

## Treasurers Report for the period 1st January to 31st December 2024.

### **RATIONALE: SOURCES OF FUNDING**

The income for 2024, the year under report, is for the third full year after the enforced closure owing to the Covid-19 Pandemic, and subsequent loss of income. It is possible to compare 2024 income and expenses with those of 2023 (in brackets).

### **INCOME**

Income is broadly equally distributed over the three major income captions as in 2023: Commercial providers, Social Dance hires, and general longer-term rentals.

In the second full year following the Covid Pandemic, **hire income of £21,100** grew by almost £3,000 from 2023's income of £18,333. Increasing social dance hiring has provided a better income balance.

The average rental income for the years 2014-2019 was £16,218, so we have increased pre-Covid rental income levels.

A declining interest rate environment meant we earned just over £700 interest, net of bank charges ( 2023: £900).

There were no Brighton and Hove Council support Grants in 2024 and 2023. No third-party grants were received in 2024.

As total income £21,845 is less than the Charity Commission's Inspection threshold limit of £25,000, the 2024 accounts have not been subject to external inspection.

### **EXPENSES**

As we continue to cover day-to-day operating expenses from income in 2024, we financed safer access to the hall and enhanced the heating/cooling system.

Our 2024 **expenses and capital spending totaled £18,029** (2023 £17,030). This included the new handrail (£1,500) to facilitate access to the hall, and the CamCool heat pump remote control £1,100.

Comparative net operating expenses were £16,000 (£13,000 in 2023) The historical average expense level in the five years pre-Covid was £9,200.

Regarding utilities, the effect of the war in Ukraine on global energy prices continues to mean it is not yet possible to see the cost benefits of the air source heat pump purchased in 2021. During 2024 we upgraded the heat pumps software which allows the system to be controlled remotely for individual users' needs.

Our previous electricity supplier OPUS exited the business and were replaced by EDF in September 2024. This has not been a straight forward: we provided EDF with meter readings in December 2024 so we were billed for 2024, but EDF took almost six months to install a new remote meter in February 2025. They have yet to use this meter to remotely read usage and bill us accordingly.

The work for the new fence giving access to the new Community Garden was funded by our neighbours, and instigators of the CG project, DownsView LifeSkills College.

Brighton and Hove Council continued to give a 100% rate reduction in business rates in 2024,

### **Cash Balances**

We ended 2024 with a bank balance of almost £72,000 (2023 £68,000). The cash balance meets our revised twenty-four months expenses reserves policy (£35,000).

As operating expenses increase annually, Trustees are careful to balance income with outgoings and funding major improvements to the fabric for our 100 years old building.

Hire costs are compared to other comparable venues in 2024 we saw no need to raise fees in 2024

I declare and affirm the accounts reflect a true and fair record of 2024's income and expenses.

### **Financial Uncertainties/Going Concern**

You will recall that the Treasurer's report 2022 confirmed that the Trustees had agreed a policy to use of two years' reserves to maintain the hall should any pandemic or future closure last that long.

The Trustees are happy that the Hall's cash reserves are sufficient to meet another two full year's loss of income in the event of an unanticipated enforced closure.

Whilst the finances are strong the Hall needs to be sure of an orderly succession over the near term that it has successor trustees to support and supplant the current elected trustees.

#### **Subsequent events**

There have been, apart from EDF's billing difficulties, no subsequent events in the first six months of 2025.

#### **Conclusion**

It is clear that PMH's finances have survived a unique set of years when it was completely closed due to the Covid Pandemic Restrictions.

To ensure its financial survival the Trustees revised the reserves policy with the 2020 AGM's approval (formerly three months expenses, was deemed to be inadequate) to maintain a reserve equivalent to two year's expenses ( say £35,000 based on the two proceeding years' expenses). The trustees have reviewed this Reserves Policy and feel that it is adequate for the foreseeable future.

Adopted by the Trustees of Patcham Memorial Hall

- proposer
- seconder
- date

Questions raised on these accounts:

Confirmation of adoption of these accounts for 2024: