

Charity registration number 1048549 (England and Wales)

Company registration number 03067374

**THE LYME TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

# THE LYME TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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|----------------------------|--|-----------------------------|
| <b>Trustees</b>            | Mr G Thomson   | (Appointed 25 January 2024) |
|                            | Mrs M Faichney   |                             |
|                            | Mr P A Lomas   |                             |
|                            | Mrs K A Smith  |                             |
|                            | Mr L Wilbraham   |                             |
| <b>Secretary</b>           | Mrs M Faichney   |                             |
| <b>Operations Director</b> | Mrs C Sheppard (Appointed 01/10/2023)  |                             |
| <b>Charity number</b>      | 1048549  |                             |
| <b>Company number</b>      | 03067374   |                             |
| <b>Registered office</b>   | 37 London Road<br>Newcastle-under-Lyme<br>Staffordshire<br>ST5 1LN                   |                             |
| <b>Auditor</b>             | Geens Limited<br>Graphic House<br>124 City Road<br>Stoke on Trent                    |                             |
| <b>Solicitors</b>          | Myers Solicitors<br>33-43 Price Street<br>Stoke on Trent<br>ST6 4EN                  |                             |
| <b>Bankers</b>             | Barclays Bank<br>118 High Street<br>Newcastle-under-Lyme<br>Staffordshire<br>ST5 1PT |                             |

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# THE LYME TRUST

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# THE LYME TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2024. The trustees have adopted the provisions of 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).

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 Lyme Trust ("the Trust") provides safe, supported accommodation and life skills to people with mild to moderate mental health conditions with the aims of a return to independent living and the prevention of homelessness.

The Trust delivers against its objectives through the provision of accommodation to residents at low rent via the Trust's portfolio of owned and leased properties, together with the ongoing support of project workers.

The Trust's support staff are experienced and highly trained to offer guidance and support, but the final outcome for each resident is down to their own engagement and hard work.

Many of the people who come to live at the Lyme Trust also have alcohol or substance dependency issues, for which the Trust employs a dedicated drug and alcohol support worker to signpost the best support.

We aim to develop positive attitudes and self-motivation that will lead to independent living.

The trustees comply with their duty to have due regard to the guidance on public benefit published by the Charities Commission in exercising their powers or duties.

### Achievements and performance

The Trust delivers against its objectives by investing in and leasing local residential property which it lets to its residents at low rent. The charity makes a housing benefit claim to Newcastle-Under-Lyme council on behalf of its residents to support rental payments. As at 31 March 2024, the Charity owned 7 properties and leased a further 12, for a total of 83 resident rooms. During the financial year, the Trust achieved an average occupancy rate of 89%.

The Trust also provides a regular and continuing schedule of activities for its residents that are creative, therapeutic and social in nature. Engagement of residents in this manner contributes to their personal and social rehabilitation, mental wellness, and is an integral part of their journey to independent living.

The Trust provides ongoing training to its project workers and support workers to equip them with the tools to successfully support the residents and help them with current and historical issues.

The Charity measures its performance through key performance indicators. 'Planned moves' refers to residents moving into private accommodation and 'unplanned moves' relates to evictions or abandonment. The Charity records all eviction reasons, and these are discussed by the board of trustees monthly.

The board of trustees is pleased to report that for the year ended 31 March 2024, a total of 9 (2023: 2) residents made a successful planned move to independent living within the community.

### Financial review

The Charity has remained financially stable during the year and is considered to be a going concern. During the year ended 31 March 2024, the Charity generated a surplus of £54,624 (2023: £25,936).

The principal source of funding for the Trust is via working capital generated from the housing benefit claim. The trust receives no government grants but applies for community grants from private organisations when available. Property purchases are funded via the property investment fund and bank mortgages, although the Trust did not make any acquisitions of property during the year.

# THE LYME TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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Detailed monthly financial reports are scrutinised by the Finance Sub Committee and a summary is presented to the Management Committee meeting of the trustees. The Trustees and management committee meetings incur no costs.

For the year ended 31 March 2024, the Charity's assets and cash balances are in line with Charity Commission recommendations.

### **Plans for future periods**

The Trust plans to continue its property refurbishment programme across the existing property portfolio. This is intended to be supported via charitable donations from local businesses.

The Trust will continue to look for suitable properties for acquisition.

### **Structure, governance and management**

The charity is a company limited by guarantee governed by its Memorandum and Articles of Association.

It is registered as a charity with the Charity Commission in England and Wales.

The major risks to which the Charity is exposed, as identified by the trustees, have been reviewed, and systems or procedures have been established to manage those risks.

### **Trustees**

The trustees who served during the year and up to the date of signature of the financial statements were:

|                  |                             |
|------------------|-----------------------------|
| Mr G Thomson     |                             |
| Mr J J A Pearson | (Resigned 22 June 2023)     |
| Mrs M Faichney   | (Appointed 25 January 2024) |
| Mr P A Lomas     |                             |
| Mrs K A Smith    |                             |
| Mr L Wilbraham   |                             |

### **Recruitment and appointment of new trustees**

As set out in the Articles of Association, the trustees are elected at the annual general meeting and serve for a period of two years.

Co-opted members may be appointed throughout the year as required.

All members are circulated with invitations to nominate trustees prior to the AGM advising them of retiring trustees and requesting nominations for the AGM.

### **Organisational structure**

The board of trustees administers the charity. The board meets monthly and there is a Finance Sub Committee and they also meet on a monthly basis.

A chief executive is appointed by the trustees to manage the day to day operations of the charity.

To facilitate effective operations the Operations Director has delegated authority for operational matters including finance, employment and welfare of the residents of the trust.

New trustees are provided with an orientation pack to brief them on their legal obligations under charity and company law.

Trustees are encouraged to attend The Lyme Trust to meet key employees and obtain a better understanding of the work the charity carries out. Trustees are required to sign a confidentiality statement which governs the types of information that can be disclosed to the Trustees.

# THE LYME TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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### **Remuneration policy**

An annual pay review for all employed staff is completed with reference to inflation and industry comparatives, and is submitted sequentially to the Finance Sub-Committee, Board of Trustees and Newcastle-Under-Lyme council (with reference to the housing benefit claim) for approval.

### **Summary of The Lyme Trust Properties**

#### **Owned by The Lyme Trust**

|                    |            |
|--------------------|------------|
| 41 London Road     | 9 Bedrooms |
| 52 London Road     | 4 Bedrooms |
| 70 London Road     | 3 Bedrooms |
| 108 London Road    | 8 Bedrooms |
| 13 Webster Street  | 2 Bedrooms |
| 39 Victoria Street | 2 Bedrooms |
| 23 Well Street     | 3 Bedrooms |

#### **Leased by The Lyme Trust**

|                   |                    |
|-------------------|--------------------|
| 2 Grosvenor Road  | 4 Individual flats |
| 4 Grosvenor Road  | 7 Bedrooms         |
| 10 Horton Street  | 2 Bedrooms         |
| 11 Well Street    | 3 Bedrooms         |
| 18 Hanover Street | 2 Bedrooms         |
| 33 London Road    | 9 Bedrooms         |
| 39 London Road    | 6 Bedrooms         |
| 40 London Road    | 5 Bedrooms         |
| 56 London Road    | 5 Bedrooms         |
| 80 London Road    | 3 Bedrooms         |
| 112 London Road   | 4 Bedrooms         |
| 70 Stubbs Gate    | 2 Bedrooms         |

All the above properties are based in Newcastle-Under-Lyme.

# THE LYME TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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### Statement of Trustees' responsibilities

The trustees (who are also directors of The Lyme Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the charities SORP
- Make judgments and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statement on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with The Charities Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are aware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of said information

### Auditor

In accordance with the company's articles, a resolution proposing that Geens Limited be reappointed as auditor of the company will be put at a General Meeting.

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

Mr G Thomson  
Trustee

Mrs K A Smith

12 December 2024

# THE LYME TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LYME TRUST

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### Opinion

We have audited the financial statements of The Lyme Trust the charitable company for the year ended 31 March 2024 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 March 2024 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 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 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.

### 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 requires 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.



# THE LYME TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE LYME TRUST

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### **Responsibilities of trustees**

As explained more fully in the statement of Trustees' responsibilities, the 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 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 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 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP. FRS 102, Charities Act 2011. Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Assessing the extent of compliance, or lack of, with relevant laws and regulations.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as charity board minutes for discussions of irregularities including fraud.

# THE LYME TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE LYME TRUST

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Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's 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.

### **(Senior Statutory Auditor)**

For and on behalf of Geens Limited, Statutory Auditor  
Chartered Accountants  
Graphic House  
124 City Road  
Stoke on Trent  
ST4 2PH  
13 December 2024

Geens Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# THE LYME TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2024**

|   | Notes | Unrestricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|---|-------|------------------------------------|------------------------------------|
| <b>Income from:</b>                     |       |                                    |                                    |
| Donations and legacies                  | 3     | 7,571                              | 13,563                             |
| Charitable activities                   | 4     | 1,387,097                          | 1,227,597                          |
| Investments                             |       | 6,137                              | 1,481                              |
| <b>Total income</b>                     |       | 1,400,805                          | 1,242,641                          |
| <b>Expenditure on:</b>                  |       |                                    |                                    |
| Charitable activities                   | 5     | 1,346,181                          | 1,216,705                          |
| <b>Total expenditure</b>                |       | 1,346,181                          | 1,216,705                          |
| <b>Net income and movement in funds</b> |       | 54,624                             | 25,936                             |
| <b>Reconciliation of funds:</b>         |       |                                    |                                    |
| Fund balances at 1 April 2023           |       | 847,734                            | 821,798                            |
| <b>Fund balances at 31 March 2024</b>   |       | 902,358                            | 847,734                            |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# THE LYME TRUST

## BALANCE SHEET

AS AT 31 MARCH 2024

|  | Notes | 2024<br>£ | £         | 2023<br>£ | £         |
|--|-------|-----------|-----------|-----------|-----------|
| <b>Fixed assets</b>  |       |           |           |           |           |
| Tangible assets  | 11    |           | 813,516   |           | 853,174   |
| <b>Current assets</b>  |       |           |           |           |           |
| Debtors  | 12    | 24,089    |           | 19,787    |           |
| Cash at bank and in hand                                       |       | 490,987   |           | 388,675   |           |
|  |       | 515,076   |           | 408,462   |           |
| <b>Creditors: amounts falling due within one year</b>          | 14    | (104,676) |           | (76,054)  |           |
| <b>Net current assets</b>                                      |       |           | 410,400   |           | 332,408   |
| <b>Total assets less current liabilities</b>                   |       |           | 1,223,916 |           | 1,185,582 |
| <b>Creditors: amounts falling due after more than one year</b> | 15    |           | (321,558) |           | (337,848) |
| <b>Net assets</b>  |       |           | 902,358   |           | 847,734   |
| <b>The funds of the charity</b>                                |       |           |           |           |           |
| Unrestricted funds   | 17    |           | 902,358   |           | 847,734   |
|  |       |           | 902,358   |           | 847,734   |

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 March 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

The financial statements were approved by the trustees on 12 December 2024

Mr G Thomson

Mrs K A Smith

Company registration number 03067374 (England and Wales)

# THE LYME TRUST

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2024**

|   | Notes | 2024<br>£ | £        | 2023<br>£ | £        |
|---|-------|-----------|----------|-----------|----------|
| <b>Cash flows from operating activities</b>                 |       |           |          |           |          |
| Cash generated from operations                              | 21    |           | 120,848  |           | 80,634   |
| <b>Investing activities</b>                                 |       |           |          |           |          |
| Purchase of tangible fixed assets                           |       | (6,333)   |          | (74,189)  |          |
| Investment income received                                  |       | 6,137     |          | 1,481     |          |
| <b>Net cash used in investing activities</b>                |       |           | (196)    |           | (72,708) |
| <b>Financing activities</b>                                 |       |           |          |           |          |
| Repayment of bank loans                                     |       | (18,340)  |          | (21,177)  |          |
| <b>Net cash used in financing activities</b>                |       |           | (18,340) |           | (21,177) |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |       |           | 102,312  |           | (13,251) |
| Cash and cash equivalents at beginning of year              |       |           | 388,675  |           | 401,926  |
| <b>Cash and cash equivalents at end of year</b>             |       |           | 490,987  |           | 388,675  |

# THE LYME TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024

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#### 1 Accounting policies

##### Charity information

The Lyme Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 37 London Road, Newcastle-under-Lyme, Staffordshire, ST5 1LN.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). 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 financial statements have been prepared under the historical cost convention.

##### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the 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 trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.4 Income

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.

Rental income is recognised on an accruals basis.

Cash donations are recognised on receipt.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers have not been included.

Income from grants, are recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income from investments is included in the year in which it is receivable.

# THE LYME TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

#### 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:

|                             |                      |
|-----------------------------|----------------------|
| Freehold land and buildings | 2% Straight Line     |
| Leasehold improvements      | 5% Straight Line     |
| Fixtures and fittings       | 25% Reducing Balance |
| Computers                   | 25% Straight Line    |

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 the statement of financial activities.

#### 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 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

#### 1.9 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.

#### **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 unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# THE LYME TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

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

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

#### **1.10 Employee benefits**

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

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Critical judgements**



# THE LYME TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 2 Critical accounting estimates and judgements

(Continued)

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of assets. The useful economic lives and residual values are re-assessed annually and are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of assets.

#### Impairment of land and buildings

Factors taken into consideration in assessing if there are indicators of impairment include the maintenance and condition of the properties, local market trends and property rental yields.

#### Going concern assessment

The main judgement is assessment of the charity's cash reserves and whether they were considered sufficient to meet operational commitments as they fall due.

#### Rent arrears balances

Factors taken in to consideration when assessing the recoverability of rent arrears and the provision for bad debts include the aging of the arrears and the make up of the debt. Old rent balances and arrears owed by former tenants are less likely to be recovered than more recent debts owed by current tenants.

### 3 Income from donations and legacies

|                     | Unrestricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|---------------------|------------------------------------|------------------------------------|
| Donations and gifts | 7,571                              | 13,563                             |

### 4 Income from charitable activities

|                          | Unrestricted<br>Funds<br>2024<br>£ | Unrestricted<br>Funds<br>2023<br>£ |
|--------------------------|------------------------------------|------------------------------------|
| Housing Benefits & Rents | 1,387,097                          | 1,227,597                          |
| <b>Analysis by fund</b>  |                                    |                                    |
| Unrestricted funds       | 1,387,097                          | 1,227,597                          |

# THE LYME TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 5 Expenditure on charitable activities

|   | 2024<br>£        | 2023<br>£        |
|---|------------------|------------------|
| <b>Direct costs</b>                                       |                  |                  |
| Staff costs   | 268,513          | 319,495          |
| Depreciation and impairment                               | 45,990           | 46,179           |
| Rent, Rates & Water                                       | 166,613          | 167,664          |
| Light & Heat  | 75,342           | 64,745           |
| Insurance   | 34,988           | 20,760           |
| Professional Fees   | 24,858           | 39,290           |
| Telephone   | 5,961            | 5,111            |
| Printing, Postage & Stationery                            | 15,493           | 15,373           |
| Advertising   | 15,505           | 10,070           |
| Healthcare  | 1,656            | 1,828            |
| Motor & Traveling   | 20,813           | 14,564           |
| Resident's social activities                              | 19,790           | 22,644           |
| Training  | 14,542           | 17,725           |
| Health and safety   | 10,723           | 10,539           |
| Repairs & Maintenance                                     | 199,094          | 105,095          |
| Bad debt write off  | 49,520           | 52,924           |
| Other charitable expenditure                              | 62,368           | 29,218           |
|   | <u>1,031,769</u> | <u>943,224</u>   |
| <b>Share of support and governance costs (see note 6)</b> |                  |                  |
| Support   | 306,912          | 263,804          |
| Governance  | 7,500            | 9,677            |
|   | <u>1,346,181</u> | <u>1,216,705</u> |
| <b>Analysis by fund</b>                                   |                  |                  |
| Unrestricted funds  | <u>1,346,181</u> | <u>1,216,705</u> |

### 6 Support costs allocated to activities

|                            | 2024<br>£      | 2023<br>£      |
|----------------------------|----------------|----------------|
| Staff costs                | 278,973        | 244,918        |
| Interest                   | 27,939         | 18,886         |
| Governance costs           | 7,500          | 9,677          |
|                            | <u>314,412</u> | <u>273,481</u> |
| <b>Analysed between:</b>   |                |                |
| Support & Governance costs | <u>314,412</u> | <u>273,481</u> |

# THE LYME TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

|          |  |                   |                   |
|----------|--|-------------------|-------------------|
| <b>7</b> | <b>Net movement in funds</b>                                     | <b>2024</b>       | <b>2023</b>       |
|          |  | <b>£</b>          | <b>£</b>          |
|          | The net movement in funds is stated after charging/(crediting):  |                   |                   |
|          | Fees payable for the audit of the charity's financial statements | 7,500             | 9,677             |
|          | Depreciation of owned tangible fixed assets                      | 45,990            | 46,178            |
|          |  | <u>          </u> | <u>          </u> |

### 8 Trustees

The trustees did not have any expenses reimbursed during the year (2023- £Nil).

The trustees neither received or waived any remuneration during the year (2023- £Nil).

The charity has received no donations with conditions from the trustees during the year (2023- £Nil)

### 9 Employees

The average monthly number of employees during the year was:

|                                       |                   |                   |
|---------------------------------------|-------------------|-------------------|
|                                       | <b>2024</b>       | <b>2023</b>       |
|                                       | <b>Number</b>     | <b>Number</b>     |
| Provision of accomodation and support | 18                | 23                |
| Management and administration         | 5                 | 6                 |
|                                       | <u>          </u> | <u>          </u> |
| Total                                 | 23                | 29                |
|                                       | <u>          </u> | <u>          </u> |

#### Employment costs

|                       |                   |                   |
|-----------------------|-------------------|-------------------|
|                       | <b>2024</b>       | <b>2023</b>       |
|                       | <b>£</b>          | <b>£</b>          |
| Wages and salaries    | 496,564           | 532,792           |
| Social security costs | 36,238            | 18,713            |
| Other pension costs   | 14,684            | 12,908            |
|                       | <u>          </u> | <u>          </u> |
|                       | 547,486           | 564,413           |
|                       | <u>          </u> | <u>          </u> |

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

#### Remuneration of key management personnel

The key management personnel of The Lyme Trust comprises the senior management team. The total amount of employee benefits (including employer pension contributions) received by key management personnel is as follows:

|                        |                   |                   |
|------------------------|-------------------|-------------------|
|                        | <b>2024</b>       | <b>2023</b>       |
|                        | <b>£</b>          | <b>£</b>          |
| Aggregate compensation | 157,133           | 189,204           |
|                        | <u>          </u> | <u>          </u> |

# THE LYME TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

### 11 Tangible fixed assets

|                                    | Freehold land<br>and buildings | Leasehold<br>improvements | Fixtures and<br>fittings | Computers | Total     |
|------------------------------------|--------------------------------|---------------------------|--------------------------|-----------|-----------|
|                                    | £                              | £                         | £                        | £         | £         |
| <b>Cost</b>                        |                                |                           |                          |           |           |
| At 1 April 2023                    | 911,257                        | 103,086                   | 198,995                  | 77,968    | 1,291,306 |
| Additions                          | -                              | -                         | 1,351                    | 4,982     | 6,333     |
| At 31 March 2024                   | 911,257                        | 103,086                   | 200,346                  | 82,950    | 1,297,639 |
| <b>Depreciation and impairment</b> |                                |                           |                          |           |           |
| At 1 April 2023                    | 165,247                        | 43,315                    | 159,349                  | 70,222    | 438,133   |
| Depreciation charged in the year   | 17,962                         | 4,167                     | 18,493                   | 5,368     | 45,990    |
| At 31 March 2024                   | 183,209                        | 47,482                    | 177,842                  | 75,590    | 484,123   |
| <b>Carrying amount</b>             |                                |                           |                          |           |           |
| At 31 March 2024                   | 728,048                        | 55,604                    | 22,504                   | 7,360     | 813,516   |
| At 31 March 2023                   | 746,011                        | 59,771                    | 39,646                   | 7,746     | 853,174   |

### 12 Debtors

|   | 2024<br>£ | 2023<br>£ |
|---|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 16,795    | 14,093    |
| Other debtors                               | 200       | 180       |
| Prepayments and accrued income              | 7,094     | 5,514     |
|   | 24,089    | 19,787    |

### 13 Loans and overdrafts

|   | 2024<br>£ | 2023<br>£ |
|---|-----------|-----------|
| Bank loans  | 341,004   | 359,344   |
| Payable within one year                                 | 19,446    | 21,496    |
| Payable after one year                                  | 321,558   | 337,848   |
| Amounts included above which fall due after five years: |           |           |
| Payable by instalments                                  | 225,618   | 237,274   |

# THE LYME TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 13 Loans and overdrafts

(Continued)

Bank loans are secured by a legal charge on the freehold properties to which the loan relates. Interest is charged on the bank loans at a variable rate of interest and the loans are repayable within 15 years.

### 14 Creditors: amounts falling due within one year

|                                    | Notes | 2024<br>£      | 2023<br>£     |
|------------------------------------|-------|----------------|---------------|
| Bank loans                         | 13    | 19,446         | 21,496        |
| Other taxation and social security |       | 3,225          | 6,824         |
| Trade creditors                    |       | 43,953         | 8,402         |
| Other creditors                    |       | 3,471          | 16,383        |
| Accruals and deferred income       |       | 34,581         | 22,949        |
|                                    |       | <u>104,676</u> | <u>76,054</u> |

### 15 Creditors: amounts falling due after more than one year

|            | Notes | 2024<br>£      | 2023<br>£      |
|------------|-------|----------------|----------------|
| Bank loans | 13    | <u>321,558</u> | <u>337,848</u> |

### 16 Retirement benefit schemes

|   | 2024<br>£     | 2023<br>£     |
|---|---------------|---------------|
| <b>Defined contribution schemes</b>                                 |               |               |
| Charge to profit or loss in respect of defined contribution schemes | <u>14,684</u> | <u>12,908</u> |

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

### 17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

|                       | At 1 April<br>2023<br>£          | Incoming<br>resources<br>£          | Resources<br>expended<br>£          | At 31 March<br>2024<br>£          |
|-----------------------|----------------------------------|-------------------------------------|-------------------------------------|-----------------------------------|
| General funds         | <u>847,734</u>                   | <u>1,400,805</u>                    | <u>(1,346,181)</u>                  | <u>902,358</u>                    |
| <b>Previous year:</b> | <b>At 1 April<br/>2022<br/>£</b> | <b>Incoming<br/>resources<br/>£</b> | <b>Resources<br/>expended<br/>£</b> | <b>At 31 March<br/>2023<br/>£</b> |
| General funds         | <u>821,798</u>                   | <u>1,242,641</u>                    | <u>(1,216,705)</u>                  | <u>847,734</u>                    |

# THE LYME TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 18 Analysis of net assets between funds

|                              | Unrestricted<br>funds<br>2024<br>£ |
|------------------------------|------------------------------------|
| <b>At 31 March 2024:</b>     |                                    |
| Tangible assets              | 813,516                            |
| Current assets/(liabilities) | 410,400                            |
| Long term liabilities        | (321,558)                          |
|                              | <u>902,358</u>                     |
|                              |                                    |
|                              | Unrestricted<br>funds<br>2023<br>£ |
| <b>At 31 March 2023:</b>     |                                    |
| Tangible assets              | 853,174                            |
| Current assets/(liabilities) | 332,408                            |
| Long term liabilities        | (337,848)                          |
|                              | <u>847,734</u>                     |

### 19 Operating lease commitments

#### Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                            | 2024<br>£      | 2023<br>£     |
|----------------------------|----------------|---------------|
| Within one year            | 67,374         | 33,600        |
| Between two and five years | 109,647        | 54,600        |
|                            | <u>177,021</u> | <u>88,200</u> |

### 20 Related party transactions

#### Transactions with related parties

During the year the charity entered into the following transactions with related parties.

Lymebrook Media Limited - PR services paid in the year was £12,228 (2023- £9,454).  
This is a company owned by trustees Mr L. Wilbraham and Mr G. Thomson.

# THE LYME TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

| 21 | Cash generated from operations                                    | 2024            | 2023                       |
|----|---|-----------------|----------------------------|
|    |   | £               | £                          |
|    | Surplus for the year  | 54,624          | 25,936                     |
|    | <b>Adjustments for:</b>   |                 |                            |
|    | Investment income recognised in statement of financial activities | (6,137)         | (1,481)                    |
|    | Depreciation and impairment of tangible fixed assets              | 45,990          | 46,179                     |
|    | <b>Movements in working capital:</b>                              |                 |                            |
|    | (Increase)/decrease in debtors                                    | (4,302)         | 16,082                     |
|    | Increase/(decrease) in creditors                                  | 30,673          | (6,082)                    |
|    | <b>Cash generated from operations</b>                             | <u>120,848</u>  | <u>80,634</u>              |
|    |   |                 |                            |
| 22 | Analysis of changes in net funds                                  | At 1 April 2023 | Cash flowsAt 31 March 2024 |
|    |   | £               | £                          |
|    | Cash at bank and in hand  | 388,675         | 102,312                    |
|    | Loans falling due within one year                                 | (21,496)        | 2,050                      |
|    | Loans falling due after more than one year                        | (337,848)       | 16,290                     |
|    |   | <u>29,331</u>   | <u>120,652</u>             |
|    |   |                 | <u>149,983</u>             |