



Educational Foundation of Abigail Bailey & Ann Levett

Charity Registration Number 309769

Trustees' Annual Report 2017

This report meets the requirements of *Section 11 Charities (Accounts and Reports) Regulations 2005*, and provides information on how the Charity aims to meet the public benefit test in line with *Section 4 Charities Act 2006*.

Background

The Educational Foundation owns the properties known as Chelveston Village Hall and School House situated on Caldecott Road, Chelveston. The Trustees of the Foundation are required to use the charity's income firstly to maintain these properties in good repair and to provide/run a Village Hall for the Parish of Chelveston-cum-Caldecott. Any surplus income should then be used to support the education of young persons in the Parish. The Foundation derives all its income from rental received from School House, from hire fees received from the use of Chelveston Village Hall and from its investments.

Activities undertaken in 2017

Major refurbishment projects were undertaken on both the Village Hall and School House during 2017.

All of the 150 year old windows of the Village Hall were re-glazed with energy efficient sealed units and extensive repairs were undertaken to the stonework which forms the window frames. This was partly financed using a **£4,150** grant from the Chelveston Wind Farm Community Benefit Fund, with the remainder drawn from operating revenue and reserves. Other projects completed on the Village Hall during the year, were the installation of additional external lights, painting of the old brick walls in the garden and the completion of panelling in the corridor.

The tenancy of School House became unexpectedly vacant in late May 2017. An extensive internal and external refurbishment of the property was undertaken for the first time in 15 years. All internal fixtures, fittings and pipework were removed and replaced, with a new downstairs toilet being added. Both the front and rear gardens were cleared and new paths and a driveway were created. New fencing and gates were installed around the property. New lawns were laid to the back and front.

This project cost **£55,500** (excluding 945 hours of labour and project management effort provided by the Clerk at no cost to the Foundation). The project was in part financed by a **£40,000** loan from the Michael and Christine Foulger Charitable Trust. **£29,940** of this loan was converted to a grant on completion of the project. The work was completed in September 2017 and the property was re-let immediately at 43% higher rent than previously achieved (before agency/management costs).

The Village Hall facilities have continued to increase in popularity with a 20% growth in hire fees compared with 2016. The programme of regular classes has expanded further, particularly for children. There are now 24 hours a week of children's provision during term time, with occasional out of term workshops. The ongoing support of this provision is closely aligned with the objectives of the charity.

Overall, the Hall was used for 1,660 hours during the year, with 581 separate bookings. As a result, much closer supervision of the building facilities has been needed compared with previous years, in addition to routine maintenance and cutting of the grass. Previously, this work had been undertaken voluntarily by the Clerk. Based on a study in January, it was estimated that over 250 hours a year of work would be needed to manage the Hall properly, sometimes involving 4-5 visits a day to check the facilities were ready for the next hire. The Trustees advertised for a cleaner/caretaker on this basis but were unable to find anyone suitable who was prepared to take on the full commitment. The Clerk was therefore contracted to provide these services at a flat rate of £10.00/hr, the same as previously paid for a freelance cleaner. Over the year the Village Hall Caretaker role required 256 hours work and 590 separate visits to the Hall. In addition, the Clerk undertook 38 hours of project work on the Village Hall, and 24 hours routine maintenance work on School House on the same paid basis.

Accounts for 2017

The attached accounts include the Village Hall operations. Hire income from the Village Hall was well above target for the year at **£12,196** up 22% on 2016. Expenses were higher on utilities and caretaker services as a result of additional usage. Maintenance costs were higher with the re-gravelling of the car park and repairs to the sewage treatment plant. **£1,500** of new equipment was also purchased, leaving an operating surplus of **£2,533**. This surplus contributed towards the **£14,211** of Village Hall improvement projects undertaken, with the balance being funded by a grant from the Wind Farm Trust and from general reserves.

School House rental income was **£6,096** – 8 months of tenancy. As a result of problems with the previous tenancy, the Trustees have elected to have the property fully managed by a combination of the Letting Agent and the Village

Hall Caretaker. Costs of routine maintenance and insurance were **£1,049**. Agency and Management Fees cost **£3,104**. Management fees are normally 12% of income. The remaining charges were incurred as a result of the legal costs associated with terminating the previous tenancy, and with the setting up of a new tenancy. Excluding re-development costs, the School House operating surplus was **£1,942**.

Following the refurbishments, the Trustees have had re-building cost surveys undertaken on both properties. The Village Hall rebuilding cost was assessed at **£708,000** and School House at **£460,000**. These figures exclude the value of the 0.33Ha of land on which the buildings sit. These valuations are 40 and 80% higher (respectively) than the index linked values previously used by our insurance company. The Village Hall extension and School House refurbishment have added significant value. Given their excellent presentation and state of repair, the surveyor considered that both properties should now be considered to be heritage buildings. These require specialised skills for rebuilding in the event of destruction. Previous valuations assumed that both properties could be replaced with modern equivalents. The Trustees believe that they a duty to preserve these heritage assets as an important part of the Village street scene. Both properties have now been re-insured at their full re-instatement value.

Investment income was negligible and offset by interest payments on the outstanding loan. The year-end balance of cash and investments was **£14,514**, with loan liabilities of **£9,138**. The net cash assets of the Foundation are therefore **£5,376**. This is well below the level that Trustees would normally maintain, and certainly lower than budgeted at the beginning of 2017.

The refurbishment of School House had originally been intended to have been phased over 2018/2019, beginning with a boiler replacement in April 2018 to comply with new energy efficiency legislation. Unfortunately, this timescale had to be accelerated and compressed as the property was completely unlettable when it was recovered.

The **£55,500** investment in the refurbishment will yield an additional **£2,160** per annum rental income (after costs). This is a yield of 3.9% on the total sum invested. The Trustees considered this to be a sound long term investment, even before the Foulger Trust made a grant of **£29,940** towards the project. This grant recognised the fact that the refurbishment had made a significant and permanent improvement to the Village street scene which could be enjoyed by all residents. After the grant, the net investment of Trustee funds in the project was **£25,560**. **£10,060** of this was borrowed from the Foulger Trust at an interest rate of 1.5% per annum, repayable within 5 years. After discounting the grant, the additional rental yield will be 7.8% of the Trustee Funds invested. The Trustees are happy with this yield and are satisfied that the loan can repaid in 18 months from operating cash flow.

As the total gross income is greater than £25,000, the accounts have been independently examined but are also available for any resident to undertake their own examination. The Trustees are satisfied that all internal controls are appropriate and that the accounts represent a true and accurate statement of the finances.

Links to 2017 Receipts and Payments Register	
PDF Version	http://villagehall.chelveston.org.uk/finance/2017/2017-receipts-and-payments-register
Excel Version	http://villagehall.chelveston.org.uk/finance/2017/2017-receipts-and-payments-register.xlsx

Issued on behalf of the Trustees



Adrian Dale, Clerk to the Trustees

Educational Foundation Abigail Bailey and Ann Levett
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 2017

INCOME

Educational Foundation Investments	
Lloyds TSB 77-21-06 03744468	£0.00
Lloyds TSB 77-21-06 04217360	£0.00
Virgin Charity Deposit Interest	£48.00
Charles Orlebar Arrears Interest	£22.57
Foundation Investment Income	£70.57

School House Operations

School House Rent	£6,095.89
School House Income	£6,095.89

Village Hall Related Income

Village Hall Operating Income	
Hall hire	£12,196.60
Equipment hire	£40.34
PCC contribution to running costs of tractor	£16.70
PCC contribution to tractor wear and tear	£55.08
Village Hall Related Income	£12,308.72

Grant income

Windfarm Trust Grant	£4,150.00
Foulger Trust Grant	£25,000.00
Foulger Trust Grant	£4,940.00
Grant income	£34,090.00

Total Foundation Income	£52,565.18
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EXPENDITURE

Educational Foundation Administration	
Administration & Banking charges	£74.97
Foulger Trust Loan Interest Payments	£174.51
Re-building costs surveys	£360.00
Foundation Expenditure	£609.48

School House Expenditure

School House Agency/Management Fees	£3,104.51
School House Building Insurance Premium	£278.91
British Gas Maintenance Contract	£292.47
School House Caretaker Services	£262.57
School House water rates	£125.97
Window cleaning and repairs	£89.45
School House Expenditure	£4,153.88

School House Operating Surplus	£1,942.01
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Village Hall Ongoing Operations

Village Hall Running Costs	
Caretaker services	£2,362.23
Minor repairs and maintenance	£1,914.49
Utilities	£1,696.26
Village Hall insurance premium	£1,484.37
Supplies	£427.15
Pay Pal Fees	£191.24
Music Licences & ICO Registration	£186.14
Sub-total Village Hall Running Costs	£8,261.88

Village Hall Equipment Expenditure	
Exercise Barres	£340.00
Portable electrical appliance tester	£301.20
Lawnmower	£259.97
Floor cleaner	£225.36
Door entry camera	£84.98
Garden, kitchen and hall misc equipment	£302.53
Sub-total Equipment Expenditure	£1,514.04

Village Hall Ongoing Operating Expenditure	£9,775.92
Village Hall Ongoing Operating Surplus	£2,532.80

Refurbishment Projects

School House refurbishment	£55,506.24
VH Window replacement (capital only)	£13,606.80
VH Corridor panelling	£407.88
VH Garden wall painting and external lighting	£196.29

Redevelopment Project Expenditure	£69,717.21
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Total Foundation Expenditure	£84,256.49
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Total 2017 Income less expenditure	(£31,691.31)
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BALANCE SHEET FOR THE YEAR ENDED 31st DECEMBER 2017

Funds B/F as at 1st January 2017

Foundation Cash Funds	
Lloyds TSB 77-21-06 03744468	£16,667.13
Virgin Charity Deposit	£16,045.60
Lloyds TSB 77-21-06 04217360	£4,398.47
PayPal	£210.77
Total Trustee Funds B/F	£37,321.97

Foundation Debtors/Creditors

Village Hall Creditors	
EON & Anglian Water	(£237.57)
Prepayments	(£17.00)
Village Hall Debtors	
Village Hall Debtors/Creditors B/F	(£254.57)

2017 income less expenditure

Investment income	£70.57
Grant income	£34,090.00
School House operating surplus	£1,942.01
Village Hall operating surplus	£2,532.80
Foundation Administration costs	(£609.48)
Re-development Project Costs	(£69,717.21)
Total 2017 income less expenditure	(£31,691.31)

Total Funds C/F as at 31st December 2017

£5,376.09

Funds C/F Represented by

Foundation Cash Funds	
Lloyds TSB 77-21-06 03744468	£9,499.07
Virgin Charity Deposit	£1,063.60
Lloyds TSB 77-21-06 04217360	£1,580.85
PayPal	£2,370.31
Total Trustee Funds C/F	£14,513.83

Foundation Debtors/Creditors

Village Hall Creditors	
Village Hall Debtors	
Foundation Creditors	
Outstanding Foulger Trust Loan [6]	(£9,137.74)
Foundation Debtors/Creditors C/F	(£9,137.74)

Total Funds C/F as at 31st December 2017

£5,376.09

MADE UP OF THE FOLLOWING RESERVES/LIABILITIES

Reserves B/F as at 1st January 2017

Educational Foundation Reserves	
Restricted Reserves	
Educational Grant Fund	£3,000.00
Tractor replacement/repair reserve [3]	£250.00
Unrestricted Reserves	
Tenancy change reserve [1]	£6,900.00
School House heating replacement [2]	£4,000.00
Trustee General Operating Reserves [7]	£18,812.73
VH General Operating Reserves [4]	£1,800.00
VH Equipment Replacement Reserve [5]	£2,304.67
Reserves B/F as at 1st January 2017	£37,067.40

2017 income less expenditure

Investment income (less interest payments)	£70.57
Grant income	£34,090.00
School House operating surplus	£1,942.01
Village Hall operating surplus	£2,532.80
Foundation Administration costs	(£609.48)
Re-development Project Costs	(£69,717.21)
Total 2017 income less expenditure	(£31,691.31)

Reserves C/F as at 31st December 2017

£5,376.09

Reserves C/F as at 31st December 2017

Educational Foundation Reserves C/F	
Restricted Reserves	
Educational Grant Fund	£3,000.00
Tractor replacement/repair reserve [3]	£450.00
Unrestricted Reserves	
Tenancy change reserve [1]	£2,000.00
VH Equipment Replacement Reserve [5]	£2,900.00
General Operating Reserves [7]	£6,163.83
Liabilities	
Outstanding Foulger Trust Loan [6]	(£9,137.74)
Educational Foundation Reserves C/F	£5,376.09

Reserves C/F as at 31st December 2017

£5,376.09

2017 Change in Foundation Reserves (£31,691.31)

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Non Financial Assets

Educational Foundation Permanent Endowment Assets

Item	Purchased	Notes	Value
School House	1864	0.07 Ha - Residential dwelling [8]	£ 460,000
Chelveston Village Hall	1864	0.08 Ha - Community building [8]	£ 708,000
Car park and amenity paddock	2011	0.18 Ha - Land price only [9]	£ 6,441

Village Hall Equipment Assets

Item	Purchased	Supplier	Cost
Large tables	01/10/2010	Topline Furniture	£ 1,355
Fridge Freezer	07/10/2012	Argos	£ 289
Urns, Kettles, Flask	07/12/2013	Amazon	£ 190
Small tables	30/07/2014	Topline Furniture	£ 421
Ladders	16/11/2014	BPS Access Solutions	£ 150
Screen and Projector	01/01/2015	Parish Council [10]	£ 2,500
Cooker	08/01/2015	John Lewis	£ 2,128
Dishwasher	08/01/2015	Industrial Warewashers	£ 1,554
Fire extinguishers	10/02/2015	Amazon	£ 120
Chairs	03/03/2015	Topline Furniture	£ 2,730
Wifi access point	10/02/2016	4GON	£ 185
Large tables	11/02/2016	Topline Furniture	£ 326
Small steps	26/02/2016	Solutions world	£ 55
BBQ	03/05/2016	Summer BBQ	£ 200
Dance Floor	26/05/2016	LeMerk Flooring	£ 200
Security Shed	17/06/2016	Asgard	£ 1,804
John Deers X135R Tractor	17/06/2016	Peterborough Grass Machinery	£ 2,800
Stihl Strimmer	17/06/2016	Peterborough Grass Machinery	£ 290
Exercise Barres	23/01/2017	The Barre	£ 340
Security Camera	26/01/2017	Lidl	£ 60
Micro SD card	26/01/2017	Maplin	£ 25
Lawnmower	23/03/2017	Screwfix	£ 250
Floor Cleaner	21/07/2017	Karcher Centre	£ 225
PAT Testing Kit	10/10/2017	First Stop Safety	£ 301
Misc Kitchenware	Various	Various	£ 350

Equipment Assets Value

£ 18,849

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NOTES TO ACCOUNTS

- [1] Tenancy change reserve provides for redecorating/repairs before new tenants (2 months rent per annum)
- [2] Heating replacement reserve provided for replacing heating system during 2018 - completed in 2017
- [3] Tractor repair and replacement reserve provides for long term major repairs or replacement of the tractor at the end of its life
- [4] VH General Operating Reserve provides working capital for Village Hall operations
- [5] VH Equipment Replacement Reserve provides for replacement of major equipment - now out of warranty
- [6] Loan to be repaid at £460 per month from 1st January 2018 @ 1.5% compound interest per annum
- [7] From 2018 General Operating Reserves will not be apportioned between the Village Hall and Trustee accounts
- [8] This valuation is the building re-instatement value in November 2017. Land value not included.
- [9] Land value represents discounted 2011 purchase price. Funds originated from sale of endowment lands in Hargrave in 1908.
- [10] The screen and projector were purchased by the Parish Council for permanent installation in the Village Hall