

LUGWARDINE EDUCATION CENTRE  
MANAGEMENT FINANCIAL INFORMATION  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

Company Number: 04041263

R J FRANCIS AND CO.  
Chartered Accountants  
& Registered Auditors  
Marshall Business Centre  
Faraday Road  
Hereford  
HR4 9NS

LUGWARDINE EDUCATION CENTRE  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

<u>CONTENTS:</u>	<u>PAGE</u>
Trustees' Information	1
Trustees' Annual Report	2 - 3
Independent Examiners Report	4
Statement of Financial Activities (Incorporating the Income and Expenditure Account)	5
Balance Sheet	6
Notes to the Financial Statements	7 – 8
Income and Expenditure Account	9

LUGWARDINE EDUCATION CENTRE

TRUSTEES' INFORMATION

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

**TRUSTEES:**

Mr M Fitzgerald  
Mr P Kyles

**REGISTERED OFFICE:**

Lugwardine Court  
Lugwardine  
Hereford  
HR1 4AE

**COMPANY NUMBER:**

04041263

**CHARITY NUMBER:**

1083478

**ACCOUNTANTS:**

R J Francis & Co  
Marshall Business Centre  
Faraday Road  
Hereford  
Herefordshire  
HR4 9NS

LUGWARDINE EDUCATION CENTRE  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

The trustees present their report and the financial statements of the charity for the year ended 31<sup>st</sup> December 2022.

1. Organisation

The Trust consists of the following members:-

Mr M Fitzgerald  
Mr P Kyles

2. Aims and Charitable purposes

The broad Aims of the charity are to identify and provide support facilities, where appropriate, for organisations whose role is directed to education and training.

Original Aims statement –

The charity exists for the purpose of furthering education (and religion) in Herefordshire.

- Specifically to purchase the freehold of Lugwardine Court to use as an Education centre.
- The advancement of the education of the public in all academic subjects, crafts, arts, workplace skills and interpretative activities.
- To provide: lectures, workshops, classes, courses and conferences.
- Presentation of exhibitions and shows including crafts, paintings, sculpture and photography. To form, encourage and produce artistic performances.
- To commission new works of craft and art of all descriptions.
- To acquire copyright interests in any crafts or art and works of themselves of all descriptions for public show.

3. Recent achievements

The stable position of the tenants and tenancies precludes any major changes in the Trust's operation. The Trustees continue to seek suitable tenants for the Walled Garden and the Woodland area.

4. Future Strategy

To identify and approach those organisations that can best profit from the Trust with an aim to maintain a 'profit' stream for the Trust that allows it to maintain the structure of the building and better serve its tenants.

The Trust continues to identify those parts of its estate that can reasonably be sold to further reduce the mortgage borrowings leading ultimately to a debt free position allowing for an ongoing programme of planned maintenance to be established.

This will enable the Trust to continue its work without concern for declining bank balances.

Identification of and appointment of 'contributing' new trustees.

5. Reserves Policy

It is the intention of the Trust to use the strategy outlined in Item 4 to build a sufficient buffer reserve to be able to meet almost any emergency.

LUGWARDINE EDUCATION CENTRE  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

6. Financial management and Risk review

With the majority of the Trust's available assets already occupied in long term tenancies with the largest contributing tenants being St Mary's RC High School and Encore there has/is limited opportunity to expand the organisation's sphere of operation. Two flats on the upper floor of the building virtually complete the major contributors to the Trust's revenue.

It will be seen from the above that the financial risk of the loss of a major tenant is minimal as the school is desperate for even more accommodation and should Encore either close or move elsewhere the 'slack' would be taken up by the school.

The pandemic has not unduly affected the operation of the Trust as all the available space within the main property was fully tenanted. Previous possibilities of the renting out of the Walled Garden and the wood came to nothing. In the case of the Cartshed their operation on the main site is proving very successful but further land is not required.

Significant future costs would probably be linked to the age of the building and the need for work done, certainly externally, to meet the requirements of Listed Building status. Hence our intention to dispose, when the time is right, of some of the non-core parts of the estate e.g. livery fields; walled garden; coach house; building plot. Investigations will be taking place with a knowledgeable local estate agent with a view to giving a value to respective items and appropriate times to place on the market.

The sale of the Barn, in the year, has enabled the Trust to address some urgent repair issues and has placed much needed funds into the bank. The net proceeds of the sale totalled £118,758 and the estimated original cost provided by the trustees totalled £25,000, reflecting the net surplus of £93,758 included in the statement of financial activities.

7. Statement of Trustee's responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

In preparing these 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 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 financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with Companies Act 2006. The trustees 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.

Signed by order of the Trustees

.....

P Kyles  
Secretary

7<sup>th</sup> March 2024

LUGWARDINE EDUCATION CENTRE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE LUGWARDINE EDUCATION CENTRE

I report on the accounts of the Trust for the year ended 31<sup>st</sup> December 2022 which are set out on pages 5 to 9.

*Respective responsibilities of trustees and examiner*

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

*Basis of independent examiner's report*

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

*Independent examiner's statement*

In connection with my examination, no matter has come to my attention:

which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met;

or

to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mr A Houston FCCA  
On behalf of RJ Francis & Co Limited  
Marshall Business Centre  
Faraday Road  
Hereford  
HR4 9NS

7<sup>th</sup> March 2024

LUGWARDINE EDUCATION CENTRE

STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

	<b>Unrestricted Funds Note      £</b>	<b>Restricted Funds £</b>	<b>Total Funds £</b>	<b>Total Funds 2022 £</b>
<u>INCOME AND ENDOWMENTS FROM:</u>				
Donations and Legacies	240	-	240	240
Rental Income	55,364	-	55,364	55,523
Surplus on Disposal of Property	-	-	-	93,758
	<hr/>	<hr/>	<hr/>	<hr/>
	55,604	-	55,604	149,521
	<hr/>	<hr/>	<hr/>	<hr/>
<u>RESOURCES EXPENDED:</u>				
Costs of charitable activities	76,215	-	76,215	75,361
	<hr/>	<hr/>	<hr/>	<hr/>
<u>COST OF GENERATING FUNDS</u>				
Support Costs	7,175	-	7,175	6,200
	<hr/>	<hr/>	<hr/>	<hr/>
<u>TOTAL RESOURCES EXPENDED</u>	83,390	-	83,390	81,561
	<hr/>	<hr/>	<hr/>	<hr/>
<u>NET (OUTGOING) / INCOMING RESOURCES</u>	(27,786)	-	(27,786)	67,960
	<hr/>	<hr/>	<hr/>	<hr/>
<u>TOTAL FUNDS BROUGHT FORWARD</u>	397,550	-	397,550	329,590
	<hr/>	<hr/>	<hr/>	<hr/>
<u>TOTAL FUNDS CARRIED FORWARD</u>	369,764	-	369,764	397,550
	<hr/>	<hr/>	<hr/>	<hr/>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

LUGWARDINE EDUCATION CENTRE

BALANCE SHEET

31<sup>ST</sup> DECEMBER 2022

	<u>Note</u>	<u>2022</u>	<u>2021</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible Assets	2	516	645
Investments	3	570,000	570,000
		<u>570,516</u>	<u>570,645</u>
<u>CURRENT ASSETS</u>			
Debtors	4	550	550
Cash at Bank and in Hand		31,154	74,201
		<u>31,704</u>	<u>74,751</u>
<u>CREDITORS: Amounts falling due within one Year</u>		21,595	21,367
<u>NET CURRENT ASSETS</u>		<u>10,109</u>	<u>53,384</u>
		<u>580,625</u>	<u>624,029</u>
<u>CREDITORS: Amounts falling due after more than one Year</u>	5	121,832	137,450
		<u>£458,793</u>	<u>£486,579</u>
<u>CAPITAL AND RESERVES</u>			
Revaluation Reserve		89,029	89,029
Unrestricted Income Funds	6	369,764	397,550
Total Funds		<u>£458,793</u>	<u>£486,579</u>

For the year ended 31<sup>st</sup> December 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The trustees have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledges their responsibilities for:-

- (a) Ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006, and
- (b) Preparing the financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each 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.

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

The Financial Statements were approved by the Board on 7<sup>th</sup> March 2024 and signed on their behalf by

..... Trustee  
P Kyles  
Company Number: 04041263



LUGWARDINE EDUCATION CENTRE

NOTES TO THE MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with the charities SORP (FRS 102) 'Accounting and Reporting by charities applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, Fittings and Equipment                      -                      20% Reducing Balance Method

2. TANGIBLE FIXED ASSETS

	<u>Equipment</u> £	<u>Total</u> £
<u>Cost</u>		
As at 1 <sup>st</sup> January 2022	11,447	11,447
Additions	-	-
Disposals	-	-
At 31 <sup>st</sup> December 2022	<u>11,447</u>	<u>11,447</u>
<u>Depreciation</u>		
At 1 <sup>st</sup> January 2022	10,802	10,802
Charge for the Year	129	129
On Disposals	-	-
At 31 <sup>st</sup> December 2022	<u>10,931</u>	<u>10,931</u>
<u>Net Book Value</u>		
At 31 <sup>st</sup> December 2022	<u>516</u>	<u>£516</u>
At 31 <sup>st</sup> December 2021	<u>645</u>	<u>£645</u>

3. FIXED ASSETS INVESTMENTS

Lugwardine Education Centre property valuation	<u>£570,000</u>	<u>£570,000</u>
--	-----------------	-----------------

4. DEBTORS

Other Debtors	<u>£550</u>	<u>£550</u>
---------------	-------------	-------------

LUGWARDINE EDUCATION CENTRE  
NOTES TO THE MANAGEMENT INFORMATION  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

5.	<u>CREDITORS:</u>	<u>2022</u> £	<u>2021</u> £
	Secured debts	£138,244	£153,970
		_____	_____
6.	<u>UNRESTRICTED INCOME FUNDS</u>		
	Balance as at 1 <sup>st</sup> January 2022	397,550	£329,590
	(Deficit) / Surplus for the Financial Year	(27,786)	67,960
	Balance as at 31 <sup>st</sup> December 2022	£369,764	£397,550
		_____	_____

LUGWARDINE EDUCATION CENTRE  
INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

	£	<u>2022</u>	£	£	<u>2021</u>	£
<u>INCOME</u>						
Rental Income		55,364			55,523	
Donations		240			240	
Surplus on Disposal of Property		-			93,758	
		—————			—————	
			55,604			149,521
<u>EXPENDITURE</u>						
Light and Heat		33,885			16,118	
Water Rates		6,303			2,509	
Insurance		9,776			9,209	
Grounds Maintenance		1,645			1,976	
Repairs and Refurbishment		23,176			43,812	
Cleaning and Materials		1,430			1,576	
Volunteers Expenses		685			1,060	
Bank Loan Interest		5,394			4,234	
Accountancy		925			875	
Depreciation		129			161	
Bank Charges		42			31	
		—————			—————	
			83,390			81,561
			—————			—————
<u>(DEFICIT) / SURPLUS FOR THE YEAR</u>			£(27,786)			£67,960
			—————			—————