

Company registration number: 05002620
Charity registration number: 115028

Fawside

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Fawside
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Fawside
Reference and Administrative Details

Charity name	Fawside
Charity registration number	115028
Company registration number	05002620
Principal office	Allendale Village Hall Leadgate Allendale Hexham Northumberland NE47 9PR
Registered office	Allendale Village Hall Leadgate Allendale Hexham Northumberland NE47 9PR
Trustees	Mrs M Stonehouse Mrs C M Dalton Mr J E Dobson (Resigned 24 February 2021) Mr L A Winger (Resigned 29 April 2021) Mr D H Humes Mrs C Reid
Secretary	Mrs M Stonehouse
Bankers	Unity Trust Bank
Accountant	Heritage Accountancy Limited 76 Front Street Prudhoe Northumberland NE42 5PU

Fawside

Trustees' Report

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 August 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum of association and the Statement of Recommended Practice - Accounting and Reporting by Charities.

Objectives and Activities

The objects of the Charity are:

- to promote for the benefit of the inhabitants within the area of the North Pennines region identified as the East and West Allen Valleys, Upper Teesdale and Upper Weardale, without distinction of political, religious or other opinions,
- any purposes which now or hereafter may be deemed by law to be charitable.

Structure, Governance and Management

Directors: Margaret Stonehouse
David Humes
Carol Dalton
Charlotte Reid

During the year Larry Winger and John Dobson resigned as Directors. We are acutely aware that we now need more Directors and intend to address this once our immediate problems have been finalised.

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 23 December 2003 and registered as a charity on 22 June 2004. The company was established under a memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Management

In keeping with the Memorandum and Articles of Association the trustees (who are also the directors of the company), are elected annually at the Annual General Meeting (AGM) by the members. The trustees elect the chair, treasurer and vice-chair at their first meeting following the AGM and meet regularly to review the finances and activities.

Review of activities and financial information

Our income is made up of:

- rent for the lease of Deneholme
- grants related to Covid
- money from the (Covid) Job Retention Scheme

Our financial liabilities relate to the day-to-day costs of running and staffing an office as well as, currently, the insurance for Deneholme.

Fawside

Trustees' Report

The Covid pandemic has hit our tenants, and therefore us, badly: they were unable to continue their outdoor adventure trading at Deneholme. We worked hard to try and accommodate them and eventually managed to negotiate a reduced rent together with the insurance cost, based on what they told us they could afford. This was paid for a few months but unfortunately was ended prematurely and without notice by our tenants. Relations between Fawside and Northumberland Adventure Centre deteriorated to the extent that Fawside had to employ a solicitor to claw-back some of the monies owed. We eventually received a lump sum in April 2021 but have had nothing since. We do intend to pursue another lump sum once the lease has been assigned. We are being extremely prudent with our money, and have been helped in this by the Village Hall Committee who waived our office rent for 4 months. We still have the office running costs, which have been pruned to the bare bones, as well as the total insurance for Deneholme. Christina has been on flexible furlough since August 2020, which brings its own costs.

A group of volunteers ('Friends of Deneholme Woods') continue to manage the woodland.

Deneholme

Linda and Tony Beck remain the tenants and now trade as Northumberland Adventure Centre. They are currently in the process of looking to assign the lease, although this is becoming a long drawn-out process as demands fluctuate. They have paid neither rent nor insurance payments since August 2020. They have other properties within the village from which they trade.

Community Office

The office has not yet re-opened, although one or two community groups have been helped with photocopying. Christina has continued to help those with computer problems. Until the problems with the non-payment of the lease are completely sorted out, and/or the lease is assigned, we feel that reopening the office would be premature. We do have several projects 'in the pipe-line', but again, until the lease is assigned and we have some regular income, none of this is viable.

The Resilient Allen Valleys Project (RAVP), a North Pennine AONB project, continued to work from the village hall until the Covid lockdown. They use our copying and laminating services, and we help if needed with local knowledge. The project officer then worked from home until the extended finish date of December 2020.

Allen Valleys Oil Buying Co-operative

The Oil Buying Group continues, with very little involvement of Fawside staff, due to our loyal and very efficient volunteer, Denise Williams.

Reserves Policy

Unrestricted reserves at the end of the year are £974,806 which includes property and equipment.

Our insurance covers us in the event of loss of rental income, but apparently does not cover us for pandemic situations. The Covid problems have shown that our reserves need be higher in future.

Our current cash reserves amount to £12,590.

Deneholme is let on a 'full repairing lease' thus ensuring that we do not have to maintain the building.

Investment Policy

Under the memorandum and articles of association, the charity has the power to make any investments which the trustees see fit.

Risk Management

The Trustees have assessed the major risks in running the charity with regard to management of assets, reputation, finances, health and safety, employment of staff and the use of volunteers.

Fawside Trustees' Report

The trustees are always looking at Fawside's future development, but as much of this continues to rest with the decisions of other independent bodies, they are happy with the current status quo.

Our insurance and cover has been reviewed, and we are covered for 20 volunteers working at any one time.

Public Benefit

The Trustees have complied with their duty to have due regard to the guidance on Public Benefit, as published by the Charities Commission, whilst exercising their powers or duties.

Trustees' responsibilities in relation to the financial statements

Company law requires the trustees to prepare financial statements for each financial year which gives a true and fair view of the charitable company's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

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

The trustees are responsible for keeping financial records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board and signed on its behalf by:



Mrs M Stonehouse
Trustee

Date: 25.8.22

**Independent Examiner's Report to the Trustees of
Fawside**

I report on the accounts of the company for the year ended 31 August 2021, which are set out on pages 6 to 17.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The 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.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

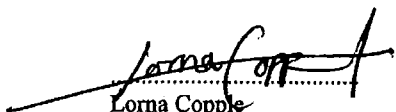
Basis of independent examiner's report

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 seeking 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:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Lorna Copple
Heritage Accountancy Limited
Chartered Certified Accountants
Date: 26/08/2022

76 Front Street
Prudhoe
Northumberland
NE42 5PU

Fawside

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 August 2021

		Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	Note	£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Investment income	3	17,698	-	17,698	13,587
Donations and grants		8,763	270	9,033	9,108
Total income		<u>26,461</u>	<u>270</u>	<u>26,731</u>	<u>22,695</u>
Resources expended					
Costs of generating funds					
Investment management costs	4	947	-	947	-
Charitable activities	4	18,994	-	18,994	14,877
Total expenditure		<u>19,941</u>	<u>-</u>	<u>19,941</u>	<u>14,877</u>
Net income before transfers		6,520	270	6,790	7,818
Transfers					
Gross transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,877)</u>
Net (expenditure)/income before transfers		6,520	270	6,790	4,941
Reconciliation of funds					
Total funds brought forward		968,286	-	968,286	963,344
Total funds carried forward		<u>974,806</u>	<u>270</u>	<u>975,076</u>	<u>968,285</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

Fawside (Registration number: 05002620)

Balance Sheet as at 31 August 2021

		2021		2020	
	Note	£	£	£	£
Fixed assets					
Tangible assets	9		1,465		1,854
Investments	10		925,000		925,000
			<u>926,465</u>		<u>926,854</u>
Current assets					
Debtors	11	41,526		34,280	
Cash at bank and in hand		<u>12,590</u>		<u>10,273</u>	
		54,116		44,553	
Creditors: Amounts falling due within one year	12	<u>(5,505)</u>		<u>(3,122)</u>	
Net current assets			<u>48,611</u>		<u>41,431</u>
Net assets			<u>975,076</u>		<u>968,285</u>
The funds of the charity:					
Restricted funds			270		-
Unrestricted funds					
Revaluation reserve		185,781		185,781	
Unrestricted income funds		<u>789,025</u>		<u>782,504</u>	
Total unrestricted funds			<u>974,806</u>		<u>968,285</u>
Total charity funds			<u>975,076</u>		<u>968,285</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

Fawside (Registration number: 05002620)

Balance Sheet as at 31 August 2021

..... *continued*

For the financial year ended 31 August 2021, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008 January 2015).

Approved by the Board on 26.8.22 and signed on its behalf by:

.....

Mrs M Stonehouse
Trustee

The notes on pages 9 to 17 form an integral part of these financial statements.

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Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 15.

Incoming resources

Voluntary income including donations and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity where this can be quantified.

Investment income is recognised on a receivable basis.

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are investment management fees.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Fawside

Notes to the Financial Statements for the Year Ended 31 August 2021

..... continued

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures, fittings and equipment 20% + 33% reducing balance basis

Investment properties

Certain of the charity's properties are held for long-term investment. Investment properties are accounted for in accordance with FRSSE, as follows:

No depreciation is provided in respect of investment properties and they are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the statement of financial activities account for the year.

This treatment as regards the charity's investment properties may be a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the trustees consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Operating leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

2 Grants receivable

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
UK Government grants	8,263	-	8,263	6,451

Fawside

Notes to the Financial Statements for the Year Ended 31 August 2021

..... continued

3 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from investment properties	17,698	-	17,698	13,587

4 Total resources expended

	Investment income £	Charitable activities £	Total £
Direct costs			
Bad debt expense	-	3,213	3,213
Support costs			
Employment costs	-	5,987	5,987
Establishment costs	-	1,519	1,519
Office expenses	-	306	306
Printing, posting and stationery	947	594	1,541
Sundry and other costs	-	13	13
Accountancy fees	-	627	627
Legal and professional costs	-	6,274	6,274
Bank charges	-	72	72
Depreciation of tangible fixed assets	-	389	389
	947	15,781	16,728
	947	18,994	19,941

5 Trustees' remuneration and expenses

No trustees received any remuneration during the year (2018 - £Nil).

No trustees received any benefits in kind during the year (2018 - £Nil).

No trustees received any reimbursement of expenses during the year (2018 - £Nil).

Fawside

Notes to the Financial Statements for the Year Ended 31 August 2021

..... continued

6 Net income

Net income is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>389</u>	<u>469</u>

7 Employees' remuneration

The aggregate payroll costs of these persons were as follows:

	2021 £	2020 £
Wages and salaries	<u>5,987</u>	<u>6,583</u>

No employee received emoluments of more than £60,000 during the year (2020 - No. 0).

8 Taxation

The company is a registered charity and is, therefore, exempt from taxation.

Fawside

Notes to the Financial Statements for the Year Ended 31 August 2021

..... continued

9 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost or Valuation	
As at 1 September 2020 and 31 August 2021	<u>52,719</u>
Depreciation	
As at 1 September 2020	50,865
Charge for the year	<u>389</u>
As at 31 August 2021	<u>51,254</u>
Net book value	
As at 31 August 2021	<u><u>1,465</u></u>
As at 31 August 2020	<u><u>1,854</u></u>

10 Investments held as fixed assets

	Investment properties £
Market value	
As at 1 September 2020 and 31 August 2021	<u>925,000</u>
Net book value	
As at 31 August 2021	<u><u>925,000</u></u>
As at 31 August 2020	<u><u>925,000</u></u>
All investment assets were held in the UK.	

Fawside

Notes to the Financial Statements for the Year Ended 31 August 2021

..... continued

11 Debtors

	2021	2020
	£	£
Trade debtors	9,742	4,496
Other debtors	29,784	29,784
Prepayments and accrued income	2,000	-
	<u>41,526</u>	<u>34,280</u>

Debtors includes £29,784 (2020 - £29,784) receivable after more than one year.

12 Creditors: Amounts falling due within one year

	2021	2020
	£	£
Taxation and social security	2,436	2,466
Accruals and deferred income	3,069	656
	<u>5,505</u>	<u>3,122</u>

13 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Fawside

Notes to the Financial Statements for the Year Ended 31 August 2021

..... *continued*

14 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Fawside

Notes to the Financial Statements for the Year Ended 31 August 2021

..... continued

15 Analysis of funds

	At 1 September 2020	Incoming resources	Resources expended	At 31 August 2021
	£	£	£	£
Designated Funds				
Deneholme Woodlands Fund	-	-	-	-
General Funds				
General fund	968,286	26,461	(19,941)	974,806
Restricted Funds				
Deneholme Building	-	-	-	-
WindyMoves (Big Lottery)	-	-	-	-
Smile for the Bird	-	270	-	270
	-	270	-	270
	<u>968,286</u>	<u>26,731</u>	<u>(19,941)</u>	<u>975,076</u>

General Fund

These funds are used to support the charitable activities of Fawside.

The property is held as an investment property to enable the charity to fund its ongoing charitable activities.

Deneholme Woodland Fund (Designated Fund)

This fund is held to support the Friends of Deneholme Woods by assisting with the ongoing maintenance of the woodland.

Restricted Funds:

Allen Valleys Landscape Partnership

This fund represents the grant income received in Fawside's capacity as a partner to enable the development of the woodland paths around Deneholme.

Windy Moves (Big Lottery)

This fund represents the Lottery grant received in Fawside's capacity as a partner to provide a week of movement workshops for disabled and non disabled children and their families.

Fawside

Notes to the Financial Statements for the Year Ended 31 August 2021

..... continued

16 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Tangible assets	1,465	-	1,465	1,854
Investments	925,000	-	925,000	925,000
Current assets	53,598	518	54,116	44,553
Creditors: Amounts falling due within one year	(5,486)	(19)	(5,505)	(3,122)
Net assets	<u>974,577</u>	<u>499</u>	<u>975,076</u>	<u>968,285</u>

Fawside

Statement of financial activities by fund Year Ended 31 August 2021

	Deneholme Woodlands Fund 2021 £	Deneholme Woodlands Fund 2020 £
Incoming resources		
Incoming resources from generated funds		
Donations and grants	-	1,826
Total income	-	1,826
Net income before transfers	-	1,826
Transfers		
Gross transfers between funds	-	(2,877)
Net (expenditure)/income before transfers	-	(1,051)
Reconciliation of funds		
Total funds brought forward	-	1,051
Total funds carried forward	-	-

This page does not form part of the statutory financial statements.

Fawside

Statement of financial activities by fund Year Ended 31 August 2021

..... continued

	General fund 2021 £	General fund 2020 £
Incoming resources		
Incoming resources from generated funds		
Investment income	17,698	13,587
Donations and grants	8,763	7,282
Total income	<u>26,461</u>	<u>20,869</u>
Resources expended		
Costs of generating funds		
Investment management costs	947	-
Charitable activities	18,994	14,358
Total expenditure	<u>19,941</u>	<u>14,358</u>
 Net (expenditure)/income before transfers	 6,520	 6,511
Reconciliation of funds		
Total funds brought forward	<u>968,286</u>	<u>961,774</u>
Total funds carried forward	<u><u>974,806</u></u>	<u><u>968,285</u></u>

This page does not form part of the statutory financial statements.

Fawside
Statement of financial activities by fund Year Ended 31 August 2021

..... *continued*

	Deneholme Building 2021	Deneholme Building 2020
	£	£
Net (expenditure)/income before transfers	-	-
Reconciliation of funds		
Total funds brought forward	-	-
Total funds carried forward	-	-

This page does not form part of the statutory financial statements.

Fawside

Statement of financial activities by fund Year Ended 31 August 2021

..... continued

	WindyMove s (Big Lottery) 2021 £	WindyMove s (Big Lottery) 2020 £
Resources expended		
Charitable activities	-	519
Total expenditure	-	519
 Net (expenditure)/income before transfers	-	(519)
Reconciliation of funds		
Total funds brought forward	-	519
Total funds carried forward	-	-

This page does not form part of the statutory financial statements.

Fawside
Statement of financial activities by fund Year Ended 31 August 2021

..... *continued*

	Smile for the Bird 2021	Smile for the Bird 2020
	£	£
Incoming resources		
Incoming resources from generated funds		
Donations and grants	270	-
Total income	<u>270</u>	<u>-</u>
Reconciliation of funds		
Total funds carried forward	<u><u>270</u></u>	<u><u>-</u></u>

This page does not form part of the statutory financial statements.

Fawside
Statement of financial activities by fund Year Ended 31 August 2021

..... *continued*

	Gift of land 2021	Gift of land 2020
	£	£
Net (expenditure)/income before transfers	-	-
Reconciliation of funds		
Total funds brought forward	-	-
Total funds carried forward	-	-

This page does not form part of the statutory financial statements.