

**THE BRENCHLEY WAR
MEMORIAL HALL AND
RECREATION GROUND CHARITY**

ANNUAL REPORT

**FOR THE YEAR ENDING
30TH APRIL 2008**

TRUSTEES' REPORT FOR THE YEAR ENDED 30th APRIL 2008

The Trustees present their report together with accounts for the year to 30th April 2008.

Objects of the Charity and its constitution

The Brenchley War Memorial and Recreation Ground Charity was created in 1981 and vested in the Official Custodian of Charities. It replaces three charities that were created between 1921 and 1938, detailed below:

Charity 1: The Brenchley Memorial Hall (including the Jessie Podmore Memorial Room), comprised in deed of assignment dated 21st March 1921 and to be held in trust as a village hall.

Charity 2: The Cricket Field, comprised in deed of assignment dated 31st December 1938 and to be held in trust as a recreation ground.

Charity 3: The Jessie Podmore Memorial Trust, comprised in deed of assignment dated 16th December 1931 and refers to the bungalow and its land.

All of the land and buildings belonging to Charities 1 and 3, together with the land belonging to Charity 2, were vested in the Official Custodian for Charities on 14th April 1981. The Charities were combined into one Charity, The Brenchley War Memorial and Recreation Ground Charity, to be administered by the Trustees in accordance with the provisions of the Charity Scheme approved at that time. The 1981 Scheme allows the Trustees greater flexibility than was available under the original endowments and constitutes the governing document of the present management team.

The object of the Charity is the provision and maintenance of a village hall and recreation ground for the use of the inhabitants of the Parish of Brenchley and its neighbourhood. The hall and recreation ground are to be used for meetings, lectures, classes and other forms of recreation and leisure time occupation, without distinction of political, religious or other opinions. These life-enhancing activities are intended to serve as a permanent memorial to the officers and men belonging to the parish and its neighbourhood who fell in the Great War of 1914 to 1918.

The administration of the Charity is the responsibility of a management committee of Trustees, formed primarily from nominated members of clubs and organisations in the community. In addition, six of the management committee can be elected from the parish and its neighbourhood, while the Charity Scheme also allows the appointment of up to two co-opted members provided that the total number of Trustees shall not exceed seventeen.

TRUSTEES

The Trustees in this financial year were:

Denise Barr
Lynne Butler
Malcolm Butler
Greta Daniels
Allan Jones
Tony Leandro
Lydia Livingstone
Simon Marston
Kevin O'Connor
Paul Oliver-Smith
Chia-Lan Pfitsch
Fred Playfoot
Anthony Samson
Wendy Wildi
Peter Williams

The Trustees have no beneficial interest in the Charity and are not remunerated.

TRUSTEE'S REPONSIBILITIES

The Trustees have accepted their responsibilities as Trustees of 'The Brenchley War Memorial and Recreation Ground Charity' and have a clear understanding of the work of the Charity as defined in its governing document.

Under Charity Commission guidelines the Trustees have the full responsibility for the Charity and must:

- act together and in person and not delegate control of the Charity to others (they may be able to delegate area of work, but they must remain under the Trustees' control);
- act strictly in accordance with the Charity's governing document;
- act in the Charity's interests only and without regard to their own private interests;
- manage the Charity's affairs prudently and take a long-term as well as a short-term view;
- not (without explicit authority) derive any personal benefit or gain from the Charity of which they are Trustees;
- take proper professional advice on matters on which they are not themselves competent.
- either occupy and use the land and buildings for the Charity's purposes or let it for maximum possible return;
- make sure the land and buildings are kept in good condition;
- consider the need for insurance;
- regularly consider whether the land and buildings are being used to the best advantage of the Charity.

REPORT OF ACTIVITIES

The Charity has enjoyed another successful year, sustaining an overall income level that has allowed it to continue with considerable improvements to the Memorial Hall complex. The Charity represents an extremely valuable asset, including buildings that are insured for over £1 million and six acres of land that currently provide excellent leisure facilities for the community. The Trustees have worked extremely hard to preserve and maintain this asset for the benefit of the community and the Charity is indebted to all of those who have given their time to ensure the smooth running of the Memorial Hall complex. During the year Ruth Bateup took up the position of Hall Manager, taking on a caretaking role in addition to her other responsibilities since the beginning of the financial year.

The Charity has benefited from a relatively stable board of Trustees in recent years. At the beginning of the financial year Ann Siddle stood down as the nominated Trustee of the Bowls Club and was replaced by Wendy Wildi, who agreed to take on the responsibility for grounds maintenance. Shirley Berry stood down as the Pre-School nominee, to be replaced by Chia-Lan Pflitsch.

The Charity receives its income from a number of diverse sources that have provided it with sufficient funding to continue its long-term project to improve facilities. In this financial year the Charity has also benefited from the second installment of a generous grant of £15,000 from the Parish Council, which was to be provided in three annual payments of £5,000 from 2006. This payment has been applied directly against capital expenditures for this year and is not shown in the income statement.

A major project to replace all of the flat roofing was carried out during August 2007, a problem that had been identified during a roofing survey requested by the club's insurance company. This work was arranged by and carried out under the excellent supervision of Tony Samson at a total cost of £4,660. Improvements were made to the fire safety of the main hall in August 2007: two new fire doors were installed in the kitchen area and double hardwood fire doors were installed at the exit to the playground, at a total cost of £2,965. The kitchen, back hallway, new fire doors and Meeting Room were decorated by contractors during the summer at a labour cost of £1,048. Plumbing work on the cold water supply to the lavatories and kitchen was also carried out during August at a cost of £810. This was necessitated by a serious problem with the flow rate to the lavatory cisterns that was identified during an event on 8th July. In October 2007 the hall floor was renovated at a total cost of £1,150. The main hall floor was chemically cleaned followed by an application of two coats of seal, while the stage was lightly sanded and sealed in the same way. The Football and Cricket Clubs were awarded a grant of £4,000 from Kent County Council towards the installation of showers in their new changing rooms. A connection was made to the existing water supply on the cricket pitch before plumbing and electrical work could proceed but good progress was made towards the provision of shower facilities during the year.

The improvement to the appearance of the Memorial Hall grounds continues and regular maintenance is arranged by the Trustees. Grass cutting of the grounds is carried out under a contract with Kent County Council at an annual cost of £560. The Charity uses a local contractor to cut the hedges around the cricket and football pitches: additional work such as strimming is carried out throughout the year by another local contractor. At the beginning of the financial year the Charity paid £646 for the hire of machinery used to break up and move the concrete base of the old Cricket Club pavilion. The two chestnut trees on the Cricket Field were surveyed by an arborist over a six month period, after health and safety issues were raised by the Cricket Club. A number of problems were identified and Tamillek Tree Care carried out some excellent work in March 2007, removing unsafe limbs and pruning the trees sympathetically at a cost of £990.

The Bungalow continues to be rented out on a commercial basis and there was a change in tenancy at the beginning of the financial year. The bungalow was decorated by volunteers and new carpets were installed in two of the rooms at a cost of £1,128, with some of the replacement cost being met by the previous tenant's deposit. During the year major work was undertaken to remedy the problems of damp and condensation in the bungalow. A chimney stack was removed to eliminate a serious damp problem in the dining room and an adjacent bedroom. Vents were installed in the walls of each of the rooms to aid air circulation, in an attempt to reduce the growth of mould. The shower unit was replaced and other remedial work was carried out in the bathroom. With additional minor work a total expenditure of £1,725 was made by the Charity on bungalow repairs during the year. A statutory electrical check, required for a rental property, revealed further problems with the main earth bond, which cost £270 to remedy. A gross income of £ 9,310 for the bungalow was received by the Charity during the year, out of which fees of £1,359 were paid for property management.

Pre-School continues to thrive and offers a full programme of day care in the Memorial Hall, with its Nursery group offering morning sessions and some afternoon sessions in the Ladies' Room. Brenchley Pre-School is a limited company with charitable status and provides a much needed and valued service within the community. It achieved an excellent Ofsted report during the year and has the distinction of being one of the largest Pre-Schools in Kent. During the year it provided an income of £7,592 to the Charity.

All of the sports clubs affiliated to the Charity have the use of its land without payment of ground rent and also benefit from the full council tax exemption of the Charity. In recognition of the considerable costs of maintaining the complex the sports clubs make an annual contribution based on adult membership. This annual charge contributes towards costs such as insurance, cleaning, grounds and car park maintenance and represented an income of £3,498 to the Charity this year.

Hall lettings have decreased during the year from £6,135 to £4,838, reflecting a decline in income from casual lettings. During the year a fund-raising Jazz Evening was held on the cricket pitch on July 8th to celebrate the passage of the Tour de France through the village, generating a net income of £897. Rental rates were reviewed during the year, as the £8,336 generated from hall lettings and club levies accounts for less than 50% of the running costs of the Memorial Hall complex. The Trustees decided to increase the letting rates from September 2008. The cost of running and maintaining the Memorial Hall and Grounds is constantly increasing and a substantial increase in the cost of utilities has required tighter control over the heating and lighting of the premises. The net income for the year was £4,600 compared to £13,494 in the previous year, although the increases in utilities, cleaning costs and repairs account for a major part of this difference.

Brenchley Sports and Social Club Limited (BSSC), a non-charitable wholly-owned trading subsidiary of the Charity, leased most of the downstairs area of the club premises from the Charity and provided the Charity with an annual rental income of £6,769. Under a service agreement between the Charity and BSSC, the Charity paid BSSC for some caretaking services and other shared costs. There was a change in management of the club at the beginning of the financial year and payments made by the Charity were subsequently reduced to reflect a decrease in the provision of caretaking services. The end of the financial year was dominated by the demise of BSSC, which had been adversely affected by the anti-smoking legislation, a change in bar management and an inability to attract new Directors. The Trustees spent a great deal of time from December 2007 discussing ways of enabling the club premises to continue as a community facility. Under Charity Law the Memorial Hall Charity was not able to provide any financial support to BSSC at this stage and the conclusion was that a commercial tenancy was the best way forward. A sub-committee was formed to draw up a new commercial lease and spent an inordinate amount of time in the consideration of ways in which the interests of the Charity and the community could be protected. Following Charity Commission regulations, the Charity issued a public notice on 22nd April 2008 to enable the community to express its views before any new tenancy could be created. An independent chartered surveyor, specializing in the licenced trade, was commissioned by the Trustees to evaluate the club premises and business. A positive response to advertising eventually enabled a lease

to be executed in July 2008. There was no premium paid for the tenancy, which was set at a low rent for two years to provide time for the business to be built up to a sustainable level.

The coming year brings fresh challenges as a new club tenant builds upon the social success of BSSC and provides a necessary income stream to the Charity. This year the Parish Council grant and a reliable income stream have enabled the Charity to continue with improvements to the Memorial Hall complex. Much has been achieved during the year and the Charity still has sufficient funds to continue with its programme of refurbishment. All of the Trustees have played a large part in this success and we look forward to continuing to improving and protecting these valuable community assets during the coming year.

RISK ASSESSMENT

During the year the Trustees updated their assessment of the risks faced by the Charity in the course of its work. These include:

- physical risks to the property and liability risks;
- financial risks, primarily the risks that the Charity's sources of income may reduce significantly; and
- reputational risks, taking into account the dependence of the Charity on the good will of its local supporters.

The liability and physical risk issues are considered by the Trustees to be covered adequately by the increased insurance cover put in place in January 2004. Other liability risks associated with the Disability Discrimination Act that came into effect in October 2004 have been dealt with by the extensive work carried out during the year to improve access for disabled people. The Trustees consider that the financial risks are mitigated by the diversification of income streams that has taken place over the past two years, such that any one of the Charity's three major sources of income (Club, Pre-School and Bungalow rent) could sustain the running costs of the Charity, when combined with the sports clubs' contributions and hall letting fees. In respect of reputational risks, the Trustees do not allow unsupervised teenage parties and seek to exercise reasonable control on the nature of other events that take place on the premises.

RESERVES POLICY

The Trustees continue to consider the type and amount of expenditures that may be incurred on the maintenance and improvement of the premises in the mid-term. Improvements will normally be considered to be discretionary, to be undertaken only if there is a sufficient cash surplus, but the possibility of major maintenance expenditures occurring requires that the Charity designate a sum as a financial reserve.

The Trustees are aware that the wiring system of the Memorial Hall complex will continue to require work over the next two years, redecoration is required both outside and inside the complex and the car park will require resurfacing soon. In addition, it is anticipated that major expenditures will be required on the sewers at some stage. In considering the level of the financial reserve, the Trustees have taken into account these potential expenditures but have taken the view that it would be too cautious to provide for the possibility of a major uninsured catastrophe, such as the need to replace the entire roof.

A financial reserve of £15,000 was therefore set aside in 2003, designated a "Capital and Major Repairs Reserve", and this sum was maintained through most of the year. The Trustees will continue to assess whether it is necessary to increase the level of the reserve.

INDEPENDENT FINANCIAL EXAMINER

The Charity is greatly indebted to L. M. Skinner FCCA for the time he has given to the Charity in recent years in acting as The Independent Examiner of the accounts.

This report was approved by the Trustees on 23rd October 2008 and signed on their behalf by:

Lynne Butler
Chairman

The Brenchley Memorial Hall Charity

BALANCE SHEET AS AT 30th APRIL 2008

	<u>30th April, 2008</u>	<u>30th April, 2007</u>
Current Assets		
Debtors & Pre-Payments	5,659	8,355
Cash at Bank & in Hand	12,018	11,075
Bank Savings Accounts	23,097	17,657
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Total Current Assets	40,774	37,086
Fixed Assets		
Improvements to Premises	28,046	28,798
Fixtures & Fittings	5,154	5,890
Improvements to Rental Property	5,288	3,125
Trade Investment - Brenchley Sports & Social Club Ltd	2	2
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Total Fixed Assets	38,490	37,815
TOTAL ASSETS	79,264	74,901
Current Liabilities		
Creditors falling due within one year	874	1,031
Accruals	70	150
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NET ASSETS	£78,320	£73,720
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UNRESTRICTED FUNDS		
Capital & Major Repairs Reserve	15,000	15,000
General Purpose		
Balance at beginning of Year	58,720	47,900
Transfer (to)/from Capital & Major Repairs Reserve	0	(2,674)
Surplus for the Year	4,600	13,494
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	63,320	58,720
	<hr/>	<hr/>
	£78,320	£73,720
	<hr/>	<hr/>

These Financial Statements were approved by the Trustees on October 2008
and were signed on their behalf by:

L. Butler
Chairman

M. Butler
Treasurer

The Brenchley Memorial Hall Charity

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR TO 30th APRIL 2008

	Year to 30th April 2008	Year to 30th April 2007
Incoming Resources		
Event Income	2,789	3,563
Hall Lettings		
Casual Lettings	2,984	3,462
Clubs & Societies	5	705
Regular Users	1,849	1,986
Total Hall Lettings	4,838	6,153
Rents Received		
Bungalow	9,310	9,000
Pre-School	7,592	7,439
Sports & Social Club	6,770	6,475
Total Rents Received	23,672	22,914
Bank Interest	447	335
Club Levies	3,498	4,004
Grants & Donations	0	196
Total Incoming Resources	35,244	37,165
Outgoing Resources		
Event Expenses	1,892	1,400
Cleaning, etc	5,182	4,410
Depreciation	5,498	5,402
Bad Debts	325	0
Equipment	0	542
General Expenses	224	173
General Maintenance	2,952	3,135
Gifts and Donations	35	125
Insurance	2,190	2,071
Office Expenses	48	154
Professional Fees		
Legal	552	0
Property Management	1,359	1,322
Surveying	121	28
Total Professional Fees	2,032	1,350
Repairs & Refurbishment - Major	4,315	0
Royalties - Performing Rights	72	121
Service Charges	1,730	1,980
Subscriptions	0	48
Utilities - Heating, Lighting & Water	4,149	2,760
Total Outgoing Resources	30,644	23,671
Net Incoming Resources	£4,600	£13,494

The Brenchley Memorial Hall Charity

Independent Examiner's Report to the Trustees of The Brenchley Memorial Hall Charity.

I report on the accounts of the Trust for the year ended 30 April 2008, which are set out on pages 6 & 7.

Respective responsibilities of trustees and examiner

As the charity trustees you are responsible for the preparation of the accounts: you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to state that, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43(b) of the Act, whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 you as trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required of an audit and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements
 - a. to keep accounting records in accordance with section 41 of the Act; and
 - b. to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Acthave not been met: or
2. to which in my opinion attention should be drawn in order to enable a proper understanding of the accounts to be reached.

L. M. Skinner FCCA
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Brick Kiln Lane
Horsmonden
Kent TN12 8ES