the period in which they are received.

e) Subsidiary

The charity owns 100% of the issued share capital in the company DRC Bar Limited, which carries on the trade of running the bar at the Dilhorne Recreation Centre. The charity is exempt from preparing group accounts by virtue of SORP 383b, as the gross combined income in the accounting period is less than the audit threshold under the Charities Act 2011.

f) Investments

Investments held by the charity consist of shares held in the subsidiary and units held in the COIF Charity Funds. These are stated in the accounts as follows:

Shares in subsidiary	- at cost
COIF units	- at market value

The fluctuations in market value of the COIF units are shown in the accounts under the heading unrealised gains / (losses) on investments.

2 TANGIBLE FIXED ASSETS

	Freehold Property £	Equipment £	Fixtures & Fittings £	Playground £	Office Equipment £	Total £
AT COST						
As at 31 December 2020	168,964	17,414	34,477	55,204	0	276,059
Additions	0	0	0	0	1,043	1,043
Disposals	0	0	0	0	0	0
As at 31 December 2021	<u>168,964</u>	<u>17,414</u>	<u>34,477</u>	<u>55,204</u>	<u>1,043</u>	<u>277,102</u>

ACCUMULATED DEPRECIATION

As at 31 December 2020	10,030	13,094	26,278	16,560	0	65,962
Charge for the year	0	865	1,640	2,760	347	5,612
Disposals	0	0	0	0	0	0
As at 31 December 2021	<u>10,030</u>	<u>13,959</u>	<u>27,918</u>	<u>19,320</u>	<u>347</u>	<u>71,574</u>

NET BOOK VALUE

As at 31 December 2020	<u>158,934</u>	<u>4,320</u>	<u>8,199</u>	<u>38,644</u>	<u>0</u>	<u>210,097</u>
As at 31 December 2021	<u>158,934</u>	<u>3,455</u>	<u>6,559</u>	<u>35,884</u>	<u>696</u>	<u>205,528</u>

3 INVESTMENTS

	Bal at 31-Dec-20 £	Additions £	Redemption £	Bal at 31-Dec-21 £
AT COST				
COIF Charity Fund	74,458	0	0	74,458
Investment in subsidiary	2	0	0	2
TOTAL	<u>74,460</u>	<u>0</u>	<u>0</u>	<u>74,460</u>

	BAL AT 31-Dec-20 £	Funds Invested /(Withdrawn) £	Interest £	Revaluation £	BAL AT 31-Dec-21 £
AT VALUATION					
COIF Charity Fund	133,051	0	0	18,874	151,925
Investment in subsidiary	2	0	0	0	2
	<u>133,053</u>	<u>0</u>	<u>0</u>	<u>18,874</u>	<u>151,927</u>

4 DEBTORS

	<u>31-Dec-21</u>	<u>31-Dec-20</u>
	£	£
Amounts falling due within one year.		
	25,322	9,044
Amounts Due from Subsidiary Undertaking	0	937
Other Debtors	3,492	2,189
Prepayments		
	<u>28,814</u>	<u>12,170</u>

5 CREDITORS

	<u>31-Dec-21</u>	<u>31-Dec-20</u>
	£	£
Amounts falling due within one year.		
	2,424	2,910
Trade Creditors	299	132
Other Creditors	640	635
Accruals		
	<u>3,363</u>	<u>3,677</u>

6 RESTRICTED FUNDS

	£
As at 31 December 2020	<u>42,000</u>
As at 31 December 2021	<u>42,000</u>

The restricted fund was established when the gate house was disposed of by the charity, to provide a capital base for investment.

7 RELATED PARTY TRANSACTIONS

The charity owns 100% issued share capital in the company DRC Bar Limited, which carries on the trade of running the bar at the Dilhorne Recreation Centre. Included in debtors is an amount of £25,322 (2020 - £9,044) owing from DRC Bar Limited. The results for the year include a donation of £25,479 (2020- £9,201) made by DRC Bar Limited.

8 OPERATING LEASE COMMITMENTS

At the year end the charity has annual operating lease commitments over the next four years of

	£
Year ended 31 Dec 2022	996
Year ended 31 Dec 2023	996
Year ended 31 Dec 2024	581

9 TRUSTEES EXPENSES

During the year the following individual expenses were claimed by charity trustees:

	<u>31-Dec-21</u>	<u>31-Dec-20</u>
	£	£
Repairs & maintenance	510	488
Fundraising events	0	68
Cleaning	50	132
Telephone	8	15
Stationary & postage	113	184
Sundries	131	24
Licences & subscriptions	120	164
Legal & professional fees	0	173
Asset	1,043	0
	<u>1,975</u>	<u>1,248</u>
In respect of number of trustees	2	3