

# **LETCHWORTH EDUCATIONAL SETTLEMENT**

## **TRUSTEES REPORT AND EXAMINED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2025**

**Registered Charity in England and Wales: 311085**



## LETCHEWORTH EDUCATIONAL SETTLEMENT

<b>CONTENTS</b>	<b>Page</b>
General information	3
Trustees' report	4-14
Independent examiner's report	15
Statement of financial activities	16
Balance sheet	17
Notes to the financial statements	18-23

DRAFT

## LETCHWORTH EDUCATIONAL SETTLEMENT

### REFERENCE AND ADMINISTRATIVE DETAILS

**Charity name** Letchworth Educational Settlement  
Also known as the Settlement

**Charity number** 311085

**Governing instrument** Updated Constitution adopted 22 November 2022

#### Committee

**Chair** Hilary Kemp

**Vice Chair** Stephen Charles

**Secretary** Marian Adams

**Treasurer** Alan Higbey

**Other Committee members** Katherine Alcock (to 22 October 2025)  
Marine Boulter  
Nigel Carrick  
Colin Connelly  
Elaine Fox (from 8 May 2025)  
Jennifer Gosling (from 18 September 2025)  
Collette Hoefkens

Nick Skinner, Manager (ex-officio)

**Principal address** 229 Nevells Road  
Letchworth Garden City  
SG6 4UB

**Independent Examiner** Roger McIntyre Brown, FCA  
Glebe House  
Garth Road  
Letchworth Garden City  
SG6 3NG

# LETCHWORTH EDUCATIONAL SETTLEMENT

## TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2025

### STRUCTURE, GOVERNANCE AND MANAGEMENT

Letchworth Educational Settlement (“the Settlement”) was established in 1920 and moved to its current address in 1925. In 2020 the Settlement celebrated its Centenary.

The Constitution was updated at the Annual General Meeting (“AGM”) on 22 November 2022. Prior to that it was last amended at the 2017 AGM. The Constitution approved at the 2022 AGM (“the updated Constitution”) is based on the Charity Commission’s model constitutions so ensures good practice and governance. It provides greater protection to the Settlement, Members and Trustees, and clarifies powers, responsibilities and the actions to be taken in specific situations.

The Settlement is a registered charity in England and Wales.

Originally, to attend the Settlement, you had to be a subscriber which entitled you to join classes. This was the only way to raise money at the time. The requirement to be a Member to enrol on courses remains today and is enshrined in the Settlement’s Constitution.

#### **Appointment of Trustees**

Under the Constitution Trustees are elected by the Members at the AGM. To be eligible for election, a candidate must be a Member of the Settlement. The Committee (or “we”) is the title and designation of the body responsible for the governance and administration of the Settlement. The Trustees form the Committee.

Under the terms of the Constitution:

- Trustees serve for a period of three years, with one third of them retiring at every AGM. Those trustees retiring by rotation are eligible to stand for re-election. This provides greater continuity for the Settlement as it reduces the likelihood of a complete change in the membership of the Committee every year. It helps to maintain the Settlement’s strategic direction and reduces the administrative burden with less “re-inventing the wheel”.
- The Officers are appointed by the Trustees from among their number. They must have the necessary knowledge, skills and experience to carry out the duties of their office.
- The Settlement Manager is a Trustee by virtue of their office, unless they choose otherwise, with full voting rights on the Committee.

#### **Members**

Any person, aged 18 or over is deemed to be eligible for the membership of the Settlement by the Committee providing they support the Settlement’s aims and objects, abide by the Settlement’s rules as set out in the Constitution and its Membership policy (available on the Settlement’s website) and pay the annual subscription applicable to ordinary Members or other class of membership as the Committee at its discretion, may create, including honorary fellowships, who will not be liable to pay any subscription.

#### **Committee**

The Constitution provides for a minimum of three and a maximum of twelve Trustees, including the Officers. There is no maximum period for which a Trustee can serve, or upper age limit.

The Committee can co-opt any Member onto the Committee to serve until the next AGM, although not in the capacity of a Trustee until formally elected at the next AGM

## LETCWORTH EDUCATIONAL SETTLEMENT

### TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2025 (continued)

The Committee meets at least four times a year.

The Trustees receive no remuneration or other benefit as Trustees. The declaration of interests is a standing agenda item for all Committee meetings. If a Trustee receives payment from the Settlement for professional or other services, the amount is detailed in note 14 to the financial statements.

The Trustees who were serving on the date this report was approved by the Committee are listed on page 3.

To help the Committee to be as effective as possible, we have a number of Sub Committees covering specific areas of our work. Each Sub Committee has its own terms of reference and a report from each one is a standing agenda item for Committee meetings. These Sub Committees carry out detailed work in their areas of responsibility, covering Finance and Resources, Property and Fundraising and Volunteers, and then report and make recommendations to the Committee. The Sub Committees can invite non-Trustees to join them if appropriate, for example, to provide additional or specific support and expertise.

Hilary Kemp has been our Chair since the Settlement re-opened in September 2020 after its closure due to the Covid pandemic. She has decided to step down from this role after the 2025 AGM on 25 November 2025. Hilary has been a driving force in the re-generation of the Settlement and we are enormously grateful for her commitment to what at times has been a daunting task. Under her direction the Settlement now has in place a vision and strategy for the future. Fortunately, she has confirmed that she will seek re-election as a Trustee at the 2025 AGM and we are grateful that we will not lose her expertise.

We have already appointed Elaine Fox as Hilary's successor as Chair, subject to her election as a Trustee at the 2025 AGM. We co-opted Elaine onto the Committee in May 2025 but her involvement with the Settlement predates this, having been a member of the Fundraising and Volunteers Sub Committee for some time. Elaine brings a wealth of experience at senior management level, with particular expertise in HR and change management. Appointing her as Chair Designate provides us with continuity and allows a period of handover before Hilary steps down.

Since the balance sheet date, we have co-opted Jenny Gosling onto the Committee and Katherine Alcock has stepped down as a Trustee due to her work commitments. Katie was elected as a Trustee during the Covid pandemic and her IT expertise was invaluable in helping us deliver online courses and keep our previous website running, as well as delivering a number of courses for us. We will miss her greatly but she will continue to support the Settlement in her personal capacity.

We are very grateful to all of the Trustees for their commitment, in different ways, to the Settlement. Their hard work, guidance and expertise have contributed to what the Settlement has achieved over the last few years.

#### **Management**

We delegate the day to day running of the Settlement to the Manager, Nick Skinner and his staff, Assistant Managers Julie Butcher and Carly Simmons. They work with us to ensure the Settlement's objectives are achieved.

The Settlement's activities have continued to grow during the year, including the introduction of the Saturday School. Our new website and database implemented in the summer of 2024 have helped to reduce the administrative burden on the Settlement office and improved management and financial reporting and record keeping.

## **LETCWORTH EDUCATIONAL SETTLEMENT**

### **TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2025 (continued)**

We are once again very grateful to Nick, Julie and Carly for their commitment and enthusiasm to ensuring the smooth running and continuing development of the Settlement. With such a small staff team, their willingness to go the extra mile is much appreciated.

It is with sadness that we accepted Nick's resignation as Manager with effect from the end of 2025. He took over his duties at a difficult time when the Settlement was still recovering from the impact of the Covid pandemic. Under his leadership he has developed the Settlement's activities which has contributed to its greater financial stability, as well as overseeing a greater professional approach in the Settlement's administration. We wish him well for whatever he decides to do next. Information on Nick's successor as Manager is included in Plans for the Future.

Carly also left us at the end of October 2025 and we are grateful for her contribution to the Settlement, especially in developing our marketing. As with Nick, she will be missed. Temporary arrangements to cover Carly's duties will be put in place until Nick's successor has had time to settle in and be a part of the decision making about future resourcing.

We are very grateful for the continued support of all our learners, tutors and hirers. We appreciate their commitment to ensuring that the Settlement retains its unique place in the local community. We are conscious that the changes that we have had to introduce to safeguard the Settlement's future viability may not have always been welcomed but we hope that everyone understands why they have had to be made.

We would also like to acknowledge the work of the small but hardworking group of volunteers who support the Settlement in many different ways on a regular basis, especially those who help with our fundraising efforts.

Without all the different people who support the Settlement, it would not continue to exist, and equally importantly, look forward to the future.

It is with great sadness that we note the death of Roy Evans on 2 January 2025, just three months short of his 90th birthday. Roy was the Settlement's Warden from January 1963 until he retired in January 2001. After his retirement, Roy still maintained a very close connection with us – he was a great friend and support – and he will be greatly missed.

### **OBJECTIVES AND ACTIVITIES**

In setting the Settlement's objectives and planning its activities we give careful consideration to the Charity Commission's public benefit guidance.

The Settlement's objectives are to provide a centre for education, recreation and social activities open to all Members, other users and visitors attending events. We aim to provide a friendly, accessible and supportive atmosphere.

The Settlement achieves its objectives by:

- Providing courses to meet some of the educational requirements and interests of adults living in Letchworth Garden City and the surrounding area.
- Providing facilities and courses for the creative arts, humanities and languages.
- Arranging a diverse programme of workshops, tutor-led events, talks and other events.
- Liaising locally and more widely with other parties involved in education and the creative and performing arts. Matters of common concern include provision of local facilities, meeting local needs and heritage issues.
- Providing a meeting place for local organisations.

## LETCHWORTH EDUCATIONAL SETTLEMENT

### TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2025 (continued)

#### ACHIEVEMENTS

The number of courses delivered for the year ended 31 July 2025 was 275 (2024: 238) and was broken down between:

	In person	Off campus	Total
Arts and crafts	120	9	129
Languages	73	-	73
Humanities	73	-	73
Total	<u>266</u>	<u>9</u>	<u>275</u>

Off campus courses were those delivered on line or by email correspondence. Although they only form a very small part of our offer, we will continue to deliver some courses this way if there is the demand for them.

The total number of courses delivered increased by 16%. We continued to run a number of two shorter courses per term rather than one longer one, partly to make them more accessible to learners who cannot or do not want to commit to a whole term, and also to spread the financial outlay.

The course numbers delivered above do not include courses that were cancelled due to low take up. It is not financially viable for us to run classes without a minimum number of learners. The number of courses cancelled was 28 (2024: 39), representing 9% (2024: 14%) of planned courses. Just over 50% of the cancelled courses were those for arts and crafts. We are pleased that the cancellation rate has reduced but our aim is to reduce it further if possible.

We market our offer as widely as possible. Our principal marketing tool is our website but we use social media, printed material including posters and leaflet drops, and the local press, venues and partner organisations to advertise what is happening at the Settlement. We leave it as late as reasonably practicable to cancel courses but we cannot keep them open right up until their start dates as we need to let tutors know they are not required and, if possible, find an alternative to make a positive contribution to our financial position. However, the course numbers above do include 11 small classes, all language ones, where the learners are happy to pay an increased fee for the course to run.

Enrolments on the courses were 2,235 (2024: 2,104), representing a 6% increase over the previous year. Enrolments were broken down between:

	2025	2024
Arts and crafts	978	867
Languages	553	482
Humanities	704	755
Total	<u>2,235</u>	<u>2,104</u>

Increased enrolments have resulted in more courses running at greater or full capacity so at the very least they break even in terms of overheads.

## LETCWORTH EDUCATIONAL SETTLEMENT

### TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2025 (continued)

In addition to courses, there were 91 (2024: 59) workshops and tutor-led events, broken down as follows:

	<b>2025</b>	<b>2024</b>
Arts and crafts	51	39
Languages	4	1
Humanities	36	19
Total	<u>91</u>	<u>59</u>

The total number of workshops and tutor-led events was 54% higher than in the previous year, in part due to the introduction of the Saturday Morning School with effect from the Spring 2025 term. This School provides an opportunity for those learners who cannot attend our courses on a week day. The workshops and tutor-led events were all in person. Just over 50% of them were those for arts and crafts.

Enrolments on workshops and tutor-led events were 1,088 (2024: 587), representing a 72% increase over the previous year. Enrolments were broken down between:

	<b>2025</b>	<b>2024</b>
Arts and crafts	455	338
Languages	181	-
Humanities	372	249
Total	<u>1,008</u>	<u>587</u>

In addition to the introduction of the Saturday Morning School, we have also held a number of tutor-led events for languages.

We feel that guided learning hours (active teaching hours) are the best indicator of the success of the Settlement's offer as it is a consistent measure for all of the courses, workshops and tutor-led events, regardless of their length.

Guided learning hours for courses, workshops and tutor-led events amounted to 4,368 hours (2024: 4,158), representing an 5% increase over the previous year. The hours were broken down between:

	<b>2025</b>	<b>2024</b>
Arts and crafts	2,337	2,277
Languages	1,189	964
Humanities	842	917
Total	<u>4,368</u>	<u>4,158</u>

We review the data on the Settlement's activities on an ongoing basis. Our new database now provides us with up to date, consistent and easily accessible data. This data helps us to measure the success of what we offer and make decisions about our future activities

During the year we continued our partnership with Herts Visual Arts (HVA). This collaboration brings together HVA's 300+ Hertfordshire artists and craftspeople with the Settlement's place as a venue for arts and crafts and its teaching facilities, provides joint marketing opportunities and helps us to find new tutors. We have again been a venue HVA's Open Studios in September.

As noted in the section on our Structure, Governance and Management, to enrol on a course, a learner must be a Member of the Settlement. However, membership is not



## LETCHWORTH EDUCATIONAL SETTLEMENT

### TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2025 (continued)

required to enrol on workshops and tutor-led events. These include those that are offered as part of our Christmas workshops and our Easter and Summer Schools, as these are one off activities. We hope that these activities will serve as taster sessions and some participants will then enrol on a course, as well as providing opportunities for those who work or have other personal responsibilities to experience what we have to offer.

Membership numbers at 31 July 2025 were 830 (2024: 774), representing a 7% increase over the previous year. 72% (2024: 72%) of Members are concessions (60 years and over). Nearly three quarters of Members live in the Settlement's local community, the Letchworth/Baldock/Hitchin postcode areas. However, there are Members who come from much further afield to participate in our offer. Although the majority of Members have joined the Settlement to enrol on a course, there are also those who continue to be Members because they want to support a local and valued community organisation.

During the year we also introduced two new initiatives, the Artist and Writer Residencies. This initiative allows the artist (in fact, we had two, Nade Simmons and Becky Ullah) and the writer (Pippa Harvey) to work onsite at the Settlement and, in return, to contribute to our life and culture. Both the artist and the writer have use of dedicated space in the Kincaid Hall building if they wish to use it. During the year the current residents have shared their work by displays or by participating in workshops or tutor-led events.

The Settlement's "Little Theatre" is home to the Settlement Players. The Players were founded in 1923, three years after the Settlement itself. Our relationship with the Players continues to be of mutual benefit and the Kincaid Hall has again been the venue of three successful productions during the year – The Flint Street Nativity, The Girl on the Train and Haywire.

During the year the Settlement's facilities also continued to be used by a large number of other hirers ranging from the Letchworth Garden City Camera Club (another group which has been in existence nearly as long as the Settlement), the Dance Steps Academy and other local organisations and clubs, including the Arts, spinning and weaving, music, chess, table tennis and wine tasting.

Fundraising from other activities remains an important source of additional income for us, as well as providing the opportunity for social events and to engage with people who may not normally come to the Settlement. During the year we introduced the Settlement Sessions, a monthly musical offering. Events during the year included the ever popular quiz, "Whose Wine is it Anyway?" and our annual Christmas Fayre, when we welcomed local crafts people to the Settlement. The Settlement Sessions included artists such as Edwina Hayes, Emily Slade, Gary Stewart and Elizabeth & Jameson. Other musical events included Viv Lucas and Friends, Pete and Mike's Christmas Cracker, an evening of George Gershwin and the return of The Beertles for two sessions. During the hot weather over the summer, the fact that the Kincaid Hall had air conditioning was a real bonus during our events! We are very grateful to the volunteers who spend considerable time organising all of these events and those who support them.

One issue we continue to face is late enrolment for both our educational and fundraising activities. This is an issue shared with many other organisations so we are not unique. But in common with them, the impact can be significant ranging from cancellations (as noted above) to ongoing concern about whether we will have sufficient income to cover our overheads. We appreciate that since the Covid pandemic people are reluctant to commit too far ahead and there is continuing pressure on personal finances. We are therefore grateful to those who do enrol on our activities earlier rather than later and apologise if an activity has been cancelled due to low take up.

## **LETCWORTH EDUCATIONAL SETTLEMENT**

### **TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2025 (continued)**

At the 2024 AGM, concern was noted that the new website did not have a shopping basket (to allow multiple transactions with one payment) and we might lose support because of this. As our results show, this has not been the case. However, the introduction of this functionality continues to be on the list of changes that Beacon, our database provider, will consider in the future. In the meantime, the new website and database have made a significant improvement to our administration, reporting and IT security, all of which are key requirements for us.

During the year we also continued to work on our governance. We introduced a new Tutor Agreement that includes a Tutor Charter. We also agreed a new Hiring Agreement that includes a Hirer Charter and this will be put in place from September 2025. Since the end of the reporting year we have also agreed a Trustee Charter setting out the requirements to be, and expectations for, a Settlement Trustee. We also continued to review our existing policies and procedures, particularly those covering Health and Safety. This work is ongoing with a planned schedule of new and review work.

### **FINANCIAL REVIEW**

The Settlement had a net surplus of £16,621 for the year ended 31 July 2025 (2024: £4,713, including an accounting adjustment of £18,660 relating to the write off of fixed assets). We are very pleased with this result which is due to both the increased number of courses and enrolments and tight control of overheads where possible.

Income from charitable activities, comprising fees from courses, workshops and tutor-led events, membership fees and hirings was £354,394 (2024: £325,032), a 9% increase on the previous year. This increase reflects both higher rates for our fees for courses, workshops, tutor-led events and hirings with effect from 1 September 2024 and the increase in our offer as noted in Achievements.

Donations were £4,659 (2024: £3,089), an increase of 51% on the previous year. This increase is attributable to donations made in memory of Roy Evans, shown as restricted in the financial statements, and these have been added to the Evans Bursary. We were again unsuccessful in obtaining any grant funding during the year but will continue to make applications to funders going forward. In the current year we have already secured a small grant towards the provision of new sewing machines, to provide an opportunity for those without one to develop their sewing skills.

Net income from fundraising activities was £11,758, almost the same as in the previous year. Income itself was higher, but so were the costs of raising it, in part reflecting the fees paid to musical artists. However, we expect the income from the Settlement Sessions to increase as we become a known venue for live music. Our Fundraising Sub Committee has already planned a full programme of Settlement Sessions and other events for the coming year. The income from our fundraising activities will continue to provide us with much needed additional funds which we can re-invest in the Settlement, as well as hopefully welcoming new people to enjoy our unique venue.

Total expenditure was £368,839 (2024: £346,354), a 6% (2024: 10%) increase on the previous year. It is pleasing to note that the year on year percentage increase has reduced again. Some of the Settlement's expenditure is incurred directly as a result of the activities that it offers but costs like those for staffing, premises and IT provision are ongoing.

## LETCWORTH EDUCATIONAL SETTLEMENT

### TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2025 (continued)

The main contributors to the increase in expenditure were:

- 55% attributable to premises costs, principally those for repairs and maintenance;
- Tutor fees due to the increased number of courses, workshops and tutor-led events;
- Cost of raising other income as noted above;

The increase was partly offset by a small reduction in general office costs.

As noted in past annual reports, the shortfall (“funding gap”) between the income from charitable activities and the cost of raising it, was an issue that we needed to address as a matter of urgency. We are pleased that we have achieved a modest surplus this year given the investment made in the refurbishment of Kincaid Hall and improved technology, as detailed below. The funding gap itself has reduced to £3,000, the second lowest it has been for over 20 years – when most of the time it has been considerably higher. We need to continue this momentum despite the continuing increases in most of our overhead costs. We have little control over some of these increases, for example, energy costs. The Settlement building, although much loved, is old and not energy efficient. It is expensive to heat and maintain it to what we consider an acceptable standard. This pressure on costs is one of the reasons why we have to continue to try to find ways of working more efficiently or differently, not least to try to reduce the pressure on our limited staff resources.

#### **Kincaid Hall refurbishment**

Over the summer of 2024, we undertook a major refurbishment of Kincaid Hall. The work included re-decoration, repair of the floor, improvements to the lighting, upgrading of the folding door partition with soundproofing, new curtains and blinds and a fireplace screen which includes a memorial plaque to Sonia Weston, one of our former Managers, who died in 2021. The work came in under budget and just over half of the cost has been capitalised and will be depreciated over 20 years, as disclosed in the notes to the financial statements. We have received a lot of compliments on the new look Hall.

#### **Provision of AV system and screens and new audio equipment**

We have also improved the technology available in the Kincaid Hall and the Brunt, Williams and Weston rooms in the Settlement’s main building, including the provision of large screens to enhance the learning environment. Additionally, we have invested in a new sound system for the Kincaid Hall so that we can provide the best experience for both our performers and our audience.

#### **Fees**

When we increased the fees for our courses, workshops, tutor-led events and hirings with effect from 1 September 2024, we pledged that we would try to hold them for the following year. We will honour this pledge. Fees will also remain at the existing rates for both standard and concessionary memberships.

#### **Risk management**

The biggest risk to the Settlement continues to be a financial one. Some of the risk is determined by external forces such as increases in energy costs, which also impact the Settlement’s users. The Settlement’s activities are also constrained by the buildings it occupies, although its historical importance and place in the local community is also an asset. Another major risk is that our enrolment numbers drop as even a reduction of one learner on a course can have a significant financial impact. This is the reason why we have to closely monitor our enrolments and sometimes cancel courses, workshops and tutor-led events because the take up is too low and therefore they become financially unviable.

## LETCWORTH EDUCATIONAL SETTLEMENT

### TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2025 (continued)

The Settlement is not an endowed charity and is reliant on the annual income it generates. We will therefore continue to look for ways to attract learners and users by enhancing and increasing what we offer and to make the greatest use of our facilities as possible.

#### Reserves policy

We consider it prudent that unrestricted reserves should be sufficient to cover:

- a) three months' operating expenses based on our phased annual budget. This allows for some timing differences in forecast income and expenditure and for any action to be taken if income levels fall below those budgeted by either reducing expenditure levels and/or finding other sources of funding.
- b) other short term commitments agreed by us as required.
- c) the cost of closing the Settlement which could be achieved within three months if required.

Restricted funds are not included in the reserves policy.

In the year ended 31 July 2021 we set up a fund to meet the cost of future property repairs/maintenance to comply with the terms of the Settlement's lease with the Heritage Foundation. The annual amount to be allocated to the fund will be £5,000 for 7 years, as under the terms of the lease there is a requirement to redecorate (interior and exterior) at least every 7 years. The amount held in this designated fund as at 31 July 2024 was £25,000 (2024: £20,000).

In the year ended 31 July 2023 we set up a second designated fund, with a one-off allocation of £10,000, to cover the excess on the Settlement's buildings insurance following a change in arrangements agreed with the Heritage Foundation, the freeholder of the Settlement's premises.

During the year we agreed there was currently no requirement to designate any other funds.

At 31 July 2025, the level of free reserves was £106,443 (2024: £106,437). As at this date the amount required in accordance with the reserves policy was £71,000.

## PLANS FOR THE FUTURE

### Vision

Our vision for the future, set out in our business plan, is that by the year 2029 the Settlement will:

- Be a thriving and diverse community, providing a wide range of non-vocational educational courses and workshops;
- Have an exciting Arts and Crafts centre for Letchworth Garden City and the wider local area; and
- Be the first-choice meeting place for local community groups.

We have set ourselves a challenging agenda to achieve our vision:

- Expanding and enhancing the existing offer to deliver a wider range of courses and workshops, additional tutors and teaching hours, and increasing enrolments.
- Continuing to develop partnerships with other organisations for mutual benefit.
- Improved and targeted marketing to reach both our existing audience and a wider diverse demographic.

## LETCWORTH EDUCATIONAL SETTLEMENT

### TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2025 (continued)

- Continuing to review and improve the efficiency and effectiveness of our governance and administration.
- Successful completion of the proposed extension to the arts and crafts accommodation.

#### **Feasibility study for proposed extension to the arts and crafts accommodation**

During the year we approved expenditure on a feasibility study to provide us with an analysis of the proposed extension's practicality and viability, and information on costings and the best way to progress the project. The commitment is disclosed in note 12 to the financial statements and its cost will be reflected in the financial statements for the year ending 31 July 2026. We expect the results of the study by the end of October 2025. They will be used to help us to plan the next steps, including seeking funding.

#### **Main Settlement building refurbishment**

During the year we also approved expenditure for the refurbishment of the back part of the main Settlement building. The commitment is disclosed in note 12 to the financial statements. The bulk of this work took place over the summer holiday and its cost, of which nearly half will be capitalised, will be reflected in the financial statements for the year ending 31 July 2026.

#### **Future works**

We are aware that further work will be needed on the floor of the Kincaid Hall as the recent repairs have only slowed down its deterioration. We are also aware that part of the main Settlement building will need to have new electrical wiring as it is now substandard. We will be considering full reports on the options and costings for both in due course, but it is likely that any expenditure will be significant.

#### **Appointment of new Manager**

Following Nick's notice of resignation just before the end of the reporting year, we carried out a recruitment process to appoint his successor. We were fortunate to have a very good response to our advertising, and interviews for a number of candidates were held towards the end of September. Russell Friese was the successful candidate and he has accepted the position. Russell has a background in education and will bring his experience and own passion and enthusiasm to continue, and build on, Nick's work. Russell officially takes up his new duties on 5 January 2026 but he will be spending some handover time with Nick before that, and will also be attending some Settlement events.

#### **Bursary**

In response to a suggestion made at the 2024 AGM, we have set up a small bursary of £1,000 to support younger Settlement Members, aged between 18-30 years old, to attend our courses. The bursary will cover the 2025/26 academic year.

#### **100 years of the Settlement on Nevells Road!**

We are celebrating 100 years of the Settlement's presence on Nevells Road with a special event on the evening of Saturday 8 November. There will be a presentation about the past, present and future of the Settlement and a wide range of displays across the site, including some by the local groups that use our facilities. The event will also include the first screening of a new short film we have commissioned about the Settlement, which we are also planning to show at the 2025 AGM.

#### **Conclusion**

We feel that we have again accomplished a great deal during the year, building on the plans and achievements of the last few years. However, there is still more to be done with our ambitious plans for the Settlement's future and we look forward to meeting the challenges ahead in trying to deliver them

## LETCWORTH EDUCATIONAL SETTLEMENT

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charity law requires the Trustees to prepare financial statements for each financial year that show a true and fair view of the state of affairs of the charity and its financial activities for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have complied with the duty in Section 4 of the 2006 Charities Act having due regard to guidance published by the Charity Commission.

Approved by the Trustees on 30 October 2025

and signed on their behalf by:

Hilary Kemp  
Chair

## LETCWORTH EDUCATIONAL SETTLEMENT

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LETCWORTH EDUCATIONAL SETTLEMENT

I report to the Trustees on my examination of the financial statements of Letchworth Educational Settlement for the year ended 31 July 2025.

#### Responsibilities and basis of report

As the charity's Trustees, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Institute of Chartered Accountants in England and Wales.

#### Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the financial statements do not accord with the accounting records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.; or
- the financial statements have not been prepared in accordance with the methods and principles of the with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Roger McIntyre Brown, FCA  
Glebe House  
Garth Road  
Letchworth Garden City  
SG6 3NG

Dated: x November 2025

## LETCWORTH EDUCATIONAL SETTLEMENT

### STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2025

	Notes	Unrestricted 2025 £	Restricted 2025 £	Total 2025 £	Total 2024 £
<b>Income</b>					
Donations and legacies	3	2,945	1,714	4,659	3,089
Income from charitable activities	4	354,394	-	354,394	325,032
Other income	5	23,221	-	23,221	18,046
Investment income	6	3,186	-	3,186	4,900
<b>Total income</b>		<b>383,746</b>	<b>1,714</b>	<b>385,460</b>	<b>351,067</b>
<b>Expenditure</b>					
Expenditure on charitable activities	7	366,034	2,805	368,839	346,354
<b>Total expenditure</b>		<b>366,034</b>	<b>2,805</b>	<b>368,839</b>	<b>346,354</b>
<b>Net income/(expenditure) for the year</b>		<b>17,712</b>	<b>(1,091)</b>	<b>16,621</b>	<b>4,713</b>
<b>Transfers between funds</b>		-	-	-	-
Loss on disposal of fixed assets		-	-	-	(18,660)
<b>Fund balances at 1 August 2024</b>		<b>206,103</b>	<b>56,472</b>	<b>262,575</b>	<b>276,522</b>
<b>Fund balances at 31 July 2025</b>	12	<b>223,815</b>	<b>55,381</b>	<b>279,196</b>	<b>262,575</b>



# LETCWORTH EDUCATIONAL SETTLEMENT

## BALANCE SHEET AS AT 31 JULY 2025

	Notes	2025 £	2024 £
<b>Fixed Assets</b>			
Tangible Assets	9	<u>117,371</u>	<u>99,666</u>
<b>Current Assets</b>			
Debtors	10	5,824	7,488
Cash at Bank and in hand		<u>159,804</u>	<u>160,847</u>
		<b>165,628</b>	168,335
<b>Creditors: amounts falling due within one year</b>	11	<b>(3,803)</b>	(5,426)
<b>Net Current Assets</b>		<u>161,825</u>	<u>162,909</u>
<b>Total Net Assets</b>		<u>279,196</u>	<u>262,575</u>
<b>Represented by:</b>			
Unrestricted funds	12	188,815	176,103
Designated	12	35,000	30,000
Restricted funds	12	<u>55,381</u>	<u>56,472</u>
		<b>279,196</b>	<b>262,575</b>

The notes at pages 16 to 21 form part of the financial statements.

The financial statements were approved by the Trustees on 30 October 2025 and signed on their behalf by

Hilary Kemp  
Chair

Alan Higbey  
Treasurer

# LETCWORTH EDUCATIONAL SETTLEMENT

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2025

### 1. Accounting policies

#### a. Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Settlement constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Settlement's ability to continue as a going concern.

#### b. Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the costs less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and fittings: non electrical appliances	straight line over 10 years
Fixtures and fittings: electrical appliances	straight line over 5 years
Office equipment, database and website	straight line over 3 years
Property improvements	straight line over 3 years
Building improvements	straight line over 15, 20, 27, 29 and 30 years

#### c. Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Investment income is recorded when receivable.

## LETCWORTH EDUCATIONAL SETTLEMENT

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2025 (continued)

#### d. Gifts in kind

The charity receives donated goods and services as follows:

- Items such as second hand books and prizes for periodic raffles. These items are either sold for a small donation or by purchasing a raffle ticket. The income arising from the sale of these items is included in other income.
- Occasionally items such as second-hand furniture or other equipment. These items are not recognised as income unless they have a value (either provided by the donor or a reasonable estimate made of their market value) of £100 or over per item. The value attributed will either be capitalised in accordance with the charity's accounting policy for tangible fixed assets, or written off in the same period as revenue expenditure.
- Some tutors waive their fees for courses/workshops/tutor led events they deliver. The waived fees, based on the tutor fee rate that would have been charged, are included as income in donations and legacies, with an equivalent amount recognised as an expense under tutor fees.
- Some artists also waive their fees for performing at a fundraising event. The waived fees are included as income in donations and legacies, with an equivalent amount recognised as an expense under the costs of raising other income.

The charity also relies on the contribution of unpaid volunteers, including the trustees. It is impractical for their contribution to be measured reliably for accounting purposes but details of how they support the charity is included in the annual report.

#### e. Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

#### f. Funds structure

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects.

Designated funds are unrestricted funds which have been set aside by the trustees for an essential spend or future purpose. The designation has an administrative purpose only, and does not legally restrict the trustees' discretion to apply the fund.

Restricted funds relate to amounts received in respect of expenditure used in fulfilling the charitable objects.

#### g. Pensions

Qualifying employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity contribution is restricted to the contributions disclosed

## LETCHWORTH EDUCATIONAL SETTLEMENT

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2025 (continued)

in note 8. There were no outstanding contributions at the year end. The costs of the scheme are included in costs and charged to the unrestricted funds of the charity.

#### 2. Taxation

Letchworth Educational Settlement is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for its charitable purposes.

#### 3. Donations and legacies

	Unrestricted 2025 £	Restricted 2025 £	Total 2025 £	Total 2024 £
Donations and legacies	2,945	1,714	4,659	3,089
Grants	-	-	-	-
	<u>2,945</u>	<u>1,714</u>	<u>4,659</u>	<u>3,089</u>

Donations include related Gift Aid.

There were no grants received during the year (2024: £nil).

#### 4. Income from charitable activities

	Total 2025 £	Total 2024 £
Fees for courses, workshops and tutor-led events	291,755	268,555
Membership fees	15,667	10,142
Hirings	46,972	46,335
	<u>354,394</u>	<u>325,032</u>

Membership fees include related Gift Aid.

#### 5. Other income

	Total 2025 £	Total 2024 £
Other income	23,221	18,046
	<u>23,221</u>	<u>18,046</u>

Other income includes the sale of refreshments, the Christmas Fayre, the Prize Draw and other fundraising activities. The Prize Draw was closed at the end of January 2025.

#### 6. Investment income

	Total 2025 £	Total 2024 £
Bank interest	3,182	4,810
Other interest	4	90
	<u>3,186</u>	<u>4,900</u>

# LETCWORTH EDUCATIONAL SETTLEMENT

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2025 (continued)

### 7. Analysis of expenditure

	Unrestricted 2025 £	Restricted 2025 £	Total 2025 £	Total 2024 £
<b>Provision of course and other activities</b>				
Tutor fees	133,947	-	<b>133,947</b>	128,285
Other course costs	5,484	-	<b>5,484</b>	5,308
Costs of raising other income	11,463	-	<b>11,463</b>	6,346
Premises costs	74,293	-	<b>74,293</b>	63,336
Depreciation	18,358	2,805	<b>21,163</b>	18,445
Support costs	121,795	-	<b>121,795</b>	123,984
Governance costs	694	-	<b>694</b>	650
	<u>366,034</u>	<u>2,805</u>	<u><b>368,839</b></u>	<u>346,354</u>
<b>Support costs</b>				
Staff costs	81,075	-	<b>81,075</b>	82,548
General office costs	40,720	-	<b>40,720</b>	41,436
	<u>121,795</u>	<u>-</u>	<u><b>121,795</b></u>	<u>123,984</u>
<b>Governance costs</b>				
Accountant's fees	-	-	-	-
Independent examiner's fee	-	-	-	-
Trustees liability insurance	487	-	<b>487</b>	449
Other	207	-	<b>207</b>	201
	<u>694</u>	<u>-</u>	<u><b>694</b></u>	<u>650</u>

All of the expenditure was incurred on charitable activities. No costs were attributable to investment management.

For the years ended 31 July 2025 and 2024 the independent examination has been carried out free of charge.

### 8. Staff costs

	Total 2025 £	Total 2024 £
Remuneration paid to employees	77,024	78,638
Social security costs	1,719	1,629
Pension costs	2,332	2,281
	<u><b>81,075</b></u>	<u>82,548</u>

The average number of employees, calculated on a full time equivalent basis, was

2.4

2.4

There were no employee benefits.

There were no employees whose employee remuneration amounted to over £60,000.

In the years ended 31 July 2025 and 2024 Employer National Insurance contributions, disclosed in social security costs, were offset in part by the Employment Allowance.

# LETCWORTH EDUCATIONAL SETTLEMENT

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2025 (continued)

### 9. Tangible fixed assets

	Fixtures & fittings	Office equipment, database and website	Building improve- ments	Property improve- ments	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 August 2024	58,099	30,461	157,717	45,890	292,167
Additions	-	20,383	18,485	-	38,868
Disposals	-	-	-	-	-
At 31 July 2025	58,099	50,844	176,202	45,890	331,035
<b>Depreciation</b>					
At 1 August 2024	46,876	22,494	77,241	45,890	192,501
Disposals	-	-	-	-	-
Charge for the year	3,086	10,778	7,299	-	21,163
At 31 July 2025	49,962	33,272	84,540	45,890	213,664
<b>Net book value</b>					
<b>At 31 July 2025</b>	<b>8,137</b>	<b>17,572</b>	<b>91,662</b>	<b>-</b>	<b>117,371</b>
At July 31 2024	11,223	7,967	80,476	-	99,666

### 10. Debtors

	Total 2025 £	Total 2024 £
Income tax recoverable (Gift Aid)	240	351
Accrued income	175	-
Other debtors	5,184	1,441
Prepayments	225	5,696
	<b>5,824</b>	<b>7,488</b>

### 11. Creditors: amounts falling due within one year

	Total 2025 £	Total 2024 £
Accruals and deferred income	3,803	5,426

### 12. Commitments

The Trustees have committed expenditure of £41,735. Just over half of the commitment relates to the refurbishment of the back area of the main Settlement building and a significant part of the remaining amount relates to a feasibility study for the proposed extension to the arts and crafts accommodation. The committed expenditure is in addition to £225 of prepaid expenditure (note 10 Debtors) relating to commission of a film about "The Settlement Story".

## LETCWORTH EDUCATIONAL SETTLEMENT

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2025 (continued)

The Trustees confirm that sufficient funds are available to meet the committed expenditure, all of which should be expended within three months of the balance sheet date.

The committed expenditure of £40,000 disclosed in the financial statements for the year ended 31 July 2024 was expended during the year.

#### 13. Fund balances

Unrestricted funds are funds that are freely available to spend on any of the charity's purposes.

Designated funds are funds that the Trustees have set aside to meet future property repair and maintenance costs.

Restricted funds are funds subject to specific purpose(s) stipulated by the donor or grant maker. There are two restricted funds as at 31 July 2025:

Property improvements	To fund property improvements and is fully represented within tangible fixed assets
Bursary from an individual donor	To fund various specified expenditure for capital items (which, where applicable, are included in tangible fixed assets) and to support other costs

	Balance at 1 August 2024 £	Income £	Expenditure (incl. disposal loss) £	Transfers £	Balance at 31 July 2025 £
<b>Unrestricted funds</b>					
Unrestricted funds	176,103	383,746	366,034	(5,000)	188,815
Designated funds	30,000	-	-	5,000	35,000
	<u>206,103</u>	<u>383,746</u>	<u>366,034</u>	<u>-</u>	<u>223,815</u>
<b>Restricted funds</b>					
Property improvements	36,590	-	2,805	-	33,785
Bursary	19,882	1,714	-	-	21,596
	<u>56,472</u>	<u>1,714</u>	<u>2,805</u>	<u>-</u>	<u>55,381</u>
<b>Total funds</b>	<b><u>262,575</u></b>	<b><u>385,460</u></b>	<b><u>368,839</u></b>	<b><u>-</u></b>	<b><u>279,196</u></b>

The transfer from unrestricted funds to designated funds represents the agreed annual allocation (£5,000) to meet future property repair and maintenance costs.

#### 14. Trustee remuneration and expenses

The Trustees received no remuneration or other benefits (2024: £nil). One Trustee received payments totalling £11,917 (2024: One Trustee totalling £10,623) for professional or other services as a tutor for Settlement courses. No Trustees received any expenses for travel and related costs (2024: £nil).

#### 15. Related party transactions

There were no related party transactions.