

Benenden Village Trust



BENENDEN VILLAGE TRUST

Report and Financial Statements

Year ended: 31st March 2023

Charity No: 1176351

BENENDEN VILLAGE TRUST

Report of the Trustees for the year ended 31st March 2023

The Trustees present their annual report and financial statements of the Charity for the year ended 31st March 2023. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's Constitution.

Objectives and activities for the public benefit

The purposes of the Trust are :

1. To further or benefit the residents of the parish of Benenden in the county of Kent and the neighbourhood, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for the residents. In furtherance of these objects but not otherwise, the Trustees shall have power to establish or secure the establishment of community centres and to maintain or manage or co-operate with any statutory authority in the maintenance and management of such centres for activities promoted by the charity in furtherance of the above objects.
2. To promote for the benefit of the inhabitants of Benenden in the county of Kent and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Benenden Village Trust – Organisation and Governance

The Benenden Village Trust was registered with the Charity Commission on 18th December 2017 as a Charitable Incorporated Organisation and with the Registered No. 1176351.

Office : Benenden Village Hall, The Street, Benenden, TN17 4DE

Independent Examiner of Accounts : Manningtons Chartered Accountants, 39 High Street, Battle, East Sussex TN33 0EE

Bankers : Barclays Bank plc , Longer House, High Street, Rye TN31 7JL

Manager of the Trust : Caroline Levett

The Trustees during the year were : Kent Barker; Simon Brown; Athena Cripps; Tom Dawlings; Martin Dickson; Julie Lewis; Sally Ann Marks; Chris Parkinson; Richard Stubbings; Paul Tolhurst.

Under the Trust's Constitution, one third of the Trustees are required to stand down at each AGM and, if nominated, can stand for re-election. The AGM is to be held on 31st July 2023. Athena Cripps, Martin Dickson and Julie Lewis will step down as Trustees but are prepared to stand again for re-election.

The board of trustees saw several changes during the year: Martin Dickson was elected chairman by fellow trustees in July in succession to Jonathan Strong, who resigned in June as chairman and a trustee for personal reasons. Tom Dawlings was elected deputy chairman, succeeding Kent Barker, who, while remaining a trustee, did not stand for re-election to the post. Two new trustees were co-opted during the year: Chris Parkinson and Paul Tolhurst.

Trustee Responsibilities

The agreed working groups developed and evolved, and the workload spread amongst Trustees to apply their respective skills appropriately.

∞ Finance, Governance and Compliance: Martin Dickson (lead); Sally Ann Marks; Athena Cripps

∞ Health, Safety, Security and Risk Management: Athena Cripps

∞ Human Resources: Julie Lewis (lead), Tom Dawlings; Sally Ann Marks

∞ Membership and Engagement: Martin Dickson

∞ Parish and Borough Council Liaison – Tom Dawlings; Julie Lewis

∞ Playgrounds: Caroline Levett

∞ Property: Kent Barker (lead); Simon Brown; Richard Stubbings; Chris Parkinson; Paul Tolhurst

The Trust's Assets

By a Vesting Declaration, The Trustees of the Harmsworth Memorial Trust transferred all the assets of that Trust to Benenden Village Trust on 1st April 2018. These assets are: -

- Investments in the COIF Charities Investment Fund managed by the CCLA Managers Ltd.
- Cash held in various bank accounts.
- Freehold Title to the following properties:
 - **Benenden Village Hall and Recreation Ground**; part of the land is leased to the Bowls Club
 - **St George's Hall, Benenden**; parts leased to the Pre-School, the Social Club and a residential tenant
 - **Iden Green Pavilion** (leased to the Trustees of the Pavilion) and **Recreation Ground** including land leased to the Iden Green Tennis Club
 - **Land at Woodcock Lane**, Iden Green, part of which is leased to the English Rural Housing Association and the remainder let under a grazing licence

The properties, being permanent endowment assets, are held by the Charitable Incorporated Organisation as trustee on the trusts which applied to the Harmsworth Memorial Trust before 1st April 2018. Those trusts are set out in Schemes made by the Secretary of State for Education and Science on 17th August 1967 and by the Charity Commission on 30th September 1976. Those Schemes, not the purposes of the Trust referred to above, apply to the permanent endowment assets. The properties were acquired in the 1920's on the basis that they must always be used for particular purposes, as set out in the original Conveyances. That makes them permanent endowment.

Risk management

Any risk strategy comprises an ongoing review of the risks any organisation like the Trust may face; the establishment of systems and procedures to mitigate the identified risks; and the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise. The Trust had identified the process to be used to create a risk management plan and each of the Working Groups has carried out a review of its plan.

Investment Review and Performance

The investments inherited from the Harmsworth Memorial Trust are in the COIF Accumulated Investment Fund, managed by CCLA Investment Managers Ltd.

The value of the investments at 31st March 2023 was £806,398 (£855,090 at 31st March 2022).

A total of £40,000 worth of units was realised during the course of the year.

Review of Activities during the past year

Four issues dominated the work of the Trust in 2022-23: a review of its Human Resources policy and staffing; a review of its Constitution; the maintenance of its properties; and an evaluation of its financial performance.

- HR Review

The in-depth HR review was prompted by the resignation of Karen Saunders, the caretaker of Benenden Village Hall, in the summer of 2022 and intimations from Holly Clayton, the Hall Manager, that in due course she too would wish to move on.

The review was conducted over several months by the HR Working Group, under the leadership of Julie Lewis. It included a comparison of the running of Benenden Village Hall with other local halls and came to the conclusion that many of the functions of the Hall Manager and Caretaker could be combined in a single role. Accordingly, the Trust advertised for a new manager combining both skills and, after the year-end, was delighted to announce the appointment of John Betts to the new post.

The Trust would like to reiterate its thanks to Karen and Holly for their work for the trust over the years, and to Chris Heath, who stepped in to help the Trust as temporary caretaker over the winter months.

- Constitutional Review

The rigorous constitutional review, undertaken by Simon Brown, addressed three main issues: whether the constitution remained fit for purposes and practicable; the nature and extent of the Trust's charitable purpose; and the correct status of property and other assets held by the Trust under the constitution which established it as a Charitable Incorporated Organisation (CIO), separate from its predecessor, the unincorporated Harmsworth Memorial Trust.

The review, which included detailed exchanges of information with the Charity Commission, was ongoing at the year-end. However, an early recommendation was that the trust make two minor tidying up amendments to the constitution to facilitate the smoother running of the organisation. These will be put to members for a vote at the trust's Annual General Meeting in July.

- Property

Trustees tackled several significant property issues during the year. An inspection of St George's Hall revealed damp in one part of the building, thought to have been caused by leaks in the roof. At year-end, building contractors were being sought to conduct repairs both to the roof and to some faulty windows.

Attention was also paid to Benenden Village Hall's old and inefficient heating system, which will need replacing before long. The trust contracted a heating expert to advise on possible replacements, bearing in

mind changing running and fuel costs and environmental concerns. The report identified a number of possibilities and at year-end a follow-up meeting with the consultant was being sought.

Future Projects

It is now five years since the creation of the Trust and there have been considerable changes in the make-up of the board. In light of this, and the ongoing constitutional review, trustees believe the time is ripe for an in-depth re-examination of BVT's overall strategy and purpose. Trustees will conduct this in the autumn. A significant thread in the discussion will be concern about the trust's finances, which are covered more fully in the section below.

Financial review

During the year the Trust had to draw deeply - £40,000 - on its financial reserves invested in the COIF Charities Investment Fund to offset an imbalance between its income and expenditure. This followed a further £20,000 drawdown in the 2021-22 financial year. The Trust's predecessor, the Harmsworth Memorial Trust, also drew on its COIF investments to support its operations, but the scale required over the past two years is of concern to Trustees.

Contributory factors appear to have included the following:

- Higher staff costs. Over the past 10 years the Trust and its predecessor have relied increasingly on paid staff or outside contractors, rather than volunteers, to operate and maintain Benenden Village Hall and its other assets.
- The maintenance and capital investment demands of the Trust's ageing property portfolio and the low rental returns achieved on some of those assets.
- The slow return to normal social life following the Covid pandemic.

Many of the pressures listed above are expected to persist, or intensify, in coming years.

Unlike many village halls, which are run by parish/town councils, and largely staffed by volunteers, Benenden receives no support through the council precept and, apart from occasional grants and donations, is entirely dependent on its own resources to sustain its operations.

Thanks to past benefactors and reasonable investment returns, the Trust's COIF investment reserves remain healthy, at £806,398 at year-end. But the robustness of those reserves is linked to the health of the wider economy, and, in any event, the Trust needs to ensure a reasonable balance between income and expenditure so that it can continue to provide leisure facilities in the parish of Benenden for generations to come.

An examination of finances, and how to improve them over the long run, will form part of this autumn's review of strategy and purpose.

Reserves Policy

The current policy of the Trustees is to maintain cash reserves within the Charity's bank accounts to meet contingencies equating to three months' of the Charity's average annual operating expenditure and allowing for known capital expenditure. Cash reserves at the year-end amounted to £20,383 18,922 (£18,922 – 2022).

There was an operating loss of £39,492 in the year.

The sale of £40,000 of investments was used to supplement the Trust's income.

Trustees' responsibilities in relation to the financial statements

The Charity's Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be 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 business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Constitution. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the Trustees on and signed on their behalf by:

Martin Dickson (Chairman of Trustees)

BENENDEN VILLAGE TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BENENDEN VILLAGE TRUST

I report to the trustees on my examination of the accounts of the Benenden Village Trust (the Trust) for the year ended 31st March 2023.

Responsibilities and basis of report

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

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

R Walsh FCCA
Manningtons, Chartered Accountants
39 High Street
Battle, East Sussex TN33 0EE

Date:

BENENDEN VILLAGE TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**

	Notes	Restricted	Total 2023 £	Total 2022 £
Incoming Resources				
Income from Charitable Activities				
Rental income		18567	18567	16000
Hall income		38739	38739	38460
Income from Generated Funds				
Investment Income	2	23	23	4
Grants, donations, legacies and similar income		425	425	5760
Total Incoming Resources		<u>57754</u>	<u>57754</u>	<u>60224</u>
Resources Expended				
Charitable Activities	3	95806	95806	120395
Governance Costs	4	1440	1440	960
Total Resources Expended		<u>97246</u>	<u>97246</u>	<u>121355</u>
Net Income/(Expenditure) Before Investment Gains/(Losses)				
		(39492)	(39492)	(61131)
Net Gains/(Losses) on Investments		(8692)	(8692)	90109
Net Movement in Funds		<u>(48184)</u>	<u>(48184)</u>	<u>28978</u>
Reconciliation of funds:				
Total Funds Brought Forward		875392	875392	846414
Total Funds Carried Forward		<u>827208</u>	<u>827208</u>	<u>875392</u>

The notes on Pages 10 to 13 form part of these Financial Statements.

BENENDEN VILLAGE TRUST

BALANCE SHEET AS AT 31ST MARCH 2023

	Notes	2023 £	2022 £
Fixed Assets			
Tangible assets	5	1867	2489
Investments	6	<u>806398</u>	<u>855090</u>
		808265	857579
Current Assets			
Debtors and prepayments		-	-
Barclays bank accounts		17198	15805
Barclays deposit account		3185	3116
Cash in hand		-	-
		<u>20383</u>	<u>18921</u>
Creditors: amounts falling due within one year	7	<u>1440</u>	<u>1108</u>
		1440	
Net current assets		18943	17813
Net Assets		<u>827208</u>	<u>875392</u>
Funds			
Restricted funds	8	827208	875392
Total Charity Funds		<u>827208</u>	<u>875392</u>

The financial statements were approved by the Board of Trustees on
and signed on its behalf by

..... Trustee

Date:

The notes on Pages 8 to 11 form part of these Financial Statements

BENENDEN VILLAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

1. Accounting Policies

1.1 Basis of preparation of accounts

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Benenden Village Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 Grants receivable, donations and similar incoming resources

Grants, donations and similar incoming resources are included in the year when received.

1.3 Investment income, rental and hire charges

Income from investment, rental and hire charges is included in the Statement of Financial Activities in the year in which it is receivable.

1.4 Resources expended

Resources expended are included on an accruals basis and include Value Added Tax which cannot be recovered.

1.5 Tangible fixed assets for use by the charity and depreciation

Tangible fixed assets for use by the charity are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fittings and equipment 25% written down value.

1.6 Fixed Asset Investments

Fixed asset investments are included at closing mid-market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sale proceeds and their market value at the start of the year or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

BENENDEN VILLAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2023

1.7 Governance costs

Expenditure on governance costs of the charity includes all expenditure not directly related to the charitable activity or fundraising ventures.

1.8 Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds. Funds are restricted where the amounts received have a specified purpose.

2. Investment income

	Restricted £	Total £	2022
Charities investment fund	3	3	0
Interest on deposits	20	20	4
	<u>23</u>	<u>23</u>	<u>24</u>

3. Charitable Activities

	Restricted £	Total £	2022 £
Running costs	22614	22614	16834
St. Georges	3652	3652	12119
Iden Green	1903	1903	2443
Village Hall expenses	54933	54933	46642
Playgrounds	1256	1256	37921
Recreation ground	8827	8827	2080
Trees	3200	3200	1527
Depreciation	622	622	829
	<u>97006</u>	<u>97006</u>	<u>120395</u>

The Charity had on average 3 employees (2022 - 4). Included above are total salaries of £38,842 and pension contributions of £1,803.

BENENDEN VILLAGE TRUST

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2023**

4. Governance costs	Restricted £	Total £	2022 £
Independent examiner's fee	1440	1440	960
	<u>1440</u>	<u>1440</u>	<u>960</u>

Trustees are not remunerated and no expenses were paid to them in the period.

5. Fixed assets	Freehold Properties £	Fittings and Equipment £	Total £
Cost or Written Down value At 1st April 2022	-	7864	7864
Additions	-		0
At 31st March 2023	<u>-</u>	<u>7864</u>	<u>7864</u>
Depreciation At 1st April 2022	-	5375	5375
Charge for the year	-	622	622
At 31st March 2023	<u>-</u>	<u>5997</u>	<u>5997</u>
Net book values At 31st March 2023	<u>-</u>	<u>1867</u>	<u>1867</u>
At 31st March 2022	<u>-</u>	<u>2489</u>	<u>2489</u>

The Trustees have decided not to have the open market value of the properties assessed and that, as there was no consideration paid for them, they are shown at nil cost/value.

BENENDEN VILLAGE TRUST

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2023**

6. Fixed Asset Investments

	2023	2022
	£	£
Valuation at 31 March 2022	855090	784981
Withdrawals	(40000)	(20000)
Revaluation	(8693)	90109
Net book value at 31 March 2023	<u>806397</u>	<u>855090</u>

The Charity's investments consist of accumulation units in the Charities Official Investment Fund.

7. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Accruals and deferred income	<u>1440</u>	<u>1108</u>
	<u>1440</u>	<u>1108</u>

8. Funds

	2023	2022
	£	£
Restricted		
Inherited Assets Fund	<u>827208</u>	<u>875392</u>
	<u>875392</u>	<u>875392</u>