

Drimnin Village Hall (SCIO)

Charity Number SC050259

Annual Report and Financial Statements

For the period 3rd July 2020 to 31st December 2021

Trustees' Annual Report for the period 3rd July 2020 to 31st December 2021.

Registered Office: Auchnasaul House, Drimnin, Morvern, Oban, PA80 5XZ

Charity Trustees during the period:

- | | |
|---------------------|------------------|
| 1. Gillian Foulis | Chair |
| 2. Dr Hugh Morris | Treasurer |
| 3. Barbara Campbell | Secretary |
| 4. Patricia Moretti | |
| 5. Clare Asquith | from 20 May 2021 |

Governing document

The purposes, powers and other arrangements of the Drimnin Village Hall SCIO [hereafter known as "the DVH SCIO"] are set out in its constitution accepted by OSCR on 7th July 2020

Trustee recruitment and appointment

The trustees are entitled, by a majority vote, at a meeting of the trustees, to appoint as a trustee any member of the DVH SCIO. Clare Asquith joined the trustees from May 2021.

Objectives

The objectives of DVH SCIO are set out in the constitution. Through raising funds, the trustees will pursue the SCIO's objective to facilitate and provide recreational and educational facilities in the remote community of Drimnin.

The predecessor of DVH SCIO was an informal organisation called Drimnin Village Hall [hereafter known as *DVH*]. This has not been operative since the approval of DVH SCIO with two important exceptions:

Bank account: *DVH* had two business bank accounts with Santander. After approval as a SCIO, the Trustees required a charity bank account.

Hall lease: *DVH* has leased Drimnin Hall from the Highland Council since 1980. The lease needed to be transferred to the new body.

Both of these requirements have been significantly impeded by the pandemic.

Activities relating to the objectives

The primary function of DVH SCIO is the provision of social events for the Community. Unfortunately, during the period after July 2020 when the SCIO was approved, these were either forbidden or curtailed by national lockdowns and local restrictions. More recently, while restrictions on meeting have been removed, local Covid outbreaks have caused the predominantly elderly population of Drimnin to be reluctant to attend indoor social activities. We thus only undertook two activities between July 2020 and December 2021.

Community members are informed of activities through a membership mailing list; events are routinely publicised by notices in De Da Dol (a local newsletter), by inclusion on the organisation's website www.drimninvillagehall.co.uk, Facebook, Twitter and through community noticeboards.

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A substantial amount of repair work on the village hall has taken place over the last 18 months.

Achievements and performance

The trustees held six meetings in 2021 with the timing dependant on the business of the SCIO. The finances, activities, and operation of DVH SCIO were regularly reviewed.

Social activities in 2021 were significantly constrained by Covid regulations. Additionally, there was low local demand for meeting when infections were high. Therefore, no events were held until 27th November when the Drimnin Library resumed under the auspices of Highland Libraries. This was followed by Carol Singing around the Christmas tree outside the hall on 16th December.

DVH SCIO's regular income was severely hit by our inability to run our annual Summer BBQ and raffle. The 50:50 fund raising draw has continued. We received an annual grant for the maximum 20% of running costs from the Highland Council. We also applied for, and received, exemption from water rates via Business Stream.

As noted above, opening a suitable bank account was a key priority once our application to become a SCIO was approved. This has been an extremely drawn-out process complicated by Covid. We managed to open an account with the Cooperative Bank on 11th January 2022.

DVH has leased the village hall from the Highland Council: the repairing lease was signed in 1980 and extended for 50 years in 2001. It needs to be novated to DVH SCIO. Again, the pandemic significantly delayed this process. The lease novation has been approved by the relevant Highland Council committees; however we have not yet been informed when the legal work will be concluded.

The next step will be to hold an Extraordinary General Meeting of Drimnin Village Hall [*DVH*] to transfer its assets to DVH SCIO. This is planned for March 2022, March being the usual timing of the *DVH* Annual General Meeting.

The village hall is a former Victorian schoolhouse. The lease requires the tenant to carry out repairs and maintenance. Since the partial ceiling fall in May 2019, significant repairs have been required. It is extremely challenging to get a builder in our remote locality. This, together with the pandemic, meant that an assessment of the work needed only took place in March 2020 and repairs on slates, chimney, ridges, and copings were only completed in December 2020. During this work, several areas of woodworm were discovered along with rot at the ends of some outriggers. The woodworm was dealt with in October 2021. Other repairs are expected to be complete by March 2022. The hall still needs minor repairs, electrical upgrading and external redecoration.

DVH had a policy of holding a £3000 reserve against repairs. However, the scale of the work required meant that we sought assistance from both the Highland Council and Morvern Community Trust. Both had assisted us prior to the formation of the DVH SCIO. The Highland Council awarded £5000 towards the cost of repairs and the Morvern Community Trust

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awarded a total of £11,813. We are extremely grateful to both organisations for their generous support.

Policy on reserves

The DVH SCIO Trustees will aim to manage the Hall finances according to the following guidelines:

- Annual income should cover the running costs of DVH SCIO. Surplus income should be applied to improvement projects and the reserves. Running costs, general income and improvement costs should be regularly reviewed by the Trustees and discussed at the AGM.
- A financial reserve of at least £3,000 should be maintained to cover unexpected loss of income or damage to the Hall outwith any insurance policy. This amount will be reviewed annually.
- If sufficient funds are available, the trustees are authorised to organise events and projects for the benefit of the Drimnin Community and for which no charge is made. All other events will carry a small charge to cover event costs and make a small contribution to SCIO funds.
- If sufficient funds are available, the Trustees may also organise up to three events each year for which entrance charges do not cover event cost but which benefit the Drimnin Community and increase the range of activities available at the Hall. The number and nature of these will be reviewed annually by the Trustees.
- The Treasurer will produce a projection of the accounts for the current year in time for the AGM.
- The policy of DVH SCIO, and of its predecessor DVH, has been to hold £3000 in reserves against significant events.

Annual income of our predecessor organisation DVH historically exceeded expenditure. This has not been the case since the SCIO was formed because, while regular costs such as insurance, licences and the like have continued to be paid, Council annual grants are now capped at 20% of running costs and we have not had income from events such as our Summer BBQ, Community Cinema and talks. The Trustees have this issue under active consideration.

DVH SCIO is aware that further upgrading work on the Hall lies ahead of us. A review of our financial position is in progress to establish our ability to fund events and both maintenance and structural work.

Approved by the Trustees and signed on their behalf

Signed: *Gillian M Foulis*

Name: Mrs Gillian Foulis

Position: Chair

Date: *25 March 2022*

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Independent examiner's report to the Trustees on the unaudited accounts of Drimnin Village Hall.

I report on the accounts of the Charity for the period 3rd July 2020 to 31st December 2021 which are set out on pages 6 to 9.

Respective responsibilities of Trustees and independent examiner

The Charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (d) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of 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 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- * to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations

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.

Marie McMillan

Marie McMillan Cert Acct (Open)
Date: - **31st MARCH** 2022
Senior Finance Officer
Voluntary Action Lochaber
An Drochaid, Claggan Road
Fort William
PH33 6PH



Drimnin Village Hall (SCIO)
Receipts and Payments Accounts

For the period 3rd July 2020 to 31st December 2021
 Charity Number SC050259

	Note	Period to 31st December	Period to 31st December	Period to 31st December
		2021 Unrestricted £	2021 Restricted £	2021 Total £
Receipts				
Grants and Donations				
Grants	4	420	11,813	12,233
Donations	5	9,017	-	9,017
Bank interest received		223	-	223
Fund Raising				
50:50 Monthly Lottery 2020		442	-	442
50:50 Monthly Lottery 2021		999	-	999
Hydro Electric Credit		16	-	16
Miscellaneous		102	-	102
Total Receipts		11,220	11,813	23,033
Payments				
Charitable Activities				
Small Lottery Licence		40	-	40
Electricity		419	-	419
Water		293	-	293
50:50 Lottery Prizes		900	-	900
Community Broadband		475	-	475
Repairs & Renewals		-	6,813	6,813
Insurance		513	-	513
Equipment		35	-	35
Maintenance		197	-	197
Governance Costs				
Independent Examination	7	-	-	-
Total Payments		2,873	6,813	9,686
Surplus/(Deficit) for the year before transfers		8,347	5,000	13,347
Transfers between funds	6	-	-	-
Surplus/(Deficit) for the year		8,347	5,000	13,347

Drimnin Village Hall (SCIO)
Receipts and Payments Accounts

For the period 3rd July 2020 to 31st December 2021
 Charity Number SC050259

	Period to 31st December 2021 Unrestricted	Period to 31st December 2021 Restricted	Period to 31st December 2021 Total
Statement of Balances - as at 31st December 2021			
Opening cash at bank and in hand	-	-	-
Add Income	11,220	11,813	23,033
Less Expenditure	2,873	6,813	9,686
Transfers	6	-	-
Closing cash at bank and in hand	8,347	5,000	13,347
Bank and Cash Balances			
Santander Deposit Account	323	-	323
Santander Current Account	7,952	5,000	12,952
Outstanding lodgements	-	-	-
Outstanding cheques	-	-	-
Petty cash	72	-	72
8 & 9	8,347	5,000	13,347

Signed on behalf of all Trustees:

Gillian M Foulis

Name: GILLIAN M FOULIS

Date: 25 March 2022

The notes on pages 8 to 9 form part of these financial statements

Drimnin Village Hall (SCIO)

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Notes to the accounts

For the period 3rd July 2020 to 31st December 2021

1 Basis of Accounting

These accounts have been prepared on the Receipts and Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

This is the first set of accounts for Drimnin Village Hall (SCIO) which cover the period 3rd July 2020 to 31st December 2021. They were previously an unincorporated organisation and registered as a SCIO on 3rd July 2020. Funds held by the unincorporated organisation were transferred to the SCIO.

2 Nature and purpose of funds

Unrestricted funds are those that may be used at the discretion of the trustees in furtherance of the objects of the charity. The trustees maintain a single unrestricted fund for the day-to-day running of the Charity. A Grant of £420 was received from The Highland Council towards running costs.

Restricted funds may only be used for specific purposes. Restrictions arise when specified by the donor or when funds are raised for specific purposes. Grants totalling £11,813 were received for hall roof repairs - The Highland Council (£5,000), Morvern Community Trust (£6,813). Morvern Community Trust also pledged an additional £5,000 for same purpose of which £2,256 was paid by Morvern Community Trust direct to the contractor for the work done and the balance of pledged funds stands at £2,744.

3 Related party transactions

No remuneration was paid to the trustees or any connected persons during the period.

4 Grants

	Unrestricted Funds	Restricted Funds	Total 2021
The Highland Council	420	5,000	5,420
Morvern Community Trust	-	6,813	6,813
	<u>420</u>	<u>11,813</u>	<u>12,233</u>

5 Donations

	Unrestricted Funds	Restricted Funds	Total 2021
Misc Donations	633	-	633
Drimnin Village Hall (unincorporated association)	8,385	-	8,385
	<u>9,017</u>	<u>-</u>	<u>9,017</u>

6 Transfers between funds

There were no transfers between funds during the period.

7 Governance Costs

	Unrestricted Funds	Restricted Funds	Total 2021
Independent Examination	-	-	-
Accounting Services	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

8 Unrestricted Funds

	At 3rd July 2020	Incoming	Outgoing	Transfers	At 31st December 2021
Unrestricted Funds	-	11,220	(2,873)	-	8,347
	-	11,220	(2,873)	-	8,347

9 Restricted Funds

	At 3rd July 2020	Incoming	Outgoing	Transfers	At 31st December 2021
The Highland Council	-	5,000	-	-	5,000
Morvern Community Trust	-	6,813	(6,813)	-	-
	-	11,813	(6,813)	-	5,000