



Chelveston Village Hall

Charity Registration Number 266486

Trustees' Annual Report 2009

This Trustee Annual 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 charity known as the Chelveston Village Hall Association was formed in 1977 with the sole purpose of setting up and providing a Village Hall facility for the inhabitants of Chelveston-cum-Caldecott. This charity replaced the Chelveston Village Institute charity which was wound up when its building (on part of the JST site) collapsed under snow in 1970.

The Chelveston Village Hall Association was formed to take ownership of a 28 year lease granted by the Educational Foundation of Abigail Bailey and Ann Levett of the old Chelveston School rooms. The Educational Foundation is a very old Village charity (1796) which endowed and ran the original Chelveston School. The Foundation owns the properties known as Chelveston School 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 then to apply any surpluses to support the education of young persons in the Parish.

The Foundation derives all its income from rental received from School House, from a peppercorn rental received from the Chelveston Village Hall Association and from investments. The Chelveston Village Hall Association derives its operating income from hire fees for the Village Hall and equipment.

Accounts of the Chelveston Village Hall Association for 2009

The accounts shown below show a nominal total income of £1,882.07, a slight increase on the previous year. Outgoings were formally £2,454.60 although over £1,000 of these remained unpaid at the point the accounts were drawn up. The Chelveston Village Hall Association therefore made a loss of £572.43 for the year. This was the third year in a row that the Association had made a loss. The losses are increasing as fuel bills are rising.

The year end balance of creditors, cash and investments was £5,240.37.

Activities undertaken by the Charity in 2009

For various reasons, the Trustee's of the Charity have not been active in the management of the charity in recent years and therefore have not formally fulfilled their duties defined in the Trust Deed under which the Charity operates. They did not meet as a Trustee body or management committee during 2008 or 2009. They did, however, do an excellent job in 2007 in redecorating the Village Hall internally in readiness for the American Memorial unveiling that year.

A number of regular hirers have continued to use the Village Hall during 2009 – the University of the Third Age, Nene Valley Astronomers, Group 74, Chelveston Free Spirits, Chelveston WI. These are all adult educational/leisure groups. In addition, the hall continues to be used by the Parish Council for all Village meetings and is used regularly by individuals for private functions.

Even without an active Trustee Body, the Village Hall has continued to run on a day to day basis and delivers a public benefit in doing so. The smooth running of the ongoing operations is largely due to the efforts of Michael and Christine Foulger. They have managed bookings and handled administration. They have also provided all supplies and cleaning materials from their own pockets. With Michael's recent illness this situation cannot continue and the Chair of the Parish Council was asked by the Trustee Body to find a way forward to maintain this important amenity in the Village.

The historical problems

Unfortunately, the Chelveston Village Hall Association failed to renew its lease on the Chelveston School in 2005 when the original lease ran out. Consequently it has been operating outside the terms of its 1977 Trust Deed and legally no longer has premises in which to operate. However, the Trustees of the Educational Foundation have allowed informal continued use of the Chelveston School since 2005 whilst the situation was being resolved.

Under the terms of their Trust Deed, the Trustees of the Educational Foundation are required to maintain the Chelveston School Building using the rent received from the Village Hall Association. The rent started at £35/annum in 1977 and rose to £300/annum in 1991 where it has remained since. The ongoing maintenance of the School over the years has cost the Educational Foundation at least £20,000 to date. However, the lease has generated only £6,490 since 1977. The Foundation therefore lost over £13,000 on the lease over its lifetime. These losses are clearly unsustainable for the Foundation, and unfortunately there is considerable maintenance and refurbishment work still to be done on the School roof, guttering and rear walls. The Foundation needs to generate more income from the Chelveston School to pay for this. It is not allowed under charity law to continue to make losses in this way.

One answer might be to increase the annual rental paid by the Chelveston Village Hall Association to the Educational Foundation. However, rent would need to rise to a commercial level of more than £2,500 per annum in order to cover projected maintenance costs. The already loss making Village Hall Association simply could not pay this level of rent.

Furthermore, the kitchen and toilet facilities of the Village Hall no longer meet current regulations and will need modernising if the premises are to continue in use as a public venue. To add a complication, these facilities are technically owned by the Chelveston Village Hall Association (built on land loaned by the Foundation). Unfortunately, the Village Hall Association cannot afford to modernise these facilities and cannot apply for grants to do so as formally it no longer has the main premises in which to operate.

In short the situation is a complex mess – something the Trustees of both Charities have been increasingly aware of for many years. Many attempts have been made to resolve this complexity over the years but legal or administrative problems always got in the way. It has always been easier to leave arrangements unchanged. The Village Hall Association has continued to operate informally in the School and Foundation was prepared to continue making a loss on the building. However, the management of charities is much more tightly regulated now and their activities must be much more transparent and be publicly reported. The problems of the Chelveston Village Hall Association cannot be ignored any longer and the Educational Foundation cannot continue to make a loss on its assets.

The way forward

The Trustees of the Educational Foundation have agreed that they will petition the Charity Commission for formal permission to run a combined Village Hall/Educational Institute in the Chelveston School rooms. This would be done as part of the Foundation's own objectives and not through another charity as currently happens. This will reduce the current complexity and uncertainty of having two committees involved in running the facility.

If permission is granted, the Trustees of the Foundation will then use part of their reserves to undertake an extension and modernisation of the Village Hall to create an attractive well equipped facility which will attract more bookings from local educational and leisure groups. Facilities could include improved meeting spaces, new kitchen and toilet facilities, better parking and a broadband network. The new facility would be run by a new management committee drawn from around the Village. The Trustees have already engaged an architect to explore possible designs.

The existing Trustees of the Chelveston Village Hall Association have decided that they are no longer able to run the charity as a going concern and plan to petition the Charity Commission for the charity to be formally wound up. They propose transferring all their assets (cash, fixtures and the kitchen/toilet block) over to the Educational Foundation to help with the redevelopment of the Village Hall.

These actions requires a winding-up motion to be approved at a public meeting in the Village to which all inhabitants over 18 years old are invited. This motion will be proposed at the **Annual Parish Assembly in the Village Hall on 10th May 2010 at 7:30pm**. The Trustees of the Educational Foundation will exhibit and explain their proposals for an improved facility at that meeting to help the Village in making their decision.

The existing Trustees of the Chelveston Village Hall Association will all resign at the Annual Parish Assembly after proposing replacement Trustees who will run the Charity during the winding up period.

Issued on behalf of the Trustees



Clr Adrian Dale
Clerk to the Trustees

CHELVESTON VILLAGE HALL ASSOCIATION – Charity 266486

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31st JULY 2009

INCOME		EXPENDITURE	
Hall Lettings	£1,721.30	Rent	£300.00
Equipment Hire	£45.00	Insurance	£704.16
		Gas	£330.00
Carol Evening takings	£104.02	Electricity	£679.00
		Water	£65.79
		Fees/Licences/Subscriptions	£40.00
		Repairs / Maintenance	£210.80
		Performing Rights Licence	£44.85
		Salvation Army - Donation	£80.00
Interest			
Cheque Account	£1.96	Total Expenditure	£2,454.60
Flex. Savings Account	£0.56		
60 Day Notice Account	£9.23		
		Loss for the year	-£572.53
TOTAL	£1,882.07	TOTAL	£1,882.07

Unpaid in year
Unpaid in year
Unpaid in year

BALANCE SHEET FOR THE YEAR ENDED 31st July 2009

Balances At End Of Year 31 st July 2008		Balances At End Of Year 31 st July 2009	
Current (Cheque) Account	£1,847.54	Current (Cheque) Account	£2,401.38
Flexible Savings Account	£373.42	Flexible Savings Account	£373.98
60 Day Notice Account	£5,163.66	60 Day Notice Account	£5,172.89
Cash in hand	£92.00		
Creditors		Creditors	
School Trustees Insurance	-£1,363.72	School Trustees Insurance	-£2,067.88
School Trustees Rent	-£300.00	School Trustees Rent	-£600.00
		NACRE - Subscription	-£40.00
Excess of Income over Expenditure	-£572.53		
TOTAL	£5,240.37	TOTAL	£5,240.37

Banked this year

Notes

The School Trustees are the Trustees of the Educational Foundation of Abigail Bailey and Ann Levett. They pay the annual buildings insurance premiums for the Village Hall as part of their overall policy for the property. These premiums should then be reimbursed by the Chelveston Village Hall Association. In the years 2007-2009 no premiums were reimbursed by the Village Hall Association because of cash flow problems. They remain as outstanding debts to be repaid in 2010 when monies become available.

Since 31st July 2009, the financial situation has deteriorated still further and the Trust now has cash assets of just £4,729.98.