

**HOLSWORTHY MEMORIAL
HALL LIMITED**

**ANNUAL REPORT
AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
30 JUNE 2010**

HOLSWORTHY MEMORIAL HALL LIMITED

**INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

| | Page |
|--------------------------------------|-------------|
| Legal and Administrative Information | 1 |
| Report of the Board of Trustees | 2 to 3 |
| Independent Examiner's Report | 4 to 5 |
| Statement of Financial Activities | 6 |
| Balance Sheet | 7 |
| Notes to the Financial Statements | 8 to 13 |

HOLSWORTHY MEMORIAL HALL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|-----------------------------|--|
| Trustees | Mrs D C Harman (Company Secretary) Mr R A Hutchings Mr C Gilbert Mr E D Thomson-Taylor Mr J Addicott Mrs L Hobbs Mrs D H Crane Ms L E Emmett Mr M O Johns Mr N Badham Mr P Brown Mr J Hutchings |
| Company Number | 05485932 |
| Charity Number | 1112980 |
| Registered Office | North Road Holsworthy Devon EX22 6DJ |
| Governing Document | Memorandum and Articles of Association |
| Independent Examiner | Mrs S L Watts FCCA DChA Thomas Westcott 5 West Street Okehampton Devon EX20 1HQ |
| Accountants | Thomas Westcott Chartered Accountants London House Fore Street Holsworthy Devon EX22 6EB |
| Bankers | Lloyds TSB Bank plc 16 Broad Street Launceston Cornwall PL15 8AQ |

HOLSWORTHY MEMORIAL HALL LIMITED

REPORT OF THE BOARD OF TRUSTEES

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 21 June 2005 having been registered as a charity on 31 August 1962. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute £10.

Objects and policy

The charity was established in order to maintain, repair and secure the operation of Holsworthy Memorial Hall. The hall required substantial rebuilding and renovation work in order to ensure that it was fit to serve the residents of Holsworthy and surrounding district, in the twenty first century.

Activities and Achievements

Financial review

Total incoming resources during the year were £98,508 (2009: £58,969). Resources expended in the same period totaled £97,295 (2009: £94,164). At 30 June 2010 the charity held total funds of £616,108 of which £618,008 were restricted funds received for the rebuilding and refurbishment of the hall.

Reserves Policy

It is the policy of the charity to maintain its funds at such a level as to enable the charity to fulfill its commitments.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems are in place to mitigate their exposure to major risks.

Public Benefit

In planning our activities for the year we have kept in mind the Charity Commission guidance on public benefit at our Trustee meetings.

The focus of our activities remains the provision and maintenance of a community hall in Holsworthy. This benefits the local community by providing flexible accommodation for a variety of community events and functions.

HOLSWORTHY MEMORIAL HALL LIMITED

REPORT OF THE BOARD OF TRUSTEES

Our facilities remain open to the whole of the local community.

Trustees

The Trustees named on Page 1 have served throughout the period. Appointment of Trustees is governed by the constitution.

Responsibilities of the Board of Trustees

Company and charity law require the Board of Trustees, as Trustees and Directors, to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the results for the year. In preparing those financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Board of Trustees are responsible for keeping 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 the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Status of the Company

The company is a registered charity and is thereby exempt from income tax and corporation tax on its income and gains.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

Approval

This report was approved by the Trustees on2011 and signed on their behalf by:-

Signed:

Signed:

INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF HOLSWORTHY MEMORIAL HALL LIMITED

I report on the accounts of Holsworthy Memorial Hall Limited for the year ended 30 June 2010, which are set out on pages 6 to 13. This report is made solely to the Trustees in accordance with section 43(3)(a) of the Charities Act 1993. My work has been undertaken so that I might state to the Trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Trustees for my work, for this report, or for the opinions I have formed.

Respective responsibilities of Trustees and Examiner

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts (under section 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commissioners under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

Basis of Independent Examiners' report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of 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 connection with my examination, no matter has come to my attention:

- I. which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.

have not been met; or

**INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF
HOLSWORTHY MEMORIAL HALL LIMITED (cont.)**

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

Mrs S L Watts FCCA DChA
Thomas Westcott
Chartered Accountants
5 West Street
Okehampton
Devon
EX20 1HQ

Date:

HOLSWORTHY MEMORIAL HALL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2010

| | Notes | Restricted £ | Unrestricted £ | 2010 Total £ | 2009 Total £ |
|---|-------|-----------------|-------------------|--------------------|--------------------|
| Incoming resources | | | | | |
| Voluntary Income: | | | | | |
| Grants towards refurbishment and rebuilding of hall | | 52,963 | - | 52,963 | 143 |
| Donations towards hall upkeep | | 268 | - | 268 | 1,543 |
| Activities for generating funds | | | | | |
| Investment income | | - | | | 130 |
| Insurance claims | | - | 946 | 946 | - |
| Incoming resources from charitable activities | | | | | |
| Income from events, film shows and other activities | | - | 7,124 | 7,124 | 19,495 |
| Letting of hall | | - | 28,606 | 28,606 | 27,742 |
| Sales by Information Centre | | - | 8,601 | 8,601 | 9,916 |
| Total incoming resources | | 53,231 | 45,277 | 98,508 | 58,969 |
| Resources expended | | | | | |
| Charitable activities | 2 | 29,007 | 59,462 | 88,469 | 90,167 |
| Governance costs | 3 | - | 8,827 | 8,827 | 3,997 |
| Total resources expended | | 29,007 | 68,289 | 97,296 | 94,164 |
| Net incoming / (outgoing) resources for the year | | 24,224 | (23,012) | 1,212 | (35,195) |
| Fund balances brought forward | | 593,785 | 21,111 | 614,896 | 650,091 |
| Fund balances carried forward | | 618,009 | (1,901) | 616,108 | 614,896 |

HOLSWORTHY MEMORIAL HALL LIMITED

BALANCE SHEET AS AT 30 JUNE 2010

| | Notes | 2010 £ | 2009 £ |
|---|-------|-----------------|-----------------|
| Tangible Fixed Assets | 4 | 666,411 | 693,767 |
| Current Assets | | | |
| Stock | | 1,600 | 1,600 |
| Debtors | 5 | 10,580 | 3,275 |
| Cash at bank and in hand | | 4,680 | 8,100 |
| | | <u>16,860</u> | <u>12,975</u> |
| Creditors: Amounts falling due within one year | 6 | <u>(67,163)</u> | <u>(91,846)</u> |
| Net current assets/(liabilities) | | (50,303) | (78,871) |
| Total assets less current liabilities | | <u>616,108</u> | <u>614,896</u> |
| Restricted Funds | | 618,009 | 593,785 |
| Unrestricted Funds | | (1,901) | 21,111 |
| | 11 | <u>616,108</u> | <u>614,896</u> |

In approving these financial statements as trustees of the company we hereby confirm:

- a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006;
- b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 30 April 2010;
- c) that we acknowledge our responsibilities for:
 1. ensuring the company keeps accounting records which comply with section 386 of the Companies Act 2006, and
 2. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its surplus or deficit for the financial year in accordance with sections 394 and 395 of the Companies Act 2006 and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008). Approved by the Board of Trustees on 2011 and signed on its behalf by:

HOLSWORTHY MEMORIAL HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

I. Accounting policies

Basis of preparation of financial statements

The financial statements are prepared under the historical cost basis. The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the requirements of the Statement of Recommended Practice – Accounting and Reporting by Charities (issued in March 2005) and the Companies Act 2006.

Going Concern

The charity meets its current day to day working capital requirements with the assistance of loans from local residents totalling £57,450 (2009: £72,450). These loans are interest free and repayable on demand. The creditors have confirmed that they have no plans to see withdrawal of the loans within the next 12 months.

£45,000 of the loans balance has been gifted to the Charity since the year end.

On this basis, the trustees consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the loans.

Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and amount can be qualified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities. Grants where entitlement is not conditional on the delivery of a specific performance by the Charity are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Incoming resources from grants and certain contracts, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- No amounts are included in the financial statements for services donated by volunteers.

HOLSWORTHY MEMORIAL HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

I. Accounting policies

Grants receivable

Grants from local government and other agencies have been included as income from charitable activities, being in the furtherance of the charity's objects, where these amount to a contract for services, but as donations where the money is given in response to an appeal or as core funding with greater freedom of use.

Resources expended

All expenditure is accounted for on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Depreciation of Fixed Assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost to their estimated residual value over their expected useful economic lives, at the following rates and on the following basis:

Building – 2% on cost

Equipment – 20% straight line over five years.

HOLSWORTHY MEMORIAL HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

2. Expenditure on charitable activities

| | Restricted | Unrestricted | 2010 | 2009 |
|------------------------------------|-------------------|---------------------|---------------|---------------|
| | £ | £ | Total | Total |
| | | | £ | £ |
| Purchases for resale | - | 3,559 | 3,559 | 3,975 |
| Less: Stock Movement | - | - | - | (1,600) |
| Hire of artists, film, event costs | - | 4,563 | 4,563 | 10,955 |
| Wages | - | 25,926 | 25,926 | 27,071 |
| Light and Heat | - | 9,664 | 9,664 | 7,298 |
| Repairs and maintenance | - | 2,886 | 2,886 | 3,331 |
| Water | - | 2,026 | 2,026 | 2,263 |
| Insurance | - | 2,578 | 2,578 | 2,334 |
| General hall running costs | - | 3,370 | 3,370 | 3,389 |
| Telephone and broadband | - | 1,553 | 1,553 | 1,116 |
| Website costs | - | 600 | 600 | - |
| Professional fees | - | - | - | 1,404 |
| Printing, stationery, postage | - | 1,640 | 1,640 | 872 |
| Subscriptions | - | 388 | 388 | 538 |
| Sundry expenses | - | 709 | 709 | 1,764 |
| Depreciation | 29,007 | - | 29,007 | 25,457 |
| | <u>29,007</u> | <u>59,462</u> | <u>88,469</u> | <u>90,167</u> |

3. Governance Costs

| | Restricted | Unrestricted | 2010 | 2009 |
|---------------------------|-------------------|---------------------|--------------|--------------|
| | £ | £ | Total | Total |
| | | | £ | £ |
| Audit and accountancy | - | 6,504 | 6,504 | 1,700 |
| Bank charges | - | 563 | 563 | 537 |
| Penalties for late filing | - | 1,760 | 1,760 | 1,760 |
| | <u>-</u> | <u>8,827</u> | <u>8,827</u> | <u>3,997</u> |

HOLSWORTHY MEMORIAL HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

4. Tangible Fixed Assets

| | Land and Buildings £ | Plant £ | Total £ |
|-----------------------|----------------------------|---------------|----------------|
| Cost | | | |
| At 1 July 2009 | 673,862 | 75,997 | 749,859 |
| Additions | - | 1,651 | 1,651 |
| At 30 June 2010 | <u>673,862</u> | <u>77,648</u> | <u>751,510</u> |
| Depreciation | | | |
| At 1 July 2009 | 28,017 | 28,075 | 47,922 |
| Charge for the year | 13,477 | 15,530 | 29,007 |
| At 30 June 2010 | <u>41,494</u> | <u>43,605</u> | <u>85,099</u> |
| Net Book Value | | | |
| At 30 June 2010 | <u>632,368</u> | <u>34,043</u> | <u>666,411</u> |
| At 30 June 2009 | <u>645,845</u> | <u>47,922</u> | <u>693,767</u> |

The hall is currently held in trust by the Charity Commission on behalf of the unregistered un-incorporated charity (formerly charity number 360800) but it will be transferred to this charitable company in the near future.

5. Debtors

| | 2010 £ | 2009 £ |
|--------------------------------|---------------|--------------|
| Sundry debtors | 10,100 | - |
| Prepayments and accrued income | 480 | 3,275 |
| | <u>10,580</u> | <u>3,275</u> |

6. Creditors: amounts falling due within one year

| | 2010 £ | 2009 £ |
|------------------------------------|---------------|---------------|
| Loans | 57,450 | 72,450 |
| Accruals | 3,105 | 8,185 |
| Other taxation and social security | 6,608 | 11,211 |
| | <u>67,163</u> | <u>91,846</u> |

The above loans are from local residents, a portion of which were to aid the refurbishment of the hall. The loans are unsecured and interest free. £45,000 of the loans balance has been gifted to the Charity since the year end.

HOLSWORTHY MEMORIAL HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

7. Trustee's remuneration and expenses

No remuneration or reimbursed expenses were paid to any Trustee.

8. Staff Costs

| | 2010 | 2009 |
|-----------------------|---------------|---------------|
| | £ | £ |
| Wages and salaries | 24,983 | 25,988 |
| Social security costs | 943 | 1,083 |
| | <u>25,926</u> | <u>27,071</u> |

9. Taxation

As a charity, the company is not normally liable to corporation tax and has incurred no charge for this period.

10. Analysis of Net Assets between Funds

| | Unrestricted Funds £ | Restricted Funds £ | Total £ |
|----------------------------------|-------------------------------------|-----------------------------------|--------------------|
| Tangible fixed assets | - | 666,411 | 666,411 |
| Net current assets/(liabilities) | (1,901) | (48,402) | (50,303) |
| | <u>(1,901)</u> | <u>618,009</u> | <u>616,108</u> |

11. Statement of Funds

| | Unrestricted Funds £ | Restricted Funds £ | Total £ |
|-----------------|-------------------------------------|-----------------------------------|--------------------|
| At 1 July 2009 | 21,111 | 593,785 | 614,896 |
| Income | 45,277 | 53,231 | 98,508 |
| Expenditure | (68,289) | (29,007) | (97,296) |
| | <u>(1,901)</u> | <u>618,009</u> | <u>616,108</u> |
| At 30 June 2010 | <u>(1,901)</u> | <u>618,009</u> | <u>616,108</u> |

HOLSWORTHY MEMORIAL HALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

12. Related Parties

Mr J Addicott, treasurer to the charity, had loaned a total of £47,450 at 30 June 2010. There were no movements during the year.

Mrs CM Addicott, Mr Addicott's mother had loaned the charity £15,000 previously. This was repaid in the year.