



ASSOCIATION OF SERBIAN CHETNIKS RAVNE GORE IN GREAT BRITAIN LTD

REGISTERED OFFICE 29 HOLLAND PARK AVENUE, LONDON W11 3RW Tel (020) 7727 7725

Annual Report

2019 to 2020

1. Trustees

1.1. The Trustees of the Association from September 2019 to October 2020 were the following:

<u>Name</u>	<u>Role/Responsibilities</u>
Dusan Buac	Chairman Cultural Section
Alex Krickic	Secretary
Milos Ustic	Treasurer
Sava Ustic	Administration and Governance
Nenad Vranjes	Cultural Section, Youth Section Monitoring of Regulatory Compliance of Clubs
Nikola Dubaic	List Srbija
Petar Cetnik	Membership & Events
Nikola Novak	Hotel Dinara
Slobodan Budimir	Yorkshire Contact
Dmitrije Sirovica	Legal and Governance

1.2. Whilst the Articles of Association enable the Trustees to appoint additional trustees during any year to make up the number to the maximum 14 Trustees, there has been no reason to do so this year.

1.3. There had been no resignations during the course of the 2019-20 financial year. However, subsequently, on August 25th George Stojavljevic resigned as Secretary and as a Trustee. Following a vote by the remaining Trustees, his role will be carried out by Alex Krickic until the next AGM.

- 1.4. As we have advised in recent newsletters, we propose not to hold elections this year and for the role of each Trustee to roll over to next year. We received no objections to this proposal and so will proceed accordingly.

2. Membership

- 2.1. As at 1st July 2020 the Association had a total of 310 members across the following Odbors:

Bedford x 6	Birmingham x 24	Corby x 22
Coventry x 3	Derby x 18	Leicester x 92
Letchworth x 6	London x 44	Northampton x 10
Oxford x 23	Peterborough x 2	Telford x 20
Waltham Abbey x 13	Yorkshire x 26	Others x 1

- 2.2. This year has unfortunately seen the passing of the following members: Milos Bilic, Djuro Bukva, Dusan Celebicanin, Bosko Galic, Jovan Graovac, Djuro Lazic and Nikola Novakovic. Krste Skrbic passed away in August. We would also wish to mark the passing of Srecko Djuric. A number of members of the Kolo Sestara and of the wider community have also passed away. May they all rest in peace.

- 2.3. We have approved seven applications for membership during the year. This has included three applications approved on a probationary basis by the London Odbor. This Odbor considered it appropriate to impose a one-year probationary period to enable them to consider whether to allow membership of these applicants on a longer-term basis, taking into account their attendance at meetings and events and contribution to the activities of the Association. During this period these applicants have the benefit of all rights of a member except for voting rights at any meetings. The Trustees consented to this approach.

3. Trustee Meetings

3.1. The Trustees continued to hold meetings during this year, which have been well attended by all of the Trustees. Initially these meetings took place in person until the social distancing measures were imposed. Since that time all meetings have taken place virtually. This has proved effective and the Trustees will consider the benefits of continuing this approach going forwards. The Trustees also operate a WhatsApp group for discussions between meetings.

4. Finances

4.1. The draft accounts for the year ending 31st March 2020 are enclosed with this report. They have been audited by the accountants and approved. If you have any queries relating to them then please contact the Association Treasurer by email at info@pscrg.com or write to 29 Holland Park Avenue, London W11 3RW. We will provide responses to the whole membership so as to mirror as far as possible the process that would otherwise take place at an AGM.

4.2. The Association's financial position is stable with the Loss of Light claim for Ravna Gora in London improving the bank balance. Milos Ustic has reported on the financial position of the Association at each Trustee meeting. The Association's income decreased by £7911 when compared to the previous period April 2018 to March 2019, with the expenses also having reduced by £41864. The current situation with Covid-19 means that the income for this coming year has been greatly reduced, however, the expenses are being tightly controlled to minimise the risk to the Association.

5. Key Association Matters of the Last Year

5.1. COVID-19 Pandemic

5.1.1. We have updated you in newsletters since March 2020 of the impact that the pandemic has had on each of our Clubs and therefore the Association. This impact should not be underestimated, and we would draw your attention, in particular, to the assessment (pages numbered 3 and 4 in the Accounts) of our Treasurer, Milos Ustic, as to the resulting financial forecast for the Association.

5.1.2. The vast majority of the income of the Association is generated by our Clubs. Our Clubs all operate in the leisure and hospitality sector, and are bound by the success or failure of that sector. The social distancing measures that have been put in place by

the Government have had a profound negative impact on this sector as a whole. Even as measures are relaxed there will continue to be an impact upon our ability to generate an income from the Clubs.

5.1.3. All Club premises suffer from a lack of investment over a significant period of time.

Whilst the Association was coming to a position when we could start to properly invest in those premises again, this has been impacted by current circumstances and so we need to find new ways of utilising all of the Club premises so as to achieve their maximum potential, both financially and for the wider benefit of our Association and the Serbian community as a whole.

5.1.4. The social distancing measures put in place as a result of the Covid-19 pandemic have also meant that we have not been able to host events, and so have been unable to generate an income via those events, whether from bar takings or entry fees.

5.1.5. As well as the financial impact upon the Association, the closure of our Clubs and lack of events will also inevitably impact upon our membership in other ways. This is something that we are very conscious of; we will keep this issue under review with the intention of getting things back to normal as soon as we can safely and legally do so.

5.1.6. This all means that the activities of the Association will have to be scaled back according to our financial means at any given time, and what this will be is entirely uncertain at this time. A general theme for the coming year is the future use of the premises occupied by each of our Clubs, and what we do going forward. This may involve some difficult decisions but we will keep you informed as matters progress via the newsletter and will of course consult with the membership as a whole before any significant decisions are made.

5.2. Reporting to the Charity Commission

5.2.1. We have recently made a ‘serious incident report’ to the Charity Commission This has been in relation to the impact of the Covid-19 pandemic on the financial position and activities of the Association, including the decision not to hold the AGM in person this year.

5.2.2. No response had been received from the charity Commission in relation to the above at the time of writing this annual report.

5.3. Charitable Objects

5.3.1. We have pursued our charitable objects in the following ways this year:

- Association and Church events took place at all of our Clubs prior to the social distancing rules being imposed.
- Individuals from Serbia have received free accommodation at our London Club when in the UK for medical purposes.
- We hosted the following five key Association events: Djurdjevdan, Srpski Dan, Drazin Dan, Karadjordjevdan and Dan Dinarske Cetnicke Divizie - Proboj na Padjane.
- We have continued to contribute to the production of the International List Srbija newspaper.
- During the Covid-19 pandemic we provided packages of cured meats to our veterans to lift their spirits and let them know that they are remembered by the Association during this particularly difficult period.
- The annual winter aid payment was paid to our retired and elderly members in December 2019.
- A £500 contribution was made to the Church of Sveti Nikola in Telford towards repairs to the roof.

5.3.2. As set out above, our charitable activities have been severely impacted by the pandemic. This has prevented us from holding a number of events that we would usually hold annually. It also means that our financial resources are somewhat lower than they otherwise would be.

5.4. Glavna Uprava

5.4.1. We have not held any Glavna Uprava meetings since the AGM last year. There has been no opportunity to do so due to the Covid-19 pandemic. However, we appreciate that attendance at Glavna Uprava meetings last year was relatively low and so are still considering the format of the meetings and how to proceed when social distancing measures are fully removed.

5.4.2. As we said last year, we would welcome any suggestions as to the future operation of the Glavna Uprava.

5.5. AGM/Congress and Karadjordjevdan Dates

5.5.1. In the Secretary's Annual Report for 2018/2019 we raised the issue of changing over the days of Congress/AGM and Karadjordjevan. This would mean that the Karadjordjevdan celebration takes place on the Saturday and the AGM/Congress on the Sunday. It has been suggested that this would increase attendance at the Karadjordjevdan celebration.

5.5.2. In our subsequent newsletters we have informed the membership that we intended to put this into practice this year. Had social distancing measures not been put in place this year then Karadjordjevdan would have been celebrated on the Saturday of the relevant weekend and Congress/AGM would have taken place on the Sunday.

5.5.3. As we had no opportunity to trial this change this year, we will do this next year. If any member has any comments or observations on this change then please contact the Council of Management in the usual way, or raise the issue in person with any of the Trustees who will feed back any comments to the Council of Management for discussion at their next meeting.

5.6. Regulatory Compliance

5.6.1. Nenad Vranjes continues to monitor compliance of each of our Clubs in relation to regulatory requirements. Nenad reports regularly at meetings of the Council of Management, and this ensures that the Trustees have oversight of compliance with these requirements by the Clubs.

5.7. List Srbija

5.7.1. Nikola Dubaic remains the point of contact for all matters relating to List Srbija. He is in regular contact with List Srbija representatives Dragan Ciric, Dusan Grubnic and Vera Dragisic with whom he maintains a good working relationship. Nikola is on the editorial board of List Srbija.

5.7.2. Since the AGM/Congress last year he has produced articles for all key Association events in the UK. In addition, Nikola has recently published articles of general interest and there will be others in the forthcoming months.

5.8. Membership Cards

5.8.1. The membership cards this year feature Vojvoda Momcilo Djujic. If you have any suggestions as to next year's design then please contact the Council of Management in the usual way. As 2021 represents 75 years since the execution of General Draza Mihailovic we anticipate a design reflecting this event.

5.9. Commemoration of General Draza Mihailovic

5.9.1. As above, 2021 represents 75 years since the execution of General Draza Mihailovic. The Trustees intend to produce commemorative items, including badges currently being designed by Nenad Vranjes. We will consider what events we might be able to host, depending on how matters progress in terms of social distancing measures, and will provide further details in due course.

5.9.2. If any members have suggestions as to events that the Association might host or commemorative material that we could produce then please contact the Council of Management in the usual way.

6. London Club - Ravna Gora

6.1. The first nine months of the year were very successful with occupancy rates of 95% and a bank balance approaching £200,000. Unfortunately, as a tourist hotel with many guests from China, Italy and Spain the impact of coronavirus affected the business very badly with virtually no guests from early February. Since the government forced closure, there has been zero income but substantial unavoidable costs. The staff were all paid to the end of March. There has been a flood of cancellations and due to coronavirus, new regulations meant that the previously non-refundable pre-paid rooms qualified for refunds, which are being repaid daily.

6.2. The Club paid over the remaining £25,000 of the Deed of Covenant to the Association. The Club waived any rights over a Loss of Light compensation payment from a neighbouring development, in favour of the Association receiving 100% of the monies.

6.3. The Club AGM and elections have been postponed until conditions allow both to take place safely. The Uprava Doma will try to facilitate both as soon as possible.

6.4. During the year, the Club had worked to comply with all the Health and Safety requirements especially for electrical, gas and fire safety, incurring much expenditure on repairs but also on a new fire alarm and emergency lighting. These works made it easier to install cabling for a new CCTV system which has proved invaluable through lockdown. A number of leaks forced us to renovate rooms nos. 7 and 15 plus the bar. The enforced closure has afforded the opportunity to paint the main staircase and renovate the office.

6.5. The Club hosted our annual Drazin Dan lunch and several popular music evenings. A very successful innovation was Kolo Keep Fit where members of the wider Serbian community would gather to dance kolo in an informal setting. The Club continued its charitable work on behalf of the Association providing free accommodation to children and their families needing hospital treatment in London.

6.6. The future is very uncertain and any decisions on re-opening had to be balanced between the largely fixed costs, once open, and unpredictable income. However, an empty property is not a good option either. The Hotel reopened on 2nd October but it is too early to report back.

7. Leicester Club - Tromedja

7.1. Last year the Uprava reported reducing turnover and increased competition in the form of increased capacity of large chain hotels such as Novotel, Ibis and Holiday Inn alongside the increase in local boutique providers. This in turn created a downward pressure on room rates. In a bid to combat this a 'soft refurbishment' was undertaken in August 2019 with the first floor being painted and soft furnishings updated including the stock of beds. Supplier contracts were renegotiated and costs scrutinized; this ultimately saw the hotel changing its booking aggregator in December 2019. As a result, the Hotel saw an increase in the number of bookings in January through to March 2020 when unfortunately, due to the ongoing pandemic, the Hotel was forced to close. The Hotel reopened on 4th September but it is too early to report back.

7.2. Prior to the closure of the hotel the Uprava organised a Fancy Dress Poklade in February which was a success and enjoyed by all those in attendance.

8. Birmingham Club - Dinara

- 8.1.** During the course of 2019/20 the Birmingham Volunteer Group completed their initial objective to get Hotel Dinara generating income for the Association once more.
- 8.2.** Working without assistance, the volunteers hosted numerous events for the wider Serbian community and others. In the region of £3,500 in income had been generated, however this has proved to be challenging and an onerous task for those involved, who are all acting on a voluntary basis without personal remuneration.
- 8.3.** The restrictions arising from the Covid-19 pandemic forced the closure of Hotel Dinara in March 2020. Hotel Dinara has remained closed for business and future bookings have been cancelled until further notice.
- 8.4.** Working to a plan agreed with the Council of Management much has still been achieved during 2019/20:

Stage 1

- 8.5.** As part of this stage, works were completed to the function hall, kitchen and bar. Following this the volunteers worked hard to run numerous events. From September 2019 to March 2020 the volunteers hosted 14 events which included private parties and 2 wedding receptions. During this time Hotel Dinara also provided a focal point and facilities for the members of the Association and the wider Serbian community. The volunteers hosted Dan Dinarske Cetnicke Divizije on 7 December 2019; a New Year's Eve igranka; the Birmingham Kolo Sestara slava on 25 January 2020; and a Kobasica night on 22 February 2020.

Stage 2

- 8.6.** This stage involved the renovation of the former manager's flat ready for rental. Due to unforeseen circumstances relating to the heating and hot water system supplying the flat it is yet to be rented out. There has however been interest from potential tenants and the Trustees are optimistic that it could be rented within a reasonable period so as to start to generate income for the Association.

Stage 3

- 8.7.** The third stage in relation to Hotel Dinara involves the renovation to the first-floor bedrooms with a view to these being let on a commercial basis, again with a view to generating income for the Association. These works are yet to take place. The Trustees are considering various options for the future of Hotel Dinara and it does not therefore make sense to incur significant expenditure at this stage on works to the bedrooms.
- 8.8.** Overall, this year has shown how difficult it will be to continue to operate Hotel Dinara in a financially viable way relying only on the goodwill and hard work of a small group of volunteers. The Birmingham Volunteer Group have worked very hard and achieved a lot, but understandably have found it difficult to commit sufficient personal time and energy to run events successfully. The extent of work required to run such events has also been underestimated, and has put significant pressure on those individuals assisting in running events. In addition, events for the benefit of Association members and the wider Serbian community have seen relatively low attendance in comparison to the efforts required of volunteers to run the events, and the Birmingham Volunteer Group have struggled to gain greater support from the local membership.
- 8.9.** The Covid-19 pandemic and associated social distancing measures have all but crippled the prospects of a continued recovery for Hotel Dinara. As long as the premises are closed and unoccupied there is the additional risk of break-ins, theft and vandalism, all of which result in cost to the Association. During the Covid-19 pandemic there has already been another break in to the boiler room which resulted in copper piping being stolen. The Association has been required to install a replacement steel door.

What is the future for Hotel Dinara?

- 8.10.** As with all of our Clubs the success of Hotel Dinara is connected to the economic uncertainty of the leisure and hospitality sector. The Covid-19 pandemic makes it impossible to properly assess future success.
- 8.11.** What is clear however is that to successfully manage a venue in the leisure and hospitality sector requires dedicated, experienced and professionally qualified people. Such individuals will necessarily want to be appropriately remunerated and proceeding only on the goodwill of volunteers will no longer achieve success.

8.12. As a result, the Trustees are actively considering all potential options for Hotel Dinara, including leasing the commercial elements of the premises to a third party with a view to seeking a greater level of return. Having been in contact with agents and interested parties in the locality of Hotel Dinara with a view to progressing this possibility, we have received interest from someone wishing to purchase Dinara, as explained in the September newsletter. The Trustees will consult further with the membership before taking any final decision in this or any other regard. However, doing nothing is not an option.

9. Volunteers

We would like to thank all those who volunteered this past year to help our Association. We thank George Stojavljevic as our departing Secretary, all the members of both Club and Odbor Uprave, all members of the Kolo Sestara who have helped at functions, the teachers, parents and children of our folklore groups and all our members who have been patient with us in difficult times. Finally, we must thank Sava Ustic for translating this report and the regular newsletters.

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Alex Krickic

On behalf of the Council of Management.

October 2020

**REPORT OF THE INDEPENDENT AUDITOR'S TO THE TRUSTEES AND DIRECTORS OF
ASSOCIATION OF SERBIAN CHETNIKS RAVNE GORE IN GREAT BRITAIN LIMITED**

We have audited the financial statements of Association of Serbian Chetniks Ravne Gore in Great Britain Limited for the year ended 31 March 2020 on pages nine to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' and Trustees' Responsibilities set out on pages two and three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors and trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors and Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

**REPORT OF THE INDEPENDENT AUDITOR'S TO THE TRUSTEES AND DIRECTORS OF
ASSOCIATION OF SERBIAN CHETNIKS RAVNE GORE IN GREAT BRITAIN LIMITED**

Basis of opinion

In our opinion the financial statements:

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice FRS 102 as applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors and Trustees for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Paul Carvell (Senior Statutory Auditor)
for and on behalf of:

SFB GROUP LIMITED
Chartered Accountants
Unit 8 Oak Spinney Park
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Date: 26/11/2020