

## Chairmans Report

### Crossmichael Community Trust SCIO, SCO45747

AGM: Tuesday 30 September, 2025

Crossmichael Memorial Hall Committee Room, 7.00pm

#### Key Points Summary

- New Board of Trustees elected in November 2024, establishing governance and roles.
- New Trust Board inherited a challenging position: hall closed due to unsafe flooring and finances under strain.
- Finances reviewed: only £1,275 in the bank at start of 2025; without action, risk of bankruptcy by November 2025. Donations and small revenue fund have so far extended time trust can be funded in current state.
- Six grant applications submitted in 2025 (totaling £80,000); £2,000 revenue funding secured to enable operational cost to be covered. Denied all other grants so far due to challenging financial situation.
- Funders supportive in principle but unable to provide part- or match- capital funding under current circumstances. Currently applying to larger funds to cover 100% of floor project.
- Additional generous community donations received (details in Treasurer's Report). Thank you to the Donors.
- Trust remains in a precarious financial situation—bankruptcy risk remains high, with potential sale of the hall if it occurs.
- Ongoing priority: secure full capital funding to repair hall floor to reopen income stream - Grant application in progress.
- Ongoing work with Third Sector Dumfries & Galloway for support with Trust Governance, legal compliance, Community Asset Management and more.
- Trust continues to support the community by providing tables, chairs, and maintaining other assets (Hearse House, Riverside Lane).
- 2 Trustees stepping down at this AGM - Thank you to Hazel Scott and Anne-Marie McGinn for all your hard work and support!
- 3 Trustee roles will be recruited for: Grant/Fund Trustee, Secretary, Facilities Management.

## **Detailed Chair's Report**

Since the special AGM held on 12 November 2024, the Board of Trustees has been very busy building governance and operational management of a Trust that, even according to the annual reports, had been mostly dormant for several years whilst a few people worked hard to keep it ticking over and meeting legal requirements until the situation became untenable and the main hall closed down due to the unsafe floor creating a significant Health & Safety risk.

At the end of 2024 the new group of trustees who were elected at the meeting on 12 November 2024 worked to establish roles and responsibilities to create a clear framework that each works within. Being on the Board of Trustees carries a legal responsibility under the Scottish Charities Act and every board of trustee member carries this responsibility for every decision made during their time on the board, even after they retire from the board. As the entire board was new and inexperienced as Trustee Board Members, it took some work to define and fill the roles required.

At the start of January 2025, the board membership had settled reasonably well with a trustee joining for Funds/Grant application on an interim basis as election would confirm at the next member meeting.

The board of trustees conducted work on governance, with a board of trustee declaration created to ensure legal compliance and tracking of conflicts of interests.

Additionally, a review was conducted of the Trust's finances and accounts. When the new board of trustees took office, the bank account held £1275. The financial review revealed that without the hall as an income stream the Trust would be bankrupt by November 2025.

Grant applications have been the priority activity for the trust in 2025, with 6 grants applied for with a total value of £80K. Out of these applications, the Trust was granted and received £2K in revenue funding which is key to being able to continue to operate into 2026. Trustees have worked hard on gathering all the information required, developing policies and obtaining quotes to support grant applications.

Additionally, we received some very generous donations from the community, details in the Treasurers report.

The key point here is that the Crossmichael Community Trust is in a very precarious financial situation and on the brink of bankruptcy. It is important the community understands that this is a very real risk and should bankruptcy occur, the hall will have to be sold. Based on the current forecast, the Trust can operate until October 2026. Capital Grant funding to fix the floor will go some way to improving the situation as it will enable the hall to generate income again once re-opened, but even then we will need a minimum of £3-5K annually to cover fixed operational costs.

During recent months, we have worked closely with funders, including the Council and the National Lottery, to understand how they make their funding decisions and to gain feedback on how the Trust can be more successful in grant applications. The Feedback is consistent: Funders are

supportive of our project, and would be keen to fund, however the current financial situation means that we require 100% capital funding and this is hard to come by. Part- and matchfund options are not available to the trust due to the current financial situation as the trust cannot provide guarantee to the funder that the funds will be spent in the required timeframe. With competitive application portfolios, funders will prioritise charities who can fully fund projects and commit to spend the funds within the timeframe.

This adds to the urgency of improving the financial situation of the Trust.

Additionally, the Trust has been engaging with Third Sector Dumfries & Galloway to learn about what is required to manage a Trust, to ensure legal compliance and to access support available in terms of Governance, Funding, Community Asset Management and more. The Chair has attended training and made connections to support future development and definition of the trust, legal requirements, understanding the implications of certain changes and defining key elements of the constitution.

Additionally, the chair has worked with other trusts in the Glenkens to learn from them, and as a result the board has started work on Village Hall Management based on a generic handbook to develop policies, procedures and systems to manage the hall going forward. The village hall is a community building, which differs from being a public building, i.e. access is not open and use requires making bookings based on the times you want to use the hall for, including set up and clear up time.

Throughout the year the Trust is making an effort to communicate news and updates to the community via Facebook, and by posting invites to open meetings on social media as well as by hanging posters around the village. While the board of trustees recognises that more communication would be helpful, operationally this is proving challenging to date. Communication will continue to be a priority for the trust with the main channel being the Trust page on Facebook.

The Trust has continued to support the community so far as possible with provision/rental of tables and chairs to the school and local events

The Trust's other properties of the Hearse House and the land at Riverside Lane have continued to be looked after as previously.

The Chair wants to extend very sincere thanks to both the Board of Trustees and the community members who have supported the trust in the last year for all their hard work, donations, support and kindness.

Cynthia Moore, Chairperson, Crossmichael Community Trust SCIO, SCO45747