

Trustees' Annual Report - Penrhyn New Hall Limited

For the period starting 1 April 2017 and ending 31 March 2018

Charity registration number: 260371

Company number: 00958549

REPORT OF THE MANAGEMENT COMMITTEE

The Management Committee are pleased to present their combined Trustees' Annual and (company law compliant) director's report for the year ending 31 March 2018. The report comprises:

1. A report by the Management Committee (Director's Report) – page 3
2. The Council of Management's performance report – page 4
3. Independent Examiner's report – page 5
4. Statement of financial activities (incorporating an income and expenditure account) – page 6
5. Balance Sheet – page 7
6. Notes to the financial statements – pages 8 - 12

Structure, Governance and Management

The organisation is a charitable company limited by guarantee, incorporated on 11 July 1969 and subsequently registered as a charity on 14 January 1970.

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. Under those articles the members of the Management Committee (being the trustees, and also directors under company law) are limited to seven in number and are elected on an annual basis at the Annual General Meeting of the company.

Recruitment and Training of Trustees

As set out in the Articles of Association the Management Committee may from time to time and at any time appoint a member of the charity to the Management Committee, either to fill a vacancy or by way of addition to the Council, provided that the prescribed maximum is not exceeded. Any member so appointed shall retain office only until the next Annual General Meeting but shall then be eligible for election.

Prospective trustees normally attend Council meetings to meet their future fellow trustees. They are briefed on their legal obligations under charity and company law and the content of the Memorandum and Articles of Association.

On 9th November 2017, one of our longest serving trustees – Doreen Atkinson – resigned on health grounds. The Trust will miss her valuable input.

Reference and Administrative Information

Members of the Management Committee who served during the reporting period:

Mrs A Stanhope - Chair

Mr J M Q Stanhope

Ms D Atkinson

Ms E A Stanhope

Mr J C Baxter

Mr F N C Ranson

Mr C C Cater

Secretary

Mr J M Q Stanhope

Registered Office and Operation Address

Penrhyn New Hall, Hartsville Avenue, Penrhyn Bay, Llandudno.

Accountants

Breeze & Co (Llandudno) Ltd., 9 Lloyd Street, Llandudno.

Bankers

National Westminster plc., 62 Mostyn Street, Llandudno.

Solicitors

Farrer & Co., 66 Lincoln's Inn Field, London.

Objectives and Activities

Penrhyn New Hall Ltd is a charitable company established for the promotion of temperance (in the wider meanings) for the inhabitants of Penrhyn Bay and Llandudno.

These objectives are achieved through the medium of a community centre providing facilities for the use of local inhabitants to follow recreational and leisure time occupations in the interest of social welfare with the object of improving the conditions of life for the persons for whom they are intended.

When planning activities, the Trustees give due regard to the Charity Commission's guidance on public benefit.

Financial review

The Management Committee thank the Chair of Trustees for her overview of financial activities and financial position at the end of the year. We have included her separate report as part of this document.

Reserves policy

The management committee have established a policy that stimulates sustained growth in the structure of total funds held by the charity. The over-riding objective is to ensure that the charity is able to continue in operation in the long term. Funds are unrestricted subject to cashflow needs and all expenditure above £5,000 must be agreed by a majority of the management committee.

Investment policy

The management committee has considered the most appropriate policy for investing funds and have decided that a programme of diversification should be established in the future with the view to increasing the capital value of the investment portfolio currently held by the company.

Risk review

The management committee has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. The development of systems and procedures to ensure the consistent quality of delivery for all operational aspects of the company has proved successful. These systems and procedures are reviewed periodically to ensure that they still meet the needs of the charity.

Statement of Responsibilities of the Management Committee

Company law requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements the Management Committee are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The members of the Management Committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

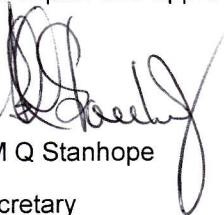
They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware:

- There is no relevant information of which the charity's independent examiner is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of guarantees at 31 March 2018 was 7 (7 in 2017).

This report was approved by the Management Committee on 23 November 2018.


J M Q Stanhope
Secretary

The Council of Management's Performance Report

The Council of Management reports the Hall has again been in regular use by its 'user group' members thus fulfilling its prime charity objective as a social and recreational centre for public benefit.

Patrons are drawn from the local area and the environs of Penrhyn Bay. The main user group continues to be an increasingly competitive Penrhyn New Hall Bowling Club with a vibrant young members section, thriving thanks to the hard work of the dedicated committee members.

Power Play Children's Theatre Group continues to make regular use of the facility. Similarly Fusion Dance Club – another young people group, continue with their weekly patronage. In March we were joined by the West Shore Bridge Club, who is with us one afternoon a week. Llandudno and District Bridge Club, one of our oldest user groups, continues to use the facility on a regular basis twice weekly. We are now hosting two very popular recreational Art Classes that take place weekly with only a summer break. Sadly, we said 'good bye' to Women Aglow in December.

Continued interactive contact between 'user group' officers and members has again been of mutual benefit to the Trust. The Trustees acknowledge, with thanks, the work of the Caretaker in both marketing and maintaining the Hall and the continued patronage of the user groups.

Turning to the Accounts:

These show revenue from user rents was up by 14%. Sadly, the number of users leaving have exceeded new users this year, but fortunately this has not been detrimental to our revenue stream.

Expenditure on refurbishment includes:

- Replacing the folding tables in the Hall with newer and lighter weight ones. This has been done on HSW grounds for the benefit of the steward and users.
- Vital bowling green equipment has been maintained.
- Pruning of some of our mature trees by a specialist tree surgeon has also been carried out.

This work has contributed to the trading deficit of £18,315.

The investment portfolio produced an income for the charity to use of £22,523 in the year. This income stream is a key strategic fund enabling the charity to carry out repairs, and towards our policy of keeping rents charged to user groups as low as possible.

Following the regulatory accounting methods introduced last year net cost is no longer used. The portfolio is valued using the fair value method as required by FRS102: The Financial Reporting Standard.

The market value of the portfolio fell from £391,509 at the start of the year to a value of £354,352 as at year end: a drop in market value of £37,157.

The income from investments, loss on sale of investments and investment loss in value, resulted in a net overall deficit for the year of £8,450.

Our investment strategy continues to be for long term income and capital growth and the performance of the investment portfolio would appear to be contrary to that strategy. There are many factors which affect the market value of the investments however, and readers are directed to note 5 on page 11 of the accounts.

Anne Stanhope



Dated 23 November 2018

Chair of Trustees.

Independent Examiner's report on the accounts

Report to the trustees/directors/ members of: Penrhyn New Hall Limited

Charity no.: 260371 Company no.: 00958549

On accounts for the year ended 31 March 2018 as set out on pages: 6 -12

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 charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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 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 seeking explanations from the 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 to indicate that:

- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- the accounts do not accord with such records;
- where accounts are prepared on an accruals basis, whether they fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS102)
- any matter which the examiner believes should be drawn to the attention of the reader to gain a proper understanding of the accounts.

Signed  November 2018:

M D Evans FCA

Breeze & Co Chartered Accountants
9 Lloyd Street, Llandudno,
Conwy LL30 2UU

Penrhyn New Hall Limited
Charity Number: 260371
Company Number: 00958549

**Statement of financial activities (including summary income and expenditure account)
for the year ended 31 March 2018**

	Notes	Total Unrestricted Funds 2018 £	Total Unrestricted Funds 2017 £
Income from:			
Charitable activities:			
Charges for hire of hall		20,442	17,587
Rental of sweet briars		2,604	2,604
<i>Total income from charitable activities</i>		<u>23,046</u>	<u>20,191</u>
Income from investments (stocks and shares)		22,523	19,190
Loss/Profit on sale of investments (stocks and shares)		-1,123	2,566
Total income		<u><u>44,446</u></u>	<u><u>41,947</u></u>
Expenditure			
Charitable expenditure	2.1	38,681	48,091
Management and administration	2.2	2,680	2,583
Total expenditure		<u><u>41,361</u></u>	<u><u>50,674</u></u>
Net income for the year		3,085	-8,727
Net (losses)/gains on investments		-11,535	27,679
Net income/(expenditure)		<u>-8,450</u>	<u>18,952</u>
Net movement in funds	9	-8,450	18,952
Reconciliation of funds:			
Total funds brought forward	9	425,560	406,608
Total funds carried forward	9	<u><u>417,110</u></u>	<u><u>425,560</u></u>

Penrhyn New Hall Limited

Balance Sheet as at 31 March 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	4	18,470		17,507	
Investments	5	354,352		391,509	
Total fixed assets		<u>372,822</u>		<u>409,016</u>	
Current assets					
Debtors and prepayments	6	1,621		1,600	
Cash at bank and in hand		<u>46,310</u>		<u>16,634</u>	
Total current assets		<u>47,931</u>		<u>18,234</u>	
Creditors					
Amounts falling due within one year	7	<u>3,492</u>		<u>1,540</u>	
Net current assets			<u>44,439</u>		<u>16,694</u>
Total assets less current liabilities			417,261		425,710
Creditors					
Amounts falling due after more than one year	8		<u>150</u>		<u>150</u>
Total net assets			<u><u>417,111</u></u>		<u><u>425,560</u></u>
Funds of the charity					
Unrestricted funds	9		<u><u>417,110</u></u>		<u><u>425,560</u></u>

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The Directors have approved these accounts and they are signed by one director on behalf of all the Directors 23 November 2018

A Stanhope



Signature of director authenticating accounts being sent to Companies House 23 November 2018

C C Cater



Penrhyn New Hall Limited

Notes to the accounts

For the year ended 31 March 2018

1 Accounting policies

1.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with:

the Statement of Recommended Practice: 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) issued on 16 July 2014,

and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and with the charities act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2 Income

Recognition of income

These are included in the Statement of Financial Activities (SoFA) when: the charity becomes entitled to the resources; it is more than likely than not that the trustees will receive the resources: the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Income from interest and dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Penrhyn New Hall Limited

Notes to the accounts

For the year ended 31 March 2018

1.3 Expenditure and liabilities

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Deferred income

No material item of deferred income has been included in the accounts.

Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

1.4 Assets

Tangible fixed assets for use by the charity

These are capitalised and valued at cost if they can be used for more than one year.

Depreciation is provided at the following rates in order to write off the assets over their estimated

Freehold land	nil
Freehold buildings	over 50 years
Fixtures and fittings	15% per annum of net book value

Investments

Fixed asset investments in quoted shares, traded bonds and similar investments are valued initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments.

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Penrhyn New Hall Limited

Notes to the accounts

For the year ended 31 March 2018

		2018 £	2017 £
2 Expenditure	Notes		
2.1 Charitable expenditure			
Paid employees	2.3	16,085	15,167
Water rates		775	500
Light and heat		2,404	2,469
Insurances		3,221	3,049
Repairs and maintenance		5,584	19,797
Greenkeeper (bowling green)		10,419	6,884
Cleaning		193	225
		<u>38,681</u>	<u>48,091</u>
2.2 Management and administration			
Stationery and advertising		-	18
Accountancy		546	534
Independent examination fee		546	534
Licences		427	580
Filing fees		13	13
Depreciation		1,098	881
Bank Charges		50	23
		<u>2,680</u>	<u>2,583</u>
Total expenditure		<u>41,361</u>	<u>50,674</u>
2.3 Staff costs and numbers			
Wages and salaries		16,085	15,167
Social security costs		-	-
		<u>16,085</u>	<u>15,167</u>
This excludes the management committee who receive no remuneration			
		2018	2017
The average number of persons employed during the year was:		no.	no.
Administration		<u>1</u>	<u>1</u>

3 Taxation

The charitable company is exempt from tax on its charitable income.

Penrhyn New Hall Limited

Notes to the accounts

For the year ended 31 March 2018

4 Tangible fixed assets	Freehold land and buildings	Fixtures and fittings	Total
Cost	£	£	£
At 1 April 2017	17,500	5,782	23,282
Additions	0	2,061	2,061
At 31 March 2018	<u>17,500</u>	<u>7,843</u>	<u>25,343</u>
Depreciation			
At 1 April 2017	3,471	2,304	5,775
Charge for the year	267	831	1,098
At 31 March 2018	<u>3,738</u>	<u>3,135</u>	<u>6,873</u>
Net book value			
At 31 March 2018	<u>13,762</u>	<u>4,708</u>	<u>18,470</u>
At 31 March 2017	<u>14,029</u>	<u>3,478</u>	<u>17,507</u>
Freehold land included above which is not depreciated			<u>4,167</u>
		2018	2017
5 Investments		£	£
<i>Listed stocks and shares</i>			
Fair value at the beginning of the period		391,509	371,649
Additions to investments during the period		101,473	70,068
Disposals at carrying value		-127,095	-77,887
Unrealised loss/ gain on revaluation		-11,535	27,679
Market value of investments at 31 March		<u>354,352</u>	<u>391,509</u>
6 Debtors			
Sundry debtors		-	-
Prepayments		1,621	1,600
		<u>1,621</u>	<u>1,600</u>
7 Creditors: amounts falling due within one year			
Sundry creditors and accrued expenses		<u>3,492</u>	<u>1,540</u>
8 Creditors: amounts falling due after one year			
Unsecured interest free loans from individuals		<u>150</u>	<u>150</u>

Penrhyn New Hall Limited

Notes to the accounts

For the year ended 31 March 2018

9 Movement in funds

Total funds at 1 April 2017	425,560	406,608
Surplus/deficit for the year	3,085	-8,727
Net unrealised losses/gains on listed investments	-11,535	27,679
Total funds at 31 March 2018	<u>417,110</u>	<u>425,560</u>

All the net assets are classified as unrestricted.