



Parracombe Community Trust Ltd

Registered in England under the Co-operative and Community Benefit Societies Act 2014
Number 7804

Directors' report and unaudited accounts for the period ended 31 March 2021

For approval by members at the annual general meeting to be held 29 September 2021, 7pm at
Parracombe Village Hall

Directors' report for the period ended 31 March 2021

The names of those persons who were directors at any time during the period are:

David Charles Austin – Chairman of the board of directors

Nicholas Backhouse

Nicholas Charles Constable - Secretary

Keith Bernard Denby

Michael Alexander Harrison

Jeremy Richard Holtom

Thomas Wilde – Treasurer (outgoing)

Simon Omar – Treasurer

Simon Young

No director received any remuneration in the period.

This directors' report has been prepared taking advantage of the exemption available to companies subject to the small companies' regime.

The accounts have been prepared in accordance with the micro-entity provisions.

Approved by the board on 8 September 2021 and signed on behalf of the board by



Nicholas Constable

Secretary

Chairman's Report

Dear member,

Welcome to the annual report and AGM for 2021.

Parracombe Community Trust was incorporated as a Community Benefit Society in July 2018 and so we have been operating just over three years. The motivation for the Trust's formation was to address three core issues; securing the future of our village hall, providing affordable places to live for people with local connections and to build a shop and café for the village.

These projects were an enormous challenge for our small community to take on. But take them on we did! The three core sub-committees of the Trust, in those three short years, have achieved a great deal.

Since the Parish Council acquired the freehold of the village hall in November 2018, the Trust has taken a 30-year lease on the property with plans to update the building to meet the needs of our community. While the Trust finds the money to redevelop the building the hall committee have worked hard throughout the last year to ensure that, when restrictions have allowed, the hall has remained open for continued use.

We are currently in the process of applying for a grant to fund the planning stages of village hall development. This funding will help us fully consult the community on what they want from their village hall as well as appointing architects and other professional services. We are working with Devon Communities Together as our partner to achieve this.

The Pavilion Stores and Café project is well underway, with location and planning approval secured and a signed lease on the Pavilion in place. Committee members are working through the business plan backed by the £150,000 raised through, community shares, crowd fundraising and grants.

We have already commenced building works at the Pavilion. Progress has been slower than we would have liked but a global pandemic, critical supply-chain delays, a shortage of HGV drivers and workers and general post-Brexit trading problems were all issues way beyond our control. We could not have foreseen any of this nor built it into our final business plan. Despite this the team are working hard to open the shop before year end.

Our affordable housing project team is making steady progress with our partner Middlemarch. We have identified the site location, agreed heads of terms with the landowner and commenced preliminary groundworks and environmental studies. There will be a community update at the village hall at 5.30pm on September 29th (directly before the Trust's 7pm AGM) when a location plan and some design ideas will be on show. Our architect, engineer and housing association representative will also be on hand to answer questions and hear your views. These homes will be rented to people only with specific local connections and applicants must go through Devon Home Choice to register their interest. If you do want to be considered, please contact Devon Home Choice as soon as possible.

Much of the hard work involved in laying the foundations for each of these initiatives has been in the background. We believe the physical evidence of our progress will become clearer in the coming year.

The ingenuity and enthusiasm of our community continues to amaze all of us on the management team. We started out with a membership of 28 in our first year; today we have 176 members from within Parracombe and surrounding parishes and from people far and wide that have an interest in, or connection with, our village.

In our first fiscal year to March 2019, we raised just under £2,000 from community events. At the close of YE to March 2021 the Trust had just under £195,000 in tangible assets through community fund raising events, community share investment and grants.

Parracombe is a special place to live, and I believe the success of our efforts to date is down to the sense of shared community responsibility and ownership. Despite the current difficulties we have continued to move forward at a pace.

With traditional fund-raising activities interrupted, the ingenuity of our members came to the fore. Last year the Parracombe 200 Club, a private lottery, was started to raise funds while the inaugural Parracombe Prize, a short story competition, went global in its first year, far exceeding expectations. These initiatives along with others and the Covid-19 local support grants have ensured that we remain in good shape financially.

As a Trust member, if you feel that you can get involved and contribute in whatever way please do come along to our AGM and volunteer your time and expertise. It is certainly not a requirement to be a committee member. The management team are however especially keen to expand the diversity of the committee and one that is more representative of the demographic of our community.

You can be co-opted to provide whatever support you feel you can offer to any of the three core committees. You may also be interested in joining the recently-formed events team which has come together to support community events and co-ordinate fundraising efforts.

I would like to offer a personal note of thanks to Tom Wilde, our outgoing treasurer who left the role due to personal commitments at the end of 2020. As an inaugural member of the management team Tom put in place the financial oversight and reporting necessary to ensure the Trust could flourish. The committee are extremely grateful for his time and effort, and particularly his patience, in guiding a committee unfamiliar with the inner workings and demands of HMRC and the Financial Conduct Authority.

The management committee would also like to thank every member of the hall, shop and housing committees, and the events team, for their sterling work throughout such a difficult year.

Finally, thank you for your support. Being a member of Parracombe Community Trust and having your say is in itself important. Your views and opinions inform and direct our actions in achieving the objectives of the Trust and it is you that ultimately decides how the Trust is run.

I look forward to welcoming you to our AGM at the village hall.

Kind regards

David Austin
Chairman

Project Progress to Date

Village Hall

Committee: *Keith Denby (chair), Helen Minns (secretary), Nick Backhouse, Simon Young, Jaye Jones, Linda Blanchard, Karen Farrington, John Minns, Juliet de Falbe, Alison Smith.*

In the period from April 2020 to March 2021 the UK went into three complete lockdowns with restrictions eased only in July, August, September and December. This meant that Parracombe Village Hall had very little use in the year with only the school making any regular use when schools were open.

Prior to restrictions being lifted for the first time in July 2020 the Hall Committee worked hard to undertake risk assessments to develop a Covid secure protocol to allow the hall to be used safely. Although the Covid secure protocol was in place, usage of the hall was not great - numbers inside had to be severely restricted and it was no surprise to find that the community was not very confident in holding indoor events whilst the pandemic continued to develop. However, the hall did host a very entertaining pantomime on 20th December from Multi Story Theatre, promoted by Beaford Arts.

The Hall Committee decided to use the time to take a close look at the state of the building. The first task was a detailed food hygiene risk assessment for the bar and kitchen areas and the conclusion was reached very rapidly that these areas were impossible to clean to the required standard and had serious defects in floors, lights and all the storage and work surfaces. Proper washing up and hand washing facilities were lacking. It was decided to close these areas for use and to obtain cost estimates to bring them up to the necessary standard. The estimates came in at approx. £12,000 and at that price would have required volunteers to do some of the work. Grants for a dishwasher and sink were obtained from our county and district councillors and they are thanked for their prompt assistance. However, during the winter period the back roof sprang several new leaks and we also noted that the main hall floor was sagging in several places near the outer walls. It was clear that a major refurbishment of the whole hall structure was likely to be needed and it was decided not to spend on refurbishment of the bar and kitchen at this stage because a far larger project was required to bring the hall into a proper state for our modern community use. The grant aid from local councillors was diverted to the shop project with their permission.

In order to explore the larger refurbishment project, the management committee approved the cost of employing a surveyor to prepare a planned preventative maintenance report so that we could gauge the total cost.

We also asked for broadly estimated costs to redevelop the space within the hall and to extend over the area currently occupied by the portacabin. The report concluded that a completely new roof covering was required and that we should expect to need to spend between £370,000 and £480,000 to achieve full repair and to extend the building. This underpinned the decision not to spend £12,000 on kitchen and bar refurbishment which would all be swept away in the larger project.

Some hopeful news arrived in the New Year - the Trust was able to engage in preliminary discussions with a major grant funder who has indicated considerable interest in the village hall project and expressed a wish to work with us. That has set in train the task of consulting fully with the community on what they wish to happen to Parracombe Village Hall and then to go out to funders for the money. This will be a major project for the management and Village Hall committees.

In February we were informed by Exmoor National Park Authority that the loan to provide the solar thermal heating system, the PV generation system and the wall insulation had been paid off by the feed in tariff and that from then on the feed in tariff would be paid to the Trust.

In February Linda Blanchard stepped down from the committee, the committee thanks her for all the hard work and good advice that Linda has provided.

Pavilion Stores and Café

Committee: Therese Chapman (chair), Sally Bastock (secretary), Dave Austin, Nick Backhouse, Brian Dallyn, Jo Harrison, Carey Hides, Becky Young.

After two years of hard work to develop a business plan, identify premises, secure planning approval and find investment partners, fund raising commenced in August with the launch of our community share offer. We set out to raise an optimum of £144,700 from shares with investment matching from the Booster Programme and our partners at the Co-op. The offer closed 19th October raising close to £125,000, 86% of our target.

We selected local builder Paul Smyth and in March work started at the Pavilion. Paul and his team made good progress through April and May on groundworks, foundations, and wall construction. But with the building trade generally very busy, and the effects of the economic headwinds mentioned earlier, construction has been slower over the summer than we would have liked. Paul has had to manage delays in material supplies and, particularly, the lead time for fabricated elements of the build (oak truss and associated structural components).

In April the Trust briefly reopened the share offer, successfully raising an additional £19,410 from new and existing investors. This figure includes an equity match bringing the total from share investments to £144,700, 100% of our intended target. In addition, we raised a further £2,320 from Crowdfunding in November. The shop committee have also applied for grants with various funding providers and in July received confirmation of a grant from the Princes Countryside Fund of £9,870. This money will supplement the first year's salary of the shop manager position. We also received grants of £7,525 and £2,000 from Exmoor Trust and the parish council respectively for the renewable energy installation.

The Trust's plans last year included some refurbishment to village hall facilities and we secured grants from North Devon Council and Devon County Council for equipment. Due to the hall being closed it was decided, with approval from NDDC and DCC, to reallocate these funds - £2,445 in total to equip the café. The additional capital funding and grants means we have now secured all funding we set out to find for the build and equipment, along with enough working capital to support the business in its early months.

There are still plenty of hurdles to overcome and no doubt there will be events beyond our control. But our ambition remains as focused as ever, we are looking to complete building work and have the premises open for business and ready to welcome customers for Christmas.

Affordable Housing

Committee: *Jeremy Holtom (chair), Nick Constable (secretary), Harry Harrison, Fred de Falbe.*

The Trust is working with Middlemarch Community-Led Housing (formerly Wessex Community Assets) to provide six affordable rented homes in Parracombe for people with an established local link. A local link is defined according to criteria laid down in the Exmoor National Park Authority's Affordable Housing Policy although the Trust is free to make amendments or attach additional requirements as necessary.

The Trust is acting as 'enabler' for this project – desperately needed in a rural area with comparatively low family incomes, traditionally high housing costs and severe development restrictions (the village is a designated Conservation Area within the Exmoor National Park).

A key part of our role involves keeping members, villagers and the wider community fully briefed on progress. To that end a project update meeting has been arranged at the Village Hall starting at 5.30pm on Wednesday September 29th, 2021 (i.e., directly before the Trust's AGM). This will be an opportunity to meet our architect, engineer and housing association consultant and view initial drawings to show where the homes will be located, their size and layout. Although detailed designs are unlikely to be ready on the 29th, we aim to arrange another community meeting as soon as they are. That follow-up meeting will be held once we submit a formal planning application to Exmoor National Park Authority

To date the Trust has adopted a housing needs survey, identified a preferred site, organised initial community consultation, provided regular community updates, obtained appropriate grants from local and national government, negotiated on land purchase, appointed lawyers to investigate title and other searches, overseen site feasibility studies and appointed architects, engineers and a partner housing association. The aim is to see the project through the planning process so that it is 'shovel-ready' for a developer.

It is important to note that while the Trust will be a key stakeholder in the above and will prepare a Design and Access Statement as part of a planning application, it will not be responsible for actual building work and costs nor for managing the affordable homes. These matters will be the remit of our partner South Devon Rural Housing Association. The Trust will retain freehold title to the land and will be paid an agreed annual rent by the housing association in line with market values. Tenants will be selected by Devon Home Choice in partnership with the housing association and selection will be compliant with the Trust's, and ENPA's, local link criteria.

During the reporting period to July 31st, 2021 the Trust secured a £16004.00 grant from North Devon Council to pay for site feasibility studies. It agreed heads-of-terms with the landowner and the purchase price will be finalised once feasibility studies, legal searches and planning procedures are complete.

The Trust has appointed Matt Sicolo of Sicolo Webb as lead architect, Craddy's as engineers, South Devon Rural Housing Association as development partner and Katie Duggins of Anthony Collins Solicitors as project lawyer. We also continue to work closely with our Middlemarch adviser Jay Lambe.

The five contractors who have conducted feasibility studies on site are:

- Arboriculture – Bruce MacFarlane at CoastalTree
- Ecology – Kitty Straghan at Devon Wildlife Trust
- Ground Investigation – Steven Hill of TerraFirmaSouth
- Engineering – Nick Mills of Craddy's -
- Topographic – Mark Trewin of Datumline

Parracombe Community Trust Ltd - Financial Statement 31 Mar 2021

Balance Sheet	31/03/19	31/03/20	31/03/21
Assets			
Bank Accounts (Lloyds)			
Main Current Account	£1,929	£10,204	£36,793
Shop Current Account	£0	£0	£126,027
Village Hall Account	£0	£2,785	£1,078
Housing Account	£0	£0	£18,344
Total cash at bank	£1,929	£12,989	£182,241
PayPal	£0	£0	£1,828
Petty Cash	£0	£0	£160
Total cash in hand	£1,929	£12,989	£184,229
Accounts Receivable	£0	£0	£9,989
Total Assets	£1,929	£12,989	£194,218
Liabilities			
Deferred income	£0	£0	£0
Accounts Payable	£0	£0	£136
200 Club Prize Fund	£0	£0	£600
Parracombe Literary Prize Fund	£0	£0	£200
Miscellaneous Accruals	£0	£0	£10,000
Accruals	£0	£0	£10,936
Deferred income	£0	£0	£0
Members Equity			
Paid-up Share Capital	£77	£93	£125,388
Accumulated Funds	£1,852	£12,896	£57,894
Total Liabilities	£1,929	£12,989	£194,218

Income & Expenditure	Period	FY19	FY20	FY21
Income				
Donations and Gifts		£1,681.32	£3,762.59	£3,809.32
Fundraising		£1,073.82	£6,514.50	£7,235.19
Grants		£0.00	£7,790.00	£47,642.17
Hire and Rent		£0.00	£816.00	£192.00
Trading Income		£0.00	£0.00	£0.00
Professional Fees & Governance		£0.00	£259.00	£0.00
Expenditure				
Donations and Gifts		£0.00	-£500.00	£0.00
Fundraising		-£403.48	-£1,016.00	-£565.08
Hire and Rent		£0	-£9	-£70
Professional Fees & Governance		-£300	-£4,899	-£9,823
Staffing Costs		£0	£0	£0
Premises		£0	-£1,149	-£3,275
Capital Expenditure		£0.00	£0.00	-£15
Running Costs		£0.00	-£224	-£132
Charitable and Donations		-£200	-£300	£0
Gross Income / turnover		£2,755	£19,142	£58,879
Total Expenditure		-£903	-£8,098	-£13,880
Net income (deficit)		£1,852	£11,044	£44,998

Notes to the accounts.

1. Accounting policies

The accounts have been prepared in accordance with the provisions of Financial Reporting Standard 102 and of the Companies Act 2006 applicable to companies subject to the small companies regime, and of the Co-operative and Community Benefit Societies Act 2014. The accounts have been prepared in accordance with the micro-entity provisions.

2. Donations received

Donations received include donations totalling £915 from members restricted to the village hall. Donations from members totalling £272 were entered into unrestricted funds. The sum of £2,623 was received as a donation into unrestricted funds from the proceeds of the sale of shares in the COIF Charities Investment Fund.

3. Income from fundraising activities

Income from fundraising activities comprises gross ticket and net bar sales at the Beaford events, raffles, Parracombe 200 Club, Parracombe Prize 2020 and other community events.

4. Grants

The following grants were received in the period:

NDCC Business Rates Support Grants totalling	£19,669
Dishwasher, inc. VAT from Cllr. Andrea Davis, DCC	£1,980
Sink unit exc. VAT from Cllr John Patrinos, NDC	£464
North Devon District Council - Affordable homes	£16,004
Exmoor Trust for Pavilion project renewable energy	£7,525
Parracombe Parish Council for Pavilion project renewable energy	£2,000
	£47,642

5. Hire

Hire income relates to the hire out of the village hall.

6. Expenditure on fundraising activities

Expenditure on fundraising activities primarily comprises of expenses related to Beaford events.

7. Professional Fees

Professional fees consist of fees related to the development of the Pavilion Stores and Café business plan and community share offer and launch, building control and architect fees.

8. Premises

Premises costs relate to expenses for cleaning, utilities, licensing and general maintenance of the village hall.

9. Running Costs

Running costs relate to expense incurred in the general running of trust business.

10. Donations

No donations were made this financial year.

11. Employees

The company had no employees at any time during the period.

Acknowledgement of directors' responsibilities

The directors acknowledge their responsibilities under the Co-operative and Community Benefit Societies Act 2014, for keeping proper books of account and for preparing accounts which give a true and fair view of the income and expenditure of the company and the state of the company's affairs as at the date of the balance sheet.

Audit exemption statement

The directors are of the opinion that in accordance with Section 84 of the Co-operative and Community Benefit Societies Act 2014, no audit of these accounts is required. Namely, a resolution under Article 26.2 of the Rules of the company to disapply the audit requirement was passed at the Annual General Meeting, at which less than 20% of the total votes cast, were cast against the resolution and less than 10% of the members of the company, being at the time entitled to vote under the Rules of the company, voted against the resolution.

Approval of accounts

These accounts were approved by the Management Committee and authorised for issue on 8 September 2021 and are signed on their behalf by



David Charles Austin
Chairman



Nicholas Charles Constable
Secretary