

Hale Community Trust

Annual Report and Financial Statements

Period from incorporation to

31 December 2016

Company Number: 09830706

Charity Number: 1166878

Hale Community Trust

Annual Report and financial statements for the period ended 31 December 2016

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Hale Community Trust

Legal and administrative information

Chairman

Grahame Elliott CBE

Trustees

Grahame Elliott CBE
Helen Brazier
Paul Luton
Jamie Shepherd

All of the above Trustees were appointed on 19 October 2015

Registered Office

2 Avon Road, Altrincham, Cheshire, United Kingdom, WA15 0LB

Independent Examiner

Hamid Ghafoor, BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT

Bankers

HSBC, 11 Stamford New Road, Altrincham, Cheshire, WA14 1BW

Solicitors

Collings & Company, 51 Stamford New Rd, Altrincham, WA14 1DS

Charity number

1166878

Company number

09830706

Hale Community Trust

Report of the Trustees for the period ended 31 December 2016

Introduction

The Trustees, who are also directors of the charity, submit their annual report and financial statements for the period ended 31 December 2016.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Structure, Governance and Management

Governing document

Hale Community Trust is a company limited by guarantee incorporated in England and Wales under the Companies Act 2006 on 19 October 2015 and a charity registered under the Charities Act 2011 on 3 May 2016. The liability of its members in the event of a winding up is limited to £10. The Memorandum and Articles of Association were amended by Special Resolution on 19 May 2016 to reflect the name change of the charitable company from Hale Community Limited to Hale Community Trust.

Background to the Formation of the Trust

In early 2015 Trafford Borough Council (TBC) announced that they were reviewing their Library plans and intended to close a number of Libraries in the Borough.

This raised concerns with the residents of Hale, which houses one of the Libraries under threat. Over 2,000 local residents wrote to TBC suggesting that it was not appropriate as far as Hale residents were concerned that the Library should be closed. As a result, TBC notified all interested parties that they were prepared to consider alternative arrangements.

Before March 2015 TBC announced that they would accept bids for alternative proposals to closure and a small team of Hale residents, who are now part of this Trust, submitted a bid in conjunction with the developers, Hillcrest Homes Limited, which was later accepted by TBC, against apparently six other bids.

The outline of the bid was that a new Library would be built on a site close to the present Library to replace the Pavilion adjoining the Bowling Green in the centre of Hale. This new building would be approximately 6,000 square feet, the top floor of which would be for a Library to be operated by TBC and the ground floor available for use as a Community Centre including two small groups, Seniors and Bowlers, who use the current Pavilion.

The bid provided that once the building housing the new Library and Community Centre was built and opened, the old Library site would be redeveloped. The proceeds from the development of the old Library site, of houses, flats and a shop, would not only provide for the costs of the purchase of the old Library site from TBC but also provide for the development of the new Library site and also produce some income out of the new development of the old Library site to provide funds for the ongoing activities of the Charity. In addition, HCT would also receive £300,000 for investment, to generate income towards future running costs of the new Community Centre.

The new Library and Community Centre would be built before the old Library was redeveloped, so there was no break in Library services for Hale residents. At some stage after this it is planned that the Freeholds of the two new Developments sites will be transferred to Hale Community Trust.

These negotiations have continued, since the bid was awarded, over the following two and a half years and are close to finalisation at the time of preparing this Annual Report.

Hale Community Trust

Report of the Trustees for the period ended 31 December 2016 (*continued*)

The Committee Members are:

Trustees:	Grahame Elliott CBE FCA Jamie Shepherd Paul Luton Helen Brazier FCLIP, Hon Secretary
Members of the Committee:	Tom Alford Chris Bathurst Elaine English Alan Mitchell ACA, Hon Treasurer Denise Laver Elizabeth Smith MBE Andreas Underwood

We have also had the support during the period from two Members who were very active for the first two years, for which we are most grateful, but who have, at the moment, decided they will purely act as Advisers and will not be on the Working Committee and they are:

Jackie Campbell
Lis Phelan

The Committee has met regularly throughout the period and is very hopeful that the development will start in the near future. When they are, it is intended the remaining Committee Members, listed above, will be appointed as Trustees.

The Operating Structure of Hale Community Trust

Appointment of Trustees

The first Trustees were responsible for forming the Company and Charity. The articles provide for the election of future Trustees, their responsibilities and obligations and the length of their service. Future Trustees will be appointed at the AGM when our membership arrangements are in place. We are continually looking at skill requirements for future Trustees.

Objectives and Activities

As set out in the charity's governing document, the charity's objectives are as follows:

- to further or benefit the residents of Hale 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 effect to advance education and to provide facilities in the interest of social welfare for leisure time occupation with the objective of improving the conditions of life for residents; and
- in furtherance of these objects but not otherwise, the directors shall have power to establish or secure the establishment of a community centre and to maintain or manage or cooperate with any statutory authority in the maintenance and management of such a centre for activities promoted by the charity in furtherance of the above objects.

Public Benefit

The Trustees confirm that they have complied with section 4 of the Charities Act 2006, to have due regard to the Charity Commissioners' general guidance on public benefit, 'Charities and Public Benefit'.

Hale Community Trust

Report of the Trustees for the period ended 31 December 2016 (continued)

Achievements and Performance

The Trust's main activity during this period has been to work with its key partners, developer Hillcrest Homes, architect CalderPeel and Trafford Council, on comprehensive plans for the new Community Centre & Library. Following the development of a detailed specification from the Trust and feedback from interested stakeholders, the architect has produced a modern design of high quality and in keeping with the surrounding environment, including plans for the garden and surrounding area. The planning application has been lodged with Trafford Council although at the time of writing it has not yet been validated pending completion of agreements.

The internal design is being undertaken pro bono by LB Studio and has benefitted from consultation with Sarah Curran of Trafford Library Service, other library specialists, bowling clubs, senior citizens, a local caterer and other interested groups and individuals. A branding consultant is working with LB Studio pro bono.

Simultaneously, the Trust has been negotiating with the developer and Trafford Council on a package of complex financial and legal agreements covering the whole development scheme, with the objective of safeguarding the viability and sustainability of the Community Centre and Library. During this period the Trust's key partner organisations have experienced changes in personnel and advisers and many issues have arisen requiring specialist expertise, both factors making negotiations a long drawn out process.

From the inception of the project in 2015, the Trust has been pleased to have support from many Hale community groups as stakeholders, including the Bowling Clubs, the Older People's Welfare Group, Friends of Hale Library, the Civic Society, the Business Association, Hale University of the Third Age, Women's Institute, centres of worship and many other groups and individuals who currently use the library and/or would potentially use the new Library and Community Centre. All these groups were consulted about their requirements of the new Library and Community centre and will have the opportunity to comment on the planning applications.

Notwithstanding the slow progress of negotiations, the Trust has delivered a number of communications to keep stakeholders abreast of developments, including email bulletins, media releases and meetings with groups such as the bowlers, senior citizens and library volunteers. A website specialist has committed to develop a website for the Trust.

During this period, the Trust was registered both as a Charity and as a Company and organisational policies have been written and implemented. Business and Financial Strategies have been developed. The Board met together with the Working Committee on nine occasions.

Preliminary work has been undertaken in readiness for the operational phase of the Community Centre and Library. A Business Plan for the Community Centre is in preparation and work is well advanced on arrangements between Trafford Library Service and the Trust for the delivery of library services. A job description for a centre manager is in draft form.

Income generation

Once the new Library building and Community Centre is opened, HCT will need to fundraise to achieve its overall objectives, which is to support the citizens and businesses in Hale and District.

The Trust should receive the ground rents from the houses and flats planned on the old Library site, once redeveloped, as well as the rent from a shop premises being developed on that site.

There will be income generated from the new site, particularly from the ground floor, as it is available for Community use.

However, we have to date, as the Accounts show, received £30,263 in donations; of which £30,000 is from the Michael Bishop Foundation (its Founder being a former resident of Hale) for which we are most grateful.

The Trust plans to commence major fundraising exercises once the arrangements for the Development are signed and planning permission submitted.

Hale Community Trust

Report of the Trustees for the period ended 31 December 2016 (*continued*)

The development of the new Community and Library building and its fit-out is funded by the arrangements laid out in the original bid plan by Hillcrest, supported by the Trust and accepted by TBC. The future fundraising activities will be needed to cover the general costs thereafter of the future activities which are planned for the Hale Community Trust.

Financial Review

At the 31 December 2016 the charity had net assets of £22,535. The charity's result for the period is a surplus of £22,535.

Reserves Policy

The Trustees have considered carefully their future reserves policy and have decided that whilst the Library and Community Centre is being developed they will hold all reserves until the building is complete. Once the building has been developed and is in operation the Trustees will reassess this decision.

Trustees' responsibilities

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to the independent examiner

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- there is no relevant information, being information needed by the independent examiner in connection with preparing their report, of which the charity's independent examiner is unaware, and
- the Trustees, having made enquiries of fellow directors and the charity's independent examiner that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Hale Community Trust

Report of the Trustees for the period ended 31 December 2016 (*continued*)

Independent examiners

The charity appointed Hamid Ghafoor, of BDO LLP, as independent examiner during the period.

Approval

Signed on behalf of the Board on 14 July 2017

A handwritten signature in black ink, appearing to read 'Grahame Elliott', is written over a horizontal line.

Grahame Elliott CBE
Chairman

Hale Community Trust

Independent examiner's report to the Trustees of Hale Community Trust

I report on the accounts of the company for the period ended 31 December 2016, which are set out on pages 8 to 12.

This report is made solely to the charity's Trustees, as a body, in accordance with Regulation 31 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's 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 charity's Trustees as a body, for my work, for this report, or for the statement I have made.

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 144(2) of the Charities Act 2011 (the 2011 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 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state 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 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 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:

(1) 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, 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

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



Hamid Ghafoor
ACA
BDO LLP
Manchester

Date: 18/07/17.

Hale Community Trust
Statement of financial activities
for the period ended 31 December 2016

	Note	Total 2016 £
Income from:		
Donations	3	30,263
Total		30,263
Expenditure on:		
Charitable activities:	4	7,728
Total		7,728
Net income		22,535
Net movement in funds		22,535
Reconciliation of funds:		
Total funds on incorporation		-
Total funds carried forward	8	22,535

The net income for Companies Act purposes comprises the net movement in funds.

All amounts relate to continuing activities.

The notes on pages 10 to 12 form part of these financial statements.

Hale Community Trust

Balance sheet at 31 December 2016

	Note	2016 £	2016 £
Current assets			
Cash at bank and in hand		30,263	
Total current assets		30,263	
Creditors: amounts falling due within one year	7	7,728	
Net current assets			22,535
Net assets			22,535
Funds of the charity			
General funds	8		22,535
Total charity funds			22,535

The Trustees consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Board on 14 July 2017 and are signed on its behalf by:



Grahame Elliott CBE
Trustee

The notes on pages 10 to 12 form part of these financial statements.

Hale Community Trust

Notes forming part of the financial statements for the period ended 31 December 2016

1 General information

Hale Community Trust is a company, limited by guarantee, incorporated in England and Wales under the Companies Act 2006. Details of the registered office address can be found on Page 1.

2 Accounting policies

Basis of accounting

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements are prepared in accordance with the requirements of the Companies Act 2006, and Statement of Recommended Practice (SORP) 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) and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

The Charity 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.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. All income arose in the UK.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Expenditure and basis of allocation of costs

All expenditure is accounted for on an accruals basis. The majority of costs are directly attributable to specific activities. Where costs cannot be directly attributable to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Support costs

Support costs represent the costs incurred directly in support of expenditure on the objects of the charity.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Hale Community Trust

Notes forming part of the financial statements for the period ended 31 December 2016 (*continued*)

2 Accounting policies (*continued*)

Funds

The charity only holds unrestricted general funds which can be used in accordance with the charitable objects of the charity at the discretion of the Trustees.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

Judgments in applying accounting policies and key sources of estimation uncertainty

The Trustees have made no significant judgements in preparing these financial statements.

3 Donations

	2016 £
Donations	30,263
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All income from donations during the period was unrestricted.

4 Costs of charitable activities

	2016 £
<i>Support costs</i>	
Governance costs	7,728
	<hr/>
	7,728
	<hr/>

Total expenditure on charitable activities for the charity was unrestricted.

Included within the above support costs are governance costs which are as follows:

	2016 £
Amounts payable to independent examiner:	
- Independent examiner fees	250
- Accountancy services	500
Legal and professional fees	6,978
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	7,728
	<hr/>

Hale Community Trust

Notes forming part of the financial statements for the period ended 31 December 2016 (*continued*)

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The charity did not employ any staff during the period.

No trustee received any remuneration in the period.

6 Corporation taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

7 Creditors: amounts falling due within one year

	2016 £
Trade creditors	13
Accruals	7,715
	<hr/>
	7,728
	<hr/>

8 Analysis of charitable funds

All funds are unrestricted and may be used towards furthering the charitable objects.

9 Related party transactions

Mr G Elliott, a Trustee of the Charity, is also a Trustee of the Michael Bishop Foundation, which donated £30,000 during the period.