

LUGWARDINE EDUCATION CENTRE
MANAGEMENT FINANCIAL INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2023

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 31ST DECEMBER 2023

<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 31ST DECEMBER 2023

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 31ST DECEMBER 2023

The trustees present their report and the financial statements of the charity for the year ended 31st December 2023.

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.

- We are showing a surplus of £6,092 this year: This reflects a reduction in costs, notably for light and heat and property repairs/maintenance.
- Rental Income: was complete and up to the 31.12.23 were fully paid up.
- Cleaning is now completed by the tenants to further reduce overheads.
- Trustees/directors have not claimed payment for expenses again to further reduce outgoings.

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 31ST DECEMBER 2023

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.

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.

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

27th August 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 31st December 2023 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

27th August 2024

LUGWARDINE EDUCATION CENTRE
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Unrestricted Funds Note £	Restricted Funds £	Total Funds £	Total Funds 2022 £
<u>INCOME AND ENDOWMENTS FROM:</u>				
Donations and Legacies	240	-	240	240
Rental Income	54,784	-	54,784	55,364
	<hr/>	<hr/>	<hr/>	<hr/>
	55,024	-	55,024	55,604
	<hr/>	<hr/>	<hr/>	<hr/>
<u>RESOURCES EXPENDED:</u>				
Costs of charitable activities	38,418	-	38,418	76,215
	<hr/>	<hr/>	<hr/>	<hr/>
<u>COST OF GENERATING FUNDS</u>				
Support Costs	10,514	-	10,514	7,175
	<hr/>	<hr/>	<hr/>	<hr/>
<u>TOTAL RESOURCES EXPENDED</u>	48,932	-	48,932	83,390
	<hr/>	<hr/>	<hr/>	<hr/>
<u>NET INCOMING / (OUTGOING) RESOURCES</u>	6,092	-	6,092	(27,786)
	<hr/>	<hr/>	<hr/>	<hr/>
<u>TOTAL FUNDS BROUGHT FORWARD</u>	369,764	-	369,764	397,550
	<hr/>	<hr/>	<hr/>	<hr/>
<u>TOTAL FUNDS CARRIED FORWARD</u>	375,856	-	375,856	369,764
	<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

31ST DECEMBER 2023

	<u>Note</u>	£	<u>2023</u>	£	<u>2022</u>	£
<u>FIXED ASSETS</u>						
Tangible Assets	2		413		516	
Investments	3		570,000		570,000	
			<u>570,413</u>		<u>570,516</u>	
<u>CURRENT ASSETS</u>						
Debtors	4	-		550		
Cash at Bank and in Hand		40,133		31,154		
		<u>40,133</u>		<u>31,704</u>		
<u>CREDITORS: Amounts falling due within one Year</u>		<u>21,889</u>		<u>21,595</u>		
<u>NET CURRENT ASSETS</u>			<u>18,244</u>		<u>10,109</u>	
			<u>588,657</u>		<u>580,625</u>	
<u>CREDITORS: Amounts falling due after more than one Year</u>	5		<u>123,772</u>		<u>121,832</u>	
			<u>£464,885</u>		<u>£458,793</u>	
<u>CAPITAL AND RESERVES</u>						
Revaluation Reserve			89,029		89,029	
Unrestricted Income Funds	6		375,856		369,764	
Total Funds			<u>£464,885</u>		<u>£458,793</u>	

For the year ended 31st December 2023, 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 27th August 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 31ST DECEMBER 2023

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 st January 2023	11,447	11,447
Additions	-	-
Disposals	-	-
At 31 st December 2023	<u>11,447</u>	<u>11,447</u>
<u>Depreciation</u>		
At 1 st January 2023	10,931	10,931
Charge for the Year	103	103
On Disposals	-	-
At 31 st December 2023	<u>11,034</u>	<u>11,034</u>
<u>Net Book Value</u>		
At 31 st December 2023	<u>413</u>	<u>£413</u>
At 31 st December 2022	<u>516</u>	<u>£516</u>

3. FIXED ASSETS INVESTMENTS

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

4. DEBTORS

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

LUGWARDINE EDUCATION CENTRE
NOTES TO THE MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2023

5.	<u>CREDITORS:</u>	<u>2023</u> £	<u>2022</u> £
	Secured debts	£131,008	£138,244
		_____	_____
6.	<u>UNRESTRICTED INCOME FUNDS</u>		
	Balance as at 1 st January 2023	369,764	397,550
	Surplus / (Deficit) for the Financial Year	6,092	(27,786)
	Balance as at 31 st December 2023	£375,856	£369,764
		_____	_____

LUGWARDINE EDUCATION CENTRE
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2023

	£	<u>2023</u>	£	£	<u>2022</u>	£
<u>INCOME</u>						
Rental Income		54,784			55,364	
Donations		240			240	
		_____			_____	
			55,024			55,604
<u>EXPENDITURE</u>						
Light and Heat		19,445			33,885	
Water Rates		15,146			6,303	
Insurance		1,039			9,776	
Grounds Maintenance		1,394			1,645	
Repairs and Refurbishment		294			23,175	
Cleaning and Materials		1,100			1,430	
Volunteers Expenses		-			685	
Bank Loan Interest		9,377			5,394	
Accountancy		950			925	
Depreciation		103			129	
Bank Charges		84			42	
		_____			_____	
			48,932			83,390
			_____			_____
<u>SURPLUS / (DEFICIT) / FOR THE YEAR</u>			£6,092			£(27,786)
			_____			_____