

Charity Registration No. 1001139

Company Registration No. 02553905 (England and Wales)

**THE LYTTTELTON WELL LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**



# THE LYTTTELTON WELL LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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|--------------------------|---|-----------------------------|
| <b>Board Of Trustees</b> | E.P.T. Buchanan<br>J. Bingham<br>B. Brickwell<br>I. Forrester<br>J. McNamee<br>Dr D A Webster<br>P Robinson JP<br>Dr M Harper<br>Dr G W Pooler<br>R. Weatherill | (Appointed 9 November 2020) |
| <b>Charity number</b>    | 1001139   |                             |
| <b>Company number</b>    | 02553905  |                             |
| <b>Registered office</b> | Church Street<br>Malvern<br>Worcestershire<br>WR14 2AY  |                             |
| <b>Auditor</b>           | Kendall Wadley LLP<br>Granta Lodge<br>71 Graham Road<br>Malvern<br>Worcestershire<br>WR14 2JS   |                             |
| <b>Bankers</b>           | CAF Bank<br>25 Kings Hill<br>West Malling<br>Kent<br>ME19 4JQ   |                             |
| <b>Solicitors</b>        | Whatley Recordon<br>12 Worcester Road<br>Malvern<br>Worcestershire<br>WR14 4QU  |                             |

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# THE LYTTTELTON WELL LIMITED

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# THE LYTTTELTON WELL LIMITED

## FOREWORD FROM THE CHAIR

### *FOR THE YEAR ENDED 31 DECEMBER 2020*

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The year started well. You don't need me to tell you it ended very differently. The covid-19 pandemic required us to shut down virtually all our activities. Most staff were put on furlough and income streams dried up. The AGM was postponed until the autumn, in the expectation that by then we would be 'back to normal'. At the time we believed this was realistic. Now, it looks more like wishful thinking than optimism.

The Board were very conscious of the need to focus on our charitable aims, rather than the activities we were currently undertaking to fulfil them. Trustees who were due to stand down agreed to serve an extra year, so that we maintained consistency. (That has resulted in a larger than normal turnover in 2021 and we are grateful to all those who have stepped up to fill the vacancies).

Enormous thanks are due to Matthew Jordan and John Berry who have kept working throughout. They have been incredible in ensuring that safety regulations are in place and appropriate government and other grants have been obtained. When we were allowed to open the café, Catherine Holmes ensured that we could observe distancing and serve customers safely. The bookshop was moved into what had been the counselling suite, as the counselling moved to an on-line system. Kate Hill has worked tirelessly to achieve this and ensured that our counsellors received relevant training for their new way of interacting with clients. The opportunity was taken for volunteers to paint and decorate and our thanks go to them. The newsletter was developed to keep in touch with the Well Community. Many thanks to Doreen Miccio for her sterling work on that.

Even during lockdown, The Well remained a collection and distribution point for The Foodbank, helping to ensure that we met the needs of those in greatest hardship.

King Jehoshaphat, faced with an attack by an overwhelming force, prayed "We do not know what to do, but our eyes are on you." (2 Chronicles 20 v12). Those words seem very applicable to us in a very different situation, as we seek to be God's people in our town.

The Board of Trustees wish to thank all those who have supported and contributed to the success of The Lyttelton Well. Please continue to pray and work with us to build God's Kingdom in Malvern.

Peter Buchanan

Chairman



# THE LYTTTELTON WELL LIMITED

## FROM THE HEAD OF COUNSELLING

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The first quarter of 2020 saw the successful implementation of a new assessment system. This has proved to be very efficient, and all new clients have a one-hour consultation with a senior counsellor prior to being accepted for counselling. The first lockdown in March 2020 came just as all the necessary paperwork was in place and consultations had already been booked ahead into May 2020.

I decided to close the Well Counselling on March 13th 2020 as it became apparent that it was no longer safe for clients and counsellors to meet in person. To bring a sudden halt to counselling is not an easy decision to make, it affects every client to varying degrees, and some clients felt unable to make the transition to online and phone counselling when we opened online and by phone on May 1st, 2020. It took some months to make sure that all our procedures, including client allocation, were fit for purpose for the new online environment.

Jane Harper decided to step down as client co-ordinator, and we are most grateful to Jane for the time and commitment given over many years. We also owe a huge debt of gratitude to Jenny Bull our administrator, on whom we relied for her quiet competence in keeping all our paperwork and systems in good order.

As the summer of 2020 progressed it became clear that the move to online counselling had been a wise one. Client numbers grew, as did counsellor numbers, and new students replacing those who had graduated. By the Autumn we had 28 counsellors and a growing waiting list of clients. Zoom sessions became the norm, as did monthly online CPD training. This was where we met as a team, for fellowship and training, welcoming those new to the team. Running an online counselling service but with old systems of paperwork and procedures has led us to seek an online system to replace the old way of doing things. Other agencies have done the same, and we are grateful to Frances Anderson for the research that she has undertaken, to help ensure we have the most suitable online system for our current and future needs. Frances has also relaunched the Listening Skills courses and runs our CPD Training.

It has been a daunting task to replicate the busy counselling suite online. Client allocation is a key task and I am supported in all that I do on a daily basis by Kathleen Horwood, our Well Counselling Administrator. Kathleen's role has expanded in the past year, and she is extremely able and very competent.

When the Lyttelton Well itself was closed, apart from the foodbank, I received unfailing support from Matthew Jordan and John Berry in the office. Our small disparate team were held together by a belief in the work we were doing, the value of counselling in dark times, and a vision for a post-covid future. In the first few months of 2021 client enquiries have been at a rate of almost one a day. In March we gave 237 sessions to 75 clients. The need for professional affordable counselling has never been greater.

Financially we are unable to sustain the current single donation-based model. The proposal is to move to a bursary funded model for those clients who have little or no income, alongside a fee-based model for those able to pay. It is vital that we ensure the continuing stability of the Well Counselling, and I believe we can do this by an efficient online administrative system plus a dual funding model as we go forward post-covid. At present there is no move towards returning to the counselling suite, until such time as it is absolutely safe to do so.

Our Well Counselling report of 2019 described an efficient and busy counselling service being run as an important outreach of the Lyttelton Well. It is with grateful thanks for our survival that I write this report of 2020. We had no idea what was coming, but we have been able to meet the challenges, and emerge now with a sense of optimism for a secure future.

Kate Hill

Head of Counselling

# THE LYTTTELTON WELL LIMITED

## FROM THE BUSINESS MANAGER

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### *Finances*

The past year has unsurprisingly been dominated by the Covid-19 pandemic. As a hospitality provider, retailer, counselling service and hirer of rooms, our activities were particularly affected by social distancing requirements, and, as a result, our café sales were down over 50% from 2019, bookshop sales were over 40% lower, room hire income was down 60% and counselling donations more than 40% lower. In total our income from these sources fell over £122,000 in 2020 compared to 2019.

However, on the income side we did also benefit from additional funding due to:

- an increase in unrestricted donations from £31,413 in 2019 to £38,286 in 2020;
- two legacies totalling £2500;
- £6700 in funding from grant-making bodies in support of The Well Counselling (see further details in the Trustees Annual Report); and
- £53,397 in UK Government coronavirus support comprising £28,400 in retail hospitality grants and £24,997 under the coronavirus job retention scheme.

On the expense side, in addition to lower direct cost of sales in the café and bookshop, we made savings on:

- employment costs, which were over £12,500 lower, despite no staff being made redundant, including voluntary reductions to wages by senior management staff of over £6000; and
- most other support cost headings, including £6300 in savings as a result of bringing our cleaning in-house.

Overall, as a result of careful management of costs, significant individual and corporate generosity, and central government support, we ended the year with a surplus of £12,569. However, with the long lockdown at the start of 2021, uncertainty over reopening, including restart costs, and continuing social distancing requirements, these are funds which will be required as we return to more normal operations over the course of 2021.

#### *Charitable activities in the local community*

We were delighted to be able to reopen our counselling service online instead of in person in May thanks to a large amount of hard work by the leadership in that department. In 2020 we provided over 1800 counselling sessions, over 1300 of which were online.

We continued to act as a collection and distribution agency for the Malvern Hills Foodbank throughout the year without any break in services and ultimately processed 230 food bank vouchers for 549 people. This represented 17% of the foodbank's total for the year, and a 60% increase in people provided for through the Well compared to 2019.

#### *Voluntary work*

We are tremendously grateful to all those who continued to work in the Well throughout the pandemic, including café and bookshop volunteers, our redecorating team, counsellors and staff. In particular, those volunteers who worked in public-facing and cleaning roles in the café and bookshop undertook significant risk to themselves in doing so and we are thankful for this selfless support of the charity during a very difficult time.

In addition, to address concerns over volunteer welfare and the continued cohesion of our own Well community as a result of isolation, lockdowns, and changes in working practices, we started a weekly newsletter to keep in regular contact, which has run since the first lockdown. We are again most grateful to all those who contributed to this community project and for the large number of volunteer hours involved in producing it.

Finally, our chaplaincy service, offering a daily listening ear, was significantly affected by social distancing requirements, and also saw the retirement of our long-serving chaplain Rev Chris Copeland and his wife Joan after many years of dedicated service in the role. However, we were very happy to welcome his replacement Rev Jeff Saunders to this vital position in the life of the charity.

# THE LYTTTELTON WELL LIMITED

## FROM THE BUSINESS MANAGER

### ***FOR THE YEAR ENDED 31 DECEMBER 2020***

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For many of us 2020 may have been one of the most challenging years of our lives, but we end the year stronger as a consequence of having faced those challenges and overcome them. In the words of Peter the Apostle, *And the God of all grace, who called you to his eternal glory in Christ, after you have suffered a little while, will himself restore you and make you strong, firm and steadfast. To him be the power for ever and ever. Amen.*

Matthew Jordan  
Business Manager

# **THE LYTTTELTON WELL LIMITED**

## **BOARD OF TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Board of Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### **Objectives and activities**

The Charity's objectives as set out in the Memorandum of Association are

- i) the advancement of the Christian religion by spreading the Gospel of Jesus Christ;
- ii) the relief of poverty, sickness and distress;
- iii) the relief and rehabilitation of the mentally ill and of disabled persons;
- iv) the relief of the aged;
- v) the promotion of charitable work of churches in Malvern.

In furtherance of these objectives the charitable company operates retail outlets, hires out premises, provides philanthropic services of care for the disadvantaged, and follows other policies as laid down in the Memorandum of Association. There has been no change in these objectives during the year.

As a charity The Lyttelton Well Limited provides a public benefit to the local community by operating the Counselling Service which continues to deal with a large number of clients and has an ongoing programme of training to ensure the counsellors maintain the standards required by the profession. This important service continues to be funded by The Lyttelton Well Limited and through restricted donations.

The Board of Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

# THE LYTTTELTON WELL LIMITED

## BOARD OF TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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### **Fulfilling our charitable objectives**

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcome of our work in the previous twelve months. The review looks at the success of each key activity and how the work in those activities has helped us to further our charitable objectives. The results of this review are set out in this report.

### **The advancement of the Christian religion by spreading the Gospel of Jesus Christ**

The bookshop continues its presence in the Lyttelton Well complex, although moved part way through the year from the Church Street shop front space it has held for over 25 years to the currently vacant counselling suite. This new temporary location facing the Priory grounds is welcoming to passers-by in the church yard, offering Christian answers to those with questions about life, faith, belief and spirituality, as well as providing a service to local churches.

In the café, we also continue to provide a welcoming environment where the values of our Christian faith are felt by all those who enter, and where people of all kinds, including those who are lonely or troubled in various ways, can feel comfortable and at home. Our volunteers and staff, from over 20 churches, are key to this. In the second half of the year, due to social distancing regulations in the colder months, we expanded the café to cover the whole of the ground floor of the new building so that it currently faces onto the high street.

Meanwhile, the counselling service, where all qualified counsellors are Christians, provides a practical outworking of our faith and in doing so also positively advertises Christianity as a faith in the local community. Christian Counselling is also available to those clients who request it. From May 2020 we successfully moved our counselling online so that we are able to continue to offer this outreach service.

Up until the outbreak of the pandemic the chaplaincy team also provided a pastoral presence on an almost daily basis in the bookshop and the café, as described in more detail below. As a result of the new regulations this had to necessarily be curtailed, but we are looking forward to having the chaplaincy presence again on site once we are able.

Similarly, some of the other activities we would typically take part in - bookstalls at various events including the Three Counties Show, prayer events such as Thy Kingdom Come, and prayer meetings in the prayer room and café, have not been possible on site since the outbreak of the pandemic. However, we do still hold our daily prayers before we open the café at 10am each day. And in addition, we maintain our close contacts with Churches Together in Malvern, and our bookshop manager is currently a member of the executive committee.

We are also a collection point for second hand Christian books. Many boxes of books, about 120 boxes per year are provided to the Christian Book Aid charity, who distribute Bibles and Christian books for the advancement of Christianity, educational purposes and the relief of the aged, poor, sick and disabled both in the UK and abroad, mainly in Africa.

At the end of 2020 we participated as usual as a collection point for Samaritan's Purse Operation Christmas Child and collected 79 shoe boxes on their behalf, although this was over 50% down on previous years.

During the year we also developed a new weekly community newsletter to keep in touch with our volunteer community during periods of lockdown and isolation. This typically includes news from the charity, articles on particular aspects of our faith, promotion of Christian events in the local community, including in the past year online events, and articles from our member churches. This newsletter has a distribution of over 200 people including both Christian and non-Christian.



# THE LYTTTELTON WELL LIMITED

## BOARD OF TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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### **The relief of poverty, sickness and distress**

The counselling service provides a free, skilled, professional service to those in need of help for a variety of reasons including anxiety, bereavement, stress, relationship problems and many other issues. In 2020, despite the pandemic, we were able to offer over 1800 sessions, over 1300 of which were online or over the telephone.

In addition to the counselling service we would typically operate a chaplaincy service which offers Christian pastoral care by more than 10 volunteers with a pastoral or counselling background. Because our counselling service is not available at short notice, the chaplaincy team provide a very valuable service when people arrive on our premises in a distressed state and would like someone to talk to at short notice. Additionally, as there is a chaplaincy member on site almost daily, we can have many beneficial conversations with members of the public on an informal basis. In 2020 this standard service was only possible in the first two months of the year, but we did continue to offer telephone chaplaincy to anyone in specific need during the course of the year.

As noted above, the café also provides relief to many people, including members of the local community who are lonely or troubled as it is a place where they can be sure of a warm, friendly welcome.

During 2020 we have continued our very active partnership with the Malvern Hills Foodbank, for whom we act as collection and distribution point. We supplement all foodbank distributions with fresh milk, butter and bread. During 2020 we also partnered with the Foodbank to provide free hot meals and refreshments from our café to those in need. Over the course of the year we processed 230 food bank vouchers and provided food parcels for 549 people, which was 17% of the foodbank's total voucher processing.

We also provide rooms free of charge to some groups where there is a direct link to our charitable objectives.

### **The relief and rehabilitation of the mentally ill and of disabled persons**

The café and bookshop are staffed primarily by about 100 skilled and passionate volunteers, without whom we could not continue to exist, and these volunteers give the Lyttelton Well a great diversity that is rarely seen in other similar establishments. Each café shift has its own unique character and provides something different. Among these kind volunteers we are able to provide a friendly environment to help people to participate actively and successfully in society where the opportunity might otherwise be difficult to find. We can also help people to rehabilitate their lives and return to an active role in society, with work at the Well as an early step. During 2020, we have continued to work with Bridge Training and Development to provide regular work experience in the café.

Further, we are able to indirectly satisfy this objective by providing the space in the Lyttelton Rooms to a number of groups who directly work with the mentally ill or disabled, including Parkinson's UK, Malvern Special Families, Guide Dogs for the Blind and others, although this activity has necessarily been curtailed during 2020.

### **The relief of the aged**

The café continues to be a favourite in Malvern for older people, while providing a welcoming environment for people of all ages.

Additionally, we again provide indirect relief through the provision of our rooms for exercise classes for the active elderly, and other similar groups.

# THE LYTTTELTON WELL LIMITED

## BOARD OF TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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### **The promotion of charitable work of the Churches in Malvern**

The Lyttelton Well works closely with Churches Together in Malvern and our bookshop manager is currently a member of their executive committee.

Additionally, we provide the rooms to our member churches for use as needed, advertise events in our new noticeboard outside the bookshop and promote them through the Events Calendar on our website.

Our newly developed weekly newsletter also gives all our member churches a platform to connect to other members of our community. We follow the Churches Together in Malvern prayer rota to allow a focus on each church as its week in the prayer rota takes place.

In normal years, although not 2020, the rooms are provided each year on an extensive basis during the summer to Lifepath Malvern and separately to the Chernobyl Children's Life Line which are both operated by a Malvern-wide group of churches.

### **Financial review**

#### *Results*

During the year incoming resources totalled £229,209 (2019 – £288,713 and resources expended amounted to £216,640 (2019 - £286,676), leaving a surplus for the year of £12,569 (2019 - surplus of £2,037). This leaves a total reserves figure at 31 December 2020 of £472,134 (2019 - £459,565) of which £104,972 are unrestricted funds (2019 – £90,894), £10,549 are restricted funds (2019 - £12,058) and £356,613 are endowment funds (2019 - £356,613).

### **Reserves policy**

It is the policy of the Charity that funds which have not been received as restricted for a specific use should be maintained at a level equivalent of between three and six months' expenditure. The Trustees of the Charity consider that reserves at this level will ensure that, in the event of a significant drop in funding or unexpectedly large expense, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised.

Budgeted expenses, including bookshop and café cost of sales, for a normal year fully operational year are estimated at £298,119. On this basis, reserves of between £74,530 and £149,060 are required.

Immediately liquid assets of current assets less stock less current liabilities amount to £77,720 at the end of the year, which is at the lower end of the target level. If bookshop stock, which is designated as a current asset, but is slow-moving by its nature, is included, the resulting total net current assets figure is £89,915.

As a further indicator of the sufficiency of reserves, if UK government Covid-19 grant support had not been received in 2020 in the form of retail grants and the job retention scheme, the Charity would have recorded a deficit for the year of £40,828, so current reserves would have been sufficient to allow the charity to have survived the pandemic whilst allowing some rebuilding funds.

The charity will continue to aim to maintain its reserves at the current policy level.

# THE LYTTTELTON WELL LIMITED

## BOARD OF TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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### Principal Funding Sources

The café produced a deficit of £24,744 (2019 – surplus of £16,084) after cost of sales and directly attributable salaries, while the bookshop produced a deficit of £6,114 (2019 – deficit of £334) on the same basis. After allocating support costs, governance costs and depreciation, the café produced a deficit of £50,172 (2019 - £9,762) and the bookshop produced a deficit of £17,762 (2019 - £13,672).

Letting income from the Lyttelton Rooms in 2020 was £13,120 (2019 - £32,707). After allocation of roof repair and rooms maintenance costs (£5,978), support costs, governance costs and depreciation, the lettings function contributed a deficit of £6,879 (2019 – surplus of £4,236).

In 2020, the counselling department income was £21,673, down from £28,292 in 2019, which resulted in a deficit after direct expenses of £2,077 (2019 - £7,730). After taking into account allocations of support costs, governance costs and depreciation, the counselling department contributed a total deficit of £6,307 compared to a deficit of £12,825 in 2019.

During 2020, counselling department income benefitted from the following £6,700 in grants in support of the service:

£3000 from Worcestershire Community Fund

£3000 from Coronavirus Community Support Fund

£500 from Tesco Bags of Help

£200 from Malvern Hills District Council Ward Budget Scheme (Cllr Beverley Nielsen)

Unrestricted donations in 2019 were £38,286, up from £31,413 in 2019. The current year donations can be broken down as follows:

- regular, mainly monthly, standing orders of £12,955 (2019 - £11,709)
- various ad hoc donations of £16,218 (2019 - £8,141)
- PAWS (pound a week scheme) of £2,384 (2019 - £2,981)
- small donations to collection tins of £1,510 (2019 - £4,060)
- gift aid of £5,219 (2019 - £4,522)

The charity received two legacies totalling £2,500 in 2019 (2019 - £736).

In 2020, our fundraising totals fell to £266 from £2,679 in 2019.

The charity received £53,397 in UK Government coronavirus support comprising £28,400 in retail hospitality grants and £24,997 under the coronavirus job retention scheme.

### Governance and support expenses

Allocable governance and support expenses incurred in the year fell to £53,955 compared to £67,388 in 2019.



# THE LYTTTELTON WELL LIMITED

## BOARD OF TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 DECEMBER 2020*

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### Investment policy

The charity's attitude towards investment risk is low. As such, investments are mainly in cash. Specific limits and guidelines as given in the charity's investment policy are:

- £20,000 must be maintained in cash at all times;
- the next £10,000 may be invested in term cash deposits with emergency access;
- the next £10,000 may be invested in long-term investments with emergency access;
- beyond the sum of these investments (£40,000) the only restriction is that, up to the lower reserve limit, long term investments should not exceed 1/3 of total investments.

A segregated bank account is maintained for counselling transactions.

During 2020, the charity only held cash, but options for other types of investment will be revisited as part of our annual review.

# THE LYTTTELTON WELL LIMITED

## BOARD OF TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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### Plans for the future

The Trustees consider the charity's ongoing needs at each of their meetings, which are held every two months. The charity also holds occasional vision days in which its aims and activities are prayerfully considered.

In addition, the charity's risk assessment is reviewed annually.

Areas of required future focus as assessed by the Trustees are given below. These have not changed greatly from last year.

#### **1. Trustee support roles**

The Board of Trustees recognizes the need for individual trustees to take on definite governance roles to provide support to and oversight of the staff and volunteers, as well as the Head of Counselling. The Board also recognizes that they have skills gaps in some areas and continues to seek to remedy this by recruiting new members with the skills to oversee all important areas of governance. To help with this the Trustees conducted a skills audit of existing members of the Board.

#### **2. Increasing the effective use of the charity's buildings in support of its objectives and financial stability**

The Lyttelton Rooms are a great resource, but continue to be somewhat underutilized. Further, the PCC of Great Malvern Priory has an interest in the Lyttelton Well complex as the charity's landlord and that interest is being taken into closer consideration as a result of the Priory Plan.

The trustees continue to consider:

- the financial viability of The Lyttelton Rooms, considering existing maintenance requirements, including those identified in the quinquennial survey of the building;
- further opportunities for the expansion of the Counselling Department into new areas, notably the provision of training courses in Counselling as a profession;
- potential reorganization of operations of the Charity into different spaces;
- opportunities for outreach; and
- opportunities for fundraising.

In the case of the last two items, we will also explore opportunities for working more closely together on joint projects with Great Malvern Priory, our member churches and Churches Together in Malvern to improve the usage of the facilities.

#### **3. Creation of a team to develop outreach opportunities**

The charity aims to create a small team to develop outreach and discipleship, evangelism and healing. This has been a goal for a few years and continues to be a goal for 2021 and beyond. This group will consider whether the charity's assets can be utilized more effectively for outreach purposes in fulfilment of its charitable objectives.

#### **4. Fundraising**

The trustees are aware that the financial position of the charity remains finely balanced as discussed in the financial review above, with reserves at a marginal level and a reliance on donations.

To allow the charity to achieve its goals, further development of fundraising is required, and in particular fundraising which has a church community, wider community or social benefit. Ideally the aim is to combine fundraising with furtherance of our charitable objectives.

# THE LYTTTELTON WELL LIMITED

## BOARD OF TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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### **5. Counselling department funding**

To provide greater stability of counselling income and to facilitate fundraising, the trustees are considering options to restructure the funding model for the Charity's counselling operations into a dual system where clients who are able to pay an agreed fee do so whilst counselling is still made available to all irrespective of financial position from a bursary fund. The charity aims to apply for further grants in 2021 to contribute to this bursary fund.

### **6. Volunteer recruitment**

We will organize a programme of church visits and other promotional literature to recruit new volunteers for the café in particular. The trustees recognize the value of the Charity's volunteer body to its ethos, environment and quality of service, and look to strengthen existing volunteer numbers in the year to come.

### **7. Capital expenditure and maintenance**

During 2020, a group of volunteers continued to work on upgrading the interior of The Lyttelton Rooms.

In 2021, the following capital expenses are current priorities:

- Repairing the flat roof of the Lyttelton Rooms clock tower; and
- Addressing other matters raised in the most recent quinquennial review.

Longer term we will also need to:

- Redecorate/replace the Main Hall kitchen; and
- Replace and relocate the Lyttelton Rooms main boiler with a more energy-efficient version.

All such work is reliant upon the Charity having sufficient funds to finance the work in line with its reserves policy.

# THE LYTTTELTON WELL LIMITED

## BOARD OF TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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### Structure, governance and management

The charity, incorporated on 31st October 1990, is a company limited by guarantee governed by its memorandum and articles of association. The company is a registered charity. There is an endowment fund that reflects the Lyttelton Well buildings that will revert to the Diocese on vacation.

The Board of Trustees (directors) is appointed by the members in general meeting.

The Board of Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

E.P.T. Buchanan

J. Bingham

B. Brickwell

I. Forrester

J. McNamee

Dr D A Webster

P Robinson JP

(Appointed 9 November 2020)

Dr M Harper

G Pooler

R Weatherill

None of the Board of Trustees has any beneficial interest in the company. All of the Board of Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The members govern the general policy of the Company. The Board of Trustees directs the the charitable company's affairs in such a way to promote its objects. The day to day business of the company is managed by the Business Manager M Jordan and the Bookshop Manager J Berry.

There are no specific restrictions imposed by the governing document concerning the way the charity can operate.

# THE LYTTTELTON WELL LIMITED

## BOARD OF TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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### ***Recruitment and Appointment of Board of Trustees***

A list of necessary business, governance, counselling and outreach skills is maintained and reviewed each year as part of the annual risk assessment. Individual Trustee responsibilities are identified and allocated based on each member's particular skills. Where the necessary mix of skills is found to be lacking, for example due to retirements, individuals are approached to offer themselves for election to the Board of Trustees.

### ***Trustee Induction and Training***

Most new Trustees (directors) are already familiar with particular aspects of the practical work of the charity as volunteers and/or company members.

Additionally, the chairman of the Board of Trustees briefs each new Trustee on the legal obligations of the Board of Trustees (directors), the main documents which set out the operation framework of the charity, the current financial position and the charity's future plans and objectives. To supplement this induction, new Trustees are provided with a copy of the Charity Commission's publication "The Essential Trustee", as well as a copy of Memorandum and Articles of Association and the latest financial statements.

### ***Risk Management***

The Board of Trustees has conducted a review of the major risks to which the charity is exposed. This risk assessment is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. The charity's strategic plan is reviewed annually to ensure there is sufficient diversification of activities and funding. Internal control risks are minimized by the implementation of procedures for authorization of all transactions and projects. The charity has procedures in place to ensure compliance with health and safety legislation affecting staff, customers and visitors. These procedures are reviewed annually. The charity has a policy for the protection of children and vulnerable adults. This policy is reviewed annually.

### ***Asset cover for funds***

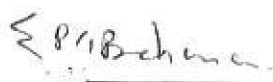
Note 20 sets out an analysis of the assets attributable to the various funds and a description of the funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

### ***Auditor***

The auditor, Kendall Wadley LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report is prepared in accordance with the provisions available to small companies contained within the Companies Act 2006.

The Trustees' report was approved by the Board Of Trustees.



**E.P.T. Buchanan**

Trustee

Dated: 10 May 2021

# THE LYTTTELTON WELL LIMITED

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### *FOR THE YEAR ENDED 31 DECEMBER 2020*

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The Trustees, who are also the directors of The Lyttelton Well Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Board of Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Board of Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006. 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 LYTTTELTON WELL LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF TRUSTEES OF THE LYTTTELTON WELL LIMITED

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#### Opinion

We have audited the financial statements of The Lyttelton Well Limited (the 'Charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board of Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Board of Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



# THE LYTTTELTON WELL LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE BOARD OF TRUSTEES OF THE LYTTTELTON WELL LIMITED

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Board of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Board of Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board of Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Board of Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

#### **Extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- an understanding of the risk assessment process (including the assessment of the risk of fraud) adopted by the Board is obtained and their attitude to risk ascertained
- an assessment of the susceptibility to material mis-statement of the financial statements as a result of management over-ride or fraud is made
- it is ensured that the engagement team have, collectively, the appropriate competence, capabilities and skills to be involved in the assignment, are fully briefed and understand the risks specific to the charitable company



# THE LYTTTELTON WELL LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE BOARD OF TRUSTEES OF THE LYTTTELTON WELL LIMITED

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#### Audit response to risks identified

The information obtained through the assessment to risk procedures is reviewed and the following work undertaken:

- processes to test the outcomes of our assessment include, a review of Board minutes, analytical review, the relevance and accuracy of significant accounting estimates, substantive testing of significant transactions, work to identify unusual or unexpected accounting entries including the testing of journal entries, information disclosed in the financial statements is traced to supporting documentation. In all instances it is acknowledged that material mis-statements that arise from fraud may involve deliberate concealment or collusion and are, therefore, by their very nature harder to detect than those arising from error.

- an understanding of the legal and regulatory framework as applicable to the charitable company is obtained together with knowledge of the procedures put in place by the charitable company in order to comply with the same

- it is established if there have been any instances of non-compliance with applicable laws and regulations, for this entity regulations focus on Safeguarding through dealing with the vulnerable, and Food and Hygiene requirements for the operation of the Cafe facilities. Where there are such breaches, a full understanding, including gathering of relevant documentation appertaining to the event is obtained and assessed

It should be noted that Auditing standards limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Elizabeth Needham ACA CTA (VAT) (Senior Statutory Auditor)**  
for and on behalf of Kendall Wadley LLP

10 May 2021

**Chartered Accountants**  
**Statutory Auditor**

Granta Lodge  
71 Graham Road  
Malvern  
Worcestershire  
WR14 2JS

Kendall Wadley LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# THE LYTTTELTON WELL LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

### Current financial year

|   |       | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Endowment<br>funds<br>2020<br>£ | Total<br>2020<br>£ | Total<br>2019<br>£ |
|---|-------|------------------------------------|----------------------------------|---------------------------------|--------------------|--------------------|
|   | Notes |                                    |                                  |                                 |                    |                    |
| <b><u>Income and endowments from:</u></b>                               |       |                                    |                                  |                                 |                    |                    |
| Voluntary income  | 2     | 40,786                             | 23,885                           | -                               | 64,671             | 59,808             |
| Charitable activities   | 3     | 29,292                             | 20                               | -                               | 29,312             | 52,807             |
| Other trading activities  | 4     | 79,081                             | 2,700                            | -                               | 81,781             | 176,015            |
| Investment income   | 5     | 48                                 | -                                | -                               | 48                 | 83                 |
| Other income  | 6     | 53,397                             | -                                | -                               | 53,397             | -                  |
| <b>Total income</b>   |       | <b>202,604</b>                     | <b>26,605</b>                    | <b>-</b>                        | <b>229,209</b>     | <b>288,713</b>     |
| <b><u>Expenditure on:</u></b>   |       |                                    |                                  |                                 |                    |                    |
| Raising funds   | 8     | 132,659                            | -                                | -                               | 132,659            | 177,028            |
| Charitable activities   | 9     | 53,790                             | 30,191                           | -                               | 83,981             | 109,648            |
| <b>Total resources expended</b>   |       | <b>186,449</b>                     | <b>30,191</b>                    | <b>-</b>                        | <b>216,640</b>     | <b>286,676</b>     |
| <b>Net incoming/(outgoing) resources before transfers</b>               |       | <b>16,155</b>                      | <b>(3,586)</b>                   | <b>-</b>                        | <b>12,569</b>      | <b>2,037</b>       |
| Gross transfers between funds   | 19    | (2,077)                            | 2,077                            | -                               | -                  | -                  |
| <b>Net income/(expenditure) for the year/<br/>Net movement in funds</b> |       | <b>14,078</b>                      | <b>(1,509)</b>                   | <b>-</b>                        | <b>12,569</b>      | <b>2,037</b>       |
| Fund balances at 1 January 2020   |       | 90,894                             | 12,058                           | 356,613                         | 459,565            | 457,528            |
| <b>Fund balances at 31 December 2020</b>                                |       | <b>104,972</b>                     | <b>10,549</b>                    | <b>356,613</b>                  | <b>472,134</b>     | <b>459,565</b>     |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE LYTTTELTON WELL LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

### Prior financial year

|   |       | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Endowment<br>funds<br>2019<br>£ | Total<br>2019<br>£ |
|---|-------|------------------------------------|----------------------------------|---------------------------------|--------------------|
|   | Notes |                                    |                                  |                                 |                    |
| <b><u>Income and endowments from:</u></b>                               |       |                                    |                                  |                                 |                    |
| Voluntary income  | 2     | 32,149                             | 27,659                           | -                               | 59,808             |
| Charitable activities   | 3     | 50,057                             | 2,750                            | -                               | 52,807             |
| Other trading activities  | 4     | 172,415                            | 3,600                            | -                               | 176,015            |
| Investment income   | 5     | 83                                 | -                                | -                               | 83                 |
| <b>Total income</b>   |       | <b>254,704</b>                     | <b>34,009</b>                    | <b>-</b>                        | <b>288,713</b>     |
| <b><u>Expenditure on:</u></b>   |       |                                    |                                  |                                 |                    |
| Raising funds   | 8     | 177,028                            | -                                | -                               | 177,028            |
| Charitable activities   | 9     | 69,839                             | 39,809                           | -                               | 109,648            |
| <b>Total resources expended</b>   |       | <b>246,867</b>                     | <b>39,809</b>                    | <b>-</b>                        | <b>286,676</b>     |
| <b>Net incoming/(outgoing) resources before transfers</b>               |       | <b>7,837</b>                       | <b>(5,800)</b>                   | <b>-</b>                        | <b>2,037</b>       |
| Gross transfers between funds   |       | (5,222)                            | 5,222                            | -                               | -                  |
| <b>Net income/(expenditure) for the year/<br/>Net movement in funds</b> |       | <b>2,615</b>                       | <b>(578)</b>                     | <b>-</b>                        | <b>2,037</b>       |
| Fund balances at 1 January 2019   |       | 88,279                             | 12,636                           | 356,613                         | 457,528            |
| <b>Fund balances at 31 December 2019</b>                                |       | <b>90,894</b>                      | <b>12,058</b>                    | <b>356,613</b>                  | <b>459,565</b>     |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE LYTTTELTON WELL LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

|   | Notes | 2020<br>£ | £       | 2019<br>£ | £       |
|---|-------|-----------|---------|-----------|---------|
| <b>Fixed assets</b>                                   |       |           |         |           |         |
| Tangible assets                                       | 14    |           | 382,219 |           | 384,789 |
| <b>Current assets</b>                                 |       |           |         |           |         |
| Stocks  | 15    | 12,195    |         | 13,900    |         |
| Debtors   | 16    | 6,527     |         | 7,177     |         |
| Cash at bank and in hand                              |       | 82,946    |         | 71,661    |         |
|   |       | 101,668   |         | 92,738    |         |
| <b>Creditors: amounts falling due within one year</b> | 17    | (11,753)  |         | (17,962)  |         |
| Net current assets                                    |       |           | 89,915  |           | 74,776  |
| <b>Total assets less current liabilities</b>          |       |           | 472,134 |           | 459,565 |
| <b>Capital funds</b>                                  |       |           |         |           |         |
| Endowment funds                                       | 18    |           | 356,613 |           | 356,613 |
| <b>Income funds</b>                                   |       |           |         |           |         |
| Restricted funds                                      | 19    |           | 10,549  |           | 12,058  |
| Unrestricted funds                                    |       |           | 104,972 |           | 90,894  |
|   |       |           | 472,134 |           | 459,565 |

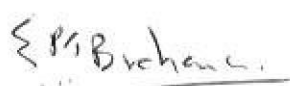
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

The Board of Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Board Of Trustees on 10 May 2021

  
E.P.T. Buchanan  
Trustee

Company Registration No. 02553905

# THE LYTTTELTON WELL LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Notes | 2020<br>£ | £       | 2019<br>£ | £       |
|--|-------|-----------|---------|-----------|---------|
| <b>Cash flows from operating activities</b>      |       |           |         |           |         |
| Cash generated from operations                   | 22    |           | 12,513  |           | 9,542   |
| <b>Investing activities</b>                      |       |           |         |           |         |
| Purchase of tangible fixed assets                |       | (1,276)   |         | (4,435)   |         |
| Interest received                                |       | 48        |         | 83        |         |
| <b>Net cash used in investing activities</b>     |       |           | (1,228) |           | (4,352) |
| <b>Net cash used in financing activities</b>     |       |           | -       |           | -       |
| <b>Net increase in cash and cash equivalents</b> |       |           | 11,285  |           | 5,190   |
| Cash and cash equivalents at beginning of year   |       |           | 71,661  |           | 66,471  |
| <b>Cash and cash equivalents at end of year</b>  |       |           | 82,946  |           | 71,661  |

# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Charity information

The Lyttelton Well Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Church Street, Malvern, Worcestershire, WR14 2AY.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, the leasehold property being carried at deemed value upon endowment to the charity (Note 18). The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Board of Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Board of Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Board of Trustees in furtherance of their charitable objectives.

Restricted funds represent funds received by the charity that have been given for a specific purpose imposed by the donor.

Endowed funds represent the value of buildings gifted by the Diocese on commencement of the charity.

#### 1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Voluntary income is recognised as an incoming resource when receivable, except insofar as when it is incapable of financial measurement.

Activities for generating funds income is recognised on receipt as this is when it becomes measurable.

Investment income is included in the SOFA in the year in which it is receivable.

Legacies are recognised when there is reasonable probability that the bequest will be received.

Government grants are recognised as an incoming resource when receivable.

# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA. The Charity is registered for VAT and accordingly expenditure is shown net of recoverable VAT.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                                |   |
|--------------------------------|---|
| Leasehold property             | not applicable                            |
| Plant and machinery            | over 5 to 20 years as appropriate on cost |
| Fixtures, fittings & equipment | over 5 to 10 years as appropriate on cost |
| Office machinery               | over 3 years                              |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

#### 1.10 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.



# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1 Accounting policies

(Continued)

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

The charitable company operates a defined contribution pension scheme for eligible employees. The assets of the scheme will be held separately from those of the company in an independently administered fund. The pension cost charge represents contributions that are payable to the fund and amounted to £4,244 (2019 - £4,308). At the year end pension contributions outstanding and included in other creditors amounted to £nil (2019 - £nil).

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

#### 2 Voluntary income

|  | Unrestricted<br>funds | Restricted<br>funds | Total<br>2020 | Total<br>2019 |
|--|-----------------------|---------------------|---------------|---------------|
|  | £                     | £                   | £             | £             |
| Donations and gifts                        | 38,286                | 17,185              | 55,471        | 59,072        |
| Legacies receivable                        | 2,500                 | -                   | 2,500         | 736           |
| Counselling grants received                | -                     | 6,700               | 6,700         | -             |
|  | <u>40,786</u>         | <u>23,885</u>       | <u>64,671</u> | <u>59,808</u> |
| <b>For the year ended 31 December 2019</b> | <u>32,149</u>         | <u>27,659</u>       |               | <u>59,808</u> |



# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 3 Charitable activities

|                          | Counselling | Bookshop      | Total<br>2020 | Total<br>2019 |
|--------------------------|-------------|---------------|---------------|---------------|
|                          | £           | £             | £             | £             |
| Bookshop income          | -           | 29,292        | 29,292        | 49,877        |
| Ancillary trading income | 20          | -             | 20            | 2,930         |
|                          | <u>20</u>   | <u>29,292</u> | <u>29,312</u> | <u>52,807</u> |
| Analysis by fund         |             |               |               |               |
| Unrestricted funds       | -           | 29,292        | 29,292        |               |
| Restricted funds         | 20          | -             | 20            |               |
|                          | <u>20</u>   | <u>29,292</u> | <u>29,312</u> |               |

#### For the year ended 31 December 2019

|                          | Counselling  | Bookshop      | Total<br>2019 |
|--------------------------|--------------|---------------|---------------|
|                          | £            | £             | £             |
| Bookshop income          | -            | 49,877        | 49,877        |
| Ancillary trading income | 2,930        | -             | 2,930         |
|                          | <u>2,930</u> | <u>49,877</u> | <u>52,807</u> |
| Analysis by fund         |              |               |               |
| Unrestricted funds       | 180          | 49,877        | 50,057        |
| Restricted funds         | 2,750        | -             | 2,750         |
|                          | <u>2,930</u> | <u>49,877</u> | <u>52,807</u> |

# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 4 Other trading activities

|                          | Unrestricted<br>funds | Restricted<br>funds | Total     | Unrestricted<br>funds | Restricted<br>funds | Total     |
|--------------------------|-----------------------|---------------------|-----------|-----------------------|---------------------|-----------|
|                          | 2020<br>£             | 2020<br>£           | 2020<br>£ | 2019<br>£             | 2019<br>£           | 2019<br>£ |
| Fundraising events       | 266                   | -                   | 266       | 2,679                 | -                   | 2,679     |
| Café                     | 68,395                | -                   | 68,395    | 140,129               | -                   | 140,129   |
| Room letting income      | 10,420                | 2,700               | 13,120    | 29,107                | 3,600               | 32,707    |
| Training                 | -                     | -                   | -         | 500                   | -                   | 500       |
| Other trading activities | 79,081                | 2,700               | 81,781    | 172,415               | 3,600               | 176,015   |

During the year, Great Malvern Priory contributed £6214 (2019 - £9871) towards the running costs of the Lyttelton Rooms under the joint Operating Agreement with the charity for use of the that building, of which £2325 (2019 - £2100) was restricted to the Rooms Maintenance Fund.

#### 5 Investment income

|                     | Unrestricted<br>funds | Unrestricted<br>funds |
|---------------------|-----------------------|-----------------------|
|                     | 2020<br>£             | 2019<br>£             |
| Interest receivable | 48                    | 83                    |

#### 6 Other income

|                                | Unrestricted<br>funds | Total     |
|--------------------------------|-----------------------|-----------|
|                                | 2020<br>£             | 2019<br>£ |
| Government grants & JRS scheme | 53,397                | -         |

# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **7 Description of charitable activities**

#### The Well Counselling

The Well Counselling is a long-established counselling service based in the centre of Great Malvern. We provide a safe, confidential place to explore issues which cause distress or difficulty.

#### Community Support

A chaplaincy service offers prayer and support to those who ask.

#### Outreach and foodbank

The Lyttelton Well is a collection and distribution centre for the Malvern Hills Foodbank.

#### Provision of facilities

The Lyttelton Rooms provide a venue for a variety of community related activities.

#### Bookshop

The provision of faith education through the operation of a bookshop to promote the advancement of Christian religion.

# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Raising funds

|  | 2020           | 2019           |
|--|----------------|----------------|
|  | £              | £              |
| <u>Fundraising and publicity</u>             |                |                |
| Costs of fundraising                         | 71             | 1,136          |
|  | <hr/>          | <hr/>          |
| <u>Costs of trading</u>                      |                |                |
| Café - direct cost of goods sold             | 20,381         | 46,895         |
| Staff costs                                  | 72,788         | 77,150         |
| Depreciation and impairment                  | 3,706          | 3,904          |
|  | <hr/>          | <hr/>          |
| Costs of trading                             | 96,875         | 127,949        |
|  | <hr/>          | <hr/>          |
| <u>Share of support and governance costs</u> | 35,713         | 47,943         |
|  | <hr/>          | <hr/>          |
|  | <u>132,659</u> | <u>177,028</u> |

## THE LYTTTELTON WELL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

#### 9 Charitable activities

|   | The Well<br>Counselling | Community<br>Support | Outreach<br>and<br>foodbank | Provision of<br>facilities | Bookshop      | Total<br>2020 | Total<br>2019  |
|---|-------------------------|----------------------|-----------------------------|----------------------------|---------------|---------------|----------------|
|   | £                       | £                    | £                           | £                          | £             | £             | £              |
| Staff costs                               | 16,933                  | -                    | -                           | -                          | 16,842        | 33,775        | 40,100         |
| Depreciation and impairment               | 131                     | -                    | -                           | -                          | 11            | 142           | 183            |
| Direct expenses                           | 4,736                   | -                    | -                           | -                          | -             | 4,736         | 10,029         |
| Direct expenses - provision of facilities | -                       | -                    | -                           | 5,978                      | -             | 5,978         | 200            |
| Outreach costs                            | -                       | -                    | 463                         | -                          | -             | 463           | 1,317          |
| Sundry expenses                           | 2,081                   | -                    | -                           | -                          | -             | 2,081         | 4,624          |
| Cost of goods sold                        | -                       | -                    | -                           | -                          | 17,814        | 17,814        | 29,493         |
| IT costs                                  | -                       | -                    | -                           | -                          | 750           | 750           | 657            |
| Suite costs                               | -                       | -                    | -                           | -                          | -             | -             | 3,600          |
|   | <u>23,881</u>           | <u>-</u>             | <u>463</u>                  | <u>5,978</u>               | <u>35,417</u> | <u>65,739</u> | <u>90,203</u>  |
| Share of support costs (see note 10)      | 3,864                   | 905                  | 1,601                       | -                          | 11,048        | 17,418        | 17,797         |
| Share of governance costs (see note 10)   | 235                     | -                    | -                           | -                          | 589           | 624           | 1,648          |
|   | <u>27,980</u>           | <u>905</u>           | <u>2,064</u>                | <u>5,978</u>               | <u>47,054</u> | <u>83,981</u> | <u>109,648</u> |
| <b>Analysis by fund</b>                   |                         |                      |                             |                            |               |               |                |
| Unrestricted funds                        | 4,230                   | 905                  | 1,601                       | -                          | 47,054        | 53,790        |                |
| Restricted funds                          | 23,750                  | -                    | 463                         | 5,978                      | -             | 30,191        |                |
|   | <u>27,980</u>           | <u>905</u>           | <u>2,064</u>                | <u>5,978</u>               | <u>47,054</u> | <u>83,981</u> |                |

# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

| 9                                   | Charitable activities |               |            |              |              |               | (Continued)    |
|-------------------------------------|-----------------------|---------------|------------|--------------|--------------|---------------|----------------|
| For the year ended 31 December 2019 |                       |               |            |              |              |               |                |
|                                     | Unrestricted funds    | 5,095         | 559        | 636          | -            | 63,549        | 69,839         |
|                                     | Restricted funds      | 36,022        | -          | 1,317        | 2,470        | -             | 39,809         |
|                                     |                       | <u>41,117</u> | <u>559</u> | <u>1,953</u> | <u>2,470</u> | <u>63,549</u> | <u>109,648</u> |

# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 10 Support costs

|                                 | Support costs | Governance costs | 2020          | 2019          | Basis of allocation |
|---------------------------------|---------------|------------------|---------------|---------------|---------------------|
|                                 | £             | £                | £             | £             |                     |
| Staff costs                     | 22,953        | -                | 22,953        | 24,833        | Activity            |
| Insurance                       | 3,483         | -                | 3,483         | 3,430         | Activity            |
| Light and heat                  | 6,725         | -                | 6,725         | 9,350         | Activity            |
| Repairs and maintenance         | 2,410         | -                | 2,410         | 4,067         | Activity            |
| Rates                           | 1,287         | -                | 1,287         | 2,755         | Activity            |
| Cleaning, health and safety     | 8,191         | -                | 8,191         | 13,035        | Activity            |
| Office and communications costs | 1,729         | -                | 1,729         | 1,846         | Activity            |
| Volunteer costs                 | 89            | -                | 89            | 358           | Activity            |
| Bank charges                    | 1,635         | -                | 1,635         | 1,711         | Activity            |
| Computer expenses               | 1,870         | -                | 1,870         | 2,114         | Activity            |
| General expenses                | 1,228         | -                | 1,228         | 382           | Activity            |
| Audit fees                      | -             | 2,302            | 2,302         | 2,303         | Governance          |
| Legal and professional          | -             | 53               | 53            | 1,204         | Governance          |
|                                 | <u>51,600</u> | <u>2,355</u>     | <u>53,955</u> | <u>67,388</u> |                     |
| Analysed between                |               |                  |               |               |                     |
| Trading                         | 34,182        | 1,531            | 35,713        | 47,943        |                     |
| Charitable activities           | 17,418        | 824              | 18,242        | 19,445        |                     |
|                                 | <u>51,600</u> | <u>2,355</u>     | <u>53,955</u> | <u>67,388</u> |                     |

### 11 Raising funds - support and governance costs by activity

|                  | Café          | 2020 Lettings | Café          | 2019 Lettings |
|------------------|---------------|---------------|---------------|---------------|
|                  | £             | £             | £             | £             |
| Depreciation     | 1,530         | 2,176         | 1,587         | 2,317         |
| Support costs    | 23,044        | 11,138        | 22,751        | 23,333        |
| Governance costs | 824           | 707           | 1,508         | 351           |
|                  | <u>25,398</u> | <u>14,021</u> | <u>25,846</u> | <u>26,001</u> |

### 12 Board Of Trustees

None of the Board of Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 13 Employees

##### Number of employees

The average monthly number of employees during the year was:

|            | 2020<br>Number | 2019<br>Number |
|------------|----------------|----------------|
| Management | 3              | 3              |
| Staff      | 20             | 22             |
|            | <u>23</u>      | <u>25</u>      |

##### Employment costs

|                       | 2020<br>£      | 2019<br>£      |
|-----------------------|----------------|----------------|
| Wages and salaries    | 123,657        | 134,259        |
| Social security costs | 1,615          | 3,517          |
| Other pension costs   | 4,244          | 4,307          |
|                       | <u>129,516</u> | <u>142,083</u> |

Included in the above are fees of £13,140 (2019: £14,040) paid for the provision of counselling services.

The average number of paid staff on a full time equivalent basis during the year was 6 (2019: 6)

There were no employees whose annual remuneration was £60,000 or more.

#### 14 Tangible fixed assets

|                                    | Leasehold<br>property<br>£ | Plant and<br>machinery<br>£ | Fixtures,<br>fittings &<br>equipment<br>£ | Office<br>machinery<br>£ | Total<br>£     |
|------------------------------------|----------------------------|-----------------------------|---|--------------------------|----------------|
| <b>Cost</b>                        |                            |                             |   |                          |                |
| At 1 January 2020                  | 356,613                    | 47,013                      | 55,437                                    | 9,336                    | 468,399        |
| Additions                          | -                          | 1,098                       | 178                                       | -                        | 1,276          |
|                                    | <u>356,613</u>             | <u>48,111</u>               | <u>55,615</u>                             | <u>9,336</u>             | <u>469,675</u> |
| At 31 December 2020                | 356,613                    | 48,111                      | 55,615                                    | 9,336                    | 469,675        |
| <b>Depreciation and impairment</b> |                            |                             |   |                          |                |
| At 1 January 2020                  | -                          | 27,247                      | 47,158                                    | 9,204                    | 83,609         |
| Depreciation charged in the year   | -                          | 2,535                       | 1,203                                     | 109                      | 3,847          |
|                                    | <u>-</u>                   | <u>29,782</u>               | <u>48,361</u>                             | <u>9,313</u>             | <u>87,456</u>  |
| At 31 December 2020                | -                          | 29,782                      | 48,361                                    | 9,313                    | 87,456         |
| <b>Carrying amount</b>             |                            |                             |   |                          |                |
| At 31 December 2020                | <u>356,613</u>             | <u>18,329</u>               | <u>7,254</u>                              | <u>23</u>                | <u>382,219</u> |
| At 31 December 2019                | <u>356,613</u>             | <u>19,765</u>               | <u>8,279</u>                              | <u>132</u>               | <u>384,789</u> |



# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

|           |   |               |               |
|-----------|---|---------------|---------------|
| <b>15</b> | <b>Stocks</b>   | <b>2020</b>   | <b>2019</b>   |
|           |   | <b>£</b>      | <b>£</b>      |
|           | Book stock  | 9,826         | 11,531        |
|           | Café and other stocks                                 | 2,369         | 2,369         |
|           |   | <u>12,195</u> | <u>13,900</u> |
| <b>16</b> | <b>Debtors</b>  | <b>2020</b>   | <b>2019</b>   |
|           |   | <b>£</b>      | <b>£</b>      |
|           | <b>Amounts falling due within one year:</b>           |               |               |
|           | Trade debtors   | 103           | 2,997         |
|           | Other debtors   | 1,939         | 2,182         |
|           | Grants receivable                                     | 2,677         | -             |
|           | Prepayments and accrued income                        | 1,808         | 1,998         |
|           |   | <u>6,527</u>  | <u>7,177</u>  |
| <b>17</b> | <b>Creditors: amounts falling due within one year</b> | <b>2020</b>   | <b>2019</b>   |
|           |   | <b>£</b>      | <b>£</b>      |
|           | Other taxation and social security                    | 4,720         | 8,245         |
|           | Other creditors                                       | 4,518         | 7,131         |
|           | Accruals and deferred income                          | 2,515         | 2,586         |
|           |   | <u>11,753</u> | <u>17,962</u> |

## THE LYTTTELTON WELL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 18 Endowment funds

Endowment funds represent assets which must be held permanently by the Charity.

|                             | Balance at<br>1 January 2019 | Incoming<br>resources | Movement in funds     |           |  | Balance at<br>January 2020 | Incoming<br>resources | Movement in funds     |           |                             | Balance at<br>31 December<br>2020 |
|-----------------------------|------------------------------|-----------------------|-----------------------|-----------|--|----------------------------|-----------------------|-----------------------|-----------|-----------------------------|-----------------------------------|
|                             |                              |                       | Resources<br>expended | Transfers | Investments<br>gains/losses <sup>1</sup> |                            |                       | Resources<br>expended | Transfers | Investments<br>gains/losses |                                   |
|                             | £                            | £                     | £                     | £         | £  | £                          | £                     | £                     | £         | £                           | £                                 |
| <b>Permanent endowments</b> |                              |                       |                       |           |  |                            |                       |                       |           |                             |                                   |
| Capital fund                | 356,613                      | -                     | -                     | -         | -  | 356,613                    | -                     | -                     | -         | -                           | 356,613                           |
|                             | <u>356,613</u>               | <u>-</u>              | <u>-</u>              | <u>-</u>  | <u>-</u>                                 | <u>356,613</u>             | <u>-</u>              | <u>-</u>              | <u>-</u>  | <u>-</u>                    | <u>356,613</u>                    |

The capital fund reflects deemed value of The Lyttelton Well buildings gifted upon commencement that will revert to the Diocese on vacation.

## THE LYTTTELTON WELL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

|                                    | Movement in funds            |                       |                       |              | Movement in funds            |                       |                       |              | Balance at<br>31 December<br>2020 |
|------------------------------------|------------------------------|-----------------------|-----------------------|--------------|------------------------------|-----------------------|-----------------------|--------------|-----------------------------------|
|                                    | Balance at<br>1 January 2019 | Incoming<br>resources | Resources<br>expended | Transfers    | Balance at<br>1 January 2020 | Incoming<br>resources | Resources<br>expended | Transfers    |                                   |
|                                    | £                            | £                     | £                     | £            | £                            | £                     | £                     | £            | £                                 |
| Well counselling service fund      | 1,780                        | 28,292                | (36,022)              | 5,950        | -                            | 21,673                | (23,750)              | 2,077        | -                                 |
| Counselling bursary                | 100                          | -                     | -                     | -            | 100                          | -                     | -                     | -            | 100                               |
| Marriage courses fund              | 9                            | -                     | -                     | -            | 9                            | -                     | -                     | -            | 9                                 |
| Outreach food bank fund            | 509                          | 1,117                 | (1,045)               | -            | 581                          | 2,232                 | (463)                 | -            | 2,350                             |
| Outreach -non food bank activities | -                            | -                     | (272)                 | 272          | -                            | -                     | -                     | -            | -                                 |
| Roof repair fund                   | 5,284                        | -                     | (1,600)               | -            | 3,684                        | -                     | (3,684)               | -            | -                                 |
| Rooms maintenance fund             | 4,954                        | 3,600                 | (870)                 | -            | 7,684                        | 2,700                 | (2,294)               | -            | 8,090                             |
| New legal structure                | -                            | 1,000                 | -                     | (1,000)      | -                            | -                     | -                     | -            | -                                 |
|                                    | <u>12,636</u>                | <u>34,009</u>         | <u>(39,809)</u>       | <u>5,222</u> | <u>12,058</u>                | <u>26,605</u>         | <u>(30,191)</u>       | <u>2,077</u> | <u>10,549</u>                     |

## THE LYTTTELTON WELL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 19 Restricted funds

(Continued)

##### Transfers

The funds transfer comprises, a recharge of £750 to the Counselling fund for use of facilities for the first three months of the year, and a transfer from unrestricted funds to restricted funds of £2,827 to cover the resultant deficit on the Counselling fund.

In the prior year £1,000 was transferred from restricted funds to unrestricted funds to offset restricted income received against expenditure incurred in connection with that restriction. In addition, £6,222 was transferred from unrestricted funds to restricted funds to clear the deficit on the Counselling and Outreach - non food bank activities fund.

##### Description of funds

Well counselling service - This fund represents money received through donations in support of the counselling service and a grant for counselling.

Counselling bursary - funds received to enable bursaries for individual training to be awarded.

Marriage courses fund - This fund represents money received through donations to assist in the cost of providing marriage counselling.

Outreach food bank fund - This fund represents money received in support of a food bank serving the local area.

Outreach - non food bank activities - a fund to promote other outreach activities in the community.

Roof repair fund - This fund represents money received through donations in support of the need to repair the roof of the building in the future.

Rooms maintenance fund - This fund represents money received from the Great Malvern Priory and is matched by The Lyttelton Well Limited for the maintenance of the rooms.

# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 20 Analysis of net assets between funds

|   | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Endowment<br>funds<br>2020<br>£ | Total<br>2020<br>£ | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Endowment<br>funds<br>2019<br>£ | Total<br>2019<br>£ |
|---|------------------------------------|----------------------------------|---------------------------------|--------------------|------------------------------------|----------------------------------|---------------------------------|--------------------|
| Fund balances at 31 December 2020 are represented by: |                                    |                                  |                                 |                    |                                    |                                  |                                 |                    |
| Tangible assets                                       | 25,606                             | -                                | 356,613                         | 382,219            | 28,176                             | -                                | 356,613                         | 384,789            |
| Current assets/(liabilities)                          | 79,366                             | 10,549                           | -                               | 89,915             | 62,716                             | 12,058                           | -                               | 74,776             |
|   | <u>104,972</u>                     | <u>10,549</u>                    | <u>356,613</u>                  | <u>472,134</u>     | <u>90,894</u>                      | <u>12,058</u>                    | <u>356,613</u>                  | <u>459,565</u>     |

# THE LYTTTELTON WELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 21 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

|                        | 2020<br>£ | 2019<br>£ |
|------------------------|-----------|-----------|
| Aggregate compensation | 58,198    | 63,523    |

#### 22 Cash generated from operations

|   | 2020<br>£     | 2019<br>£    |
|---|---------------|--------------|
| Surplus for the year  | 12,569        | 2,037        |
| Adjustments for:  |               |              |
| Investment income recognised in statement of financial activities | (48)          | (83)         |
| Depreciation and impairment of tangible fixed assets              | 3,847         | 4,088        |
| Movements in working capital:                                     |               |              |
| Decrease in stocks  | 1,705         | 1,519        |
| Decrease/(increase) in debtors                                    | 650           | (96)         |
| (Decrease)/increase in creditors                                  | (6,210)       | 2,077        |
| <b>Cash generated from operations</b>                             | <b>12,513</b> | <b>9,542</b> |