

REGISTERED COMPANY NUMBER: 05233187 (England and Wales)
REGISTERED CHARITY NUMBER: 1106526

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
LYNEMOUTH DAY CENTRE LIMITED

Greaves Grindle
Chartered Accountants
Victoria House
Bondgate Within
Alnwick
Northumberland
NE66 1TA

LYNEMOUTH DAY CENTRE LIMITED
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FOR THE YEAR ENDED 31 MARCH 2023

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

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 31 March 2023. 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).

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution & Objects

Lynemouth Day Centre Limited began trading on 1st April 2006, is registered at Companies House No: 5233187, and is registered with the Charities Commission No: 1106526.

The objects of the charity are to promote the relief of the elderly by providing, maintaining and managing a Day Centre in Lynemouth for the purpose of providing facilities for recreation and other leisure time occupations and other lawful charitable purposes in the interest of social welfare with the object of improving their conditions of life.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objects and in planning future activities.

Organisation

The names of the Directors are set out on page 4. The Directors form the Executive Committee which meets regularly. The day-to-day management decisions are made by the Day Centre Manager with input from the Chairman and Directors as necessary. All decisions are ratified by the committee at the following executive meeting, and/ or by email correspondence. The Directors are elected or re-appointed each year by the members of Lynemouth Day Centre at the AGM.

Appointment Of New Trustees

New trustees are voted on at the AGM. However, in accordance with the Articles of Association, the trustees may appoint a person who is willing to act as a trustee either to fill a vacancy or as an additional trustee provided that the appointment does not cause the number of trustees to exceed the number fixed by or in accordance with the articles as the maximum number of trustees.

A trustee so appointed shall hold office only until the next following Annual General Meeting.

Activities

This year has been focussed on recovery and resilience after the Covid-19 pandemic, with activities and 'in person' events resuming. The directors have reviewed arrangements on a regular basis and are pleased with the management's response to the pandemic and the safe cessation of emergency measures put in place to keep people safe. As an important part of the local community, the Day Centre has continued to provide popular services such as the sharing table, community shop, holiday meal clubs and the provision of hot meals to people in the area.

Plans For Future Periods

Providing high quality services in a safe environment is a key priority for the Directors and management. A refurbishment plan for the building is in place and work is being conducted in a phased manner; grant funding is being sought for each of these phases. The building is being utilised by the wider community, such as hosting the local library. Additionally, a section of land adjacent to the building is in the process of being acquired to allow further expansion of Day Centre services, such as various outdoor activities.

The long-term consequences of the Covid-19 pandemic is yet unknown; it has brought about major challenges to the care sector. The Directors continue to monitor developments closely and liaise with the County Council. Measures have been put in place to adapt the service to meet the needs of our clients and to monitor their welfare.

Finance

The financial statements are attached to this report.

Social Services funding continues to support the running of the Day Centre. The Executive Committee is mindful of the risks associated with social care funding and the increase in running costs and overall cost of living pressures. The Day Centre management is investigating diversification, and alternative funding sources, to mitigate these risks. The Directors wish to thank the members who through their own efforts raise significant funds amongst themselves for the centre.

A thorough financial risk assessment has been conducted to adapt to the operational challenges caused by the pandemic.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Staff

We are privileged to be served by staff who are dedicated to their work, caring for our members and offering the highest standards of service. The management team consists of Vikki Thompson and Lynsey Ditchburn. Training has continued with staff members undertaking various qualifications. Placements are often provided for young people from a number of external education establishments, when possible.

Reserves Policy

The Executive Committee has an obligation to safeguard the interests of its clients, the majority of whom are vulnerable adults. Therefore, we aim to keep six months' running costs in reserve in light of the risks to the County Council funding which makes up most of our income. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be 6 months of the expenditure. Budgeted expenditure for 2022/23 is expected to be in the region of £300,000 and therefore the target is £150,000 in general funds. The reserves are needed to meet the working capital requirements of the charity and the Executive Committee are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

Whilst unrestricted funds stand at a decreased figure of £137,441 down from £176,562, a decreased designation of £34,470 has been set aside for staff redundancies. The present level of unrestricted net current assets available to the charity is £108,090. After accounting for the designated redundancy amount, this leaves £73,620 working capital for the general reserve. This falls significantly short of the target level. Although the strategy is to continue to build reserves through planned operating surpluses, the Executive Committee is well aware that it is unlikely that the target range can be reached for at least 5 years. In the short term the Executive Committee has also considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise.

Risk Assessment

The Directors have examined the major strategic, business and operational risks, which the charity faces, and confirm that systems have been established to engage regular reports to be produced so that the necessary steps may be taken to lessen these risks.

Reporting Accountants

A resolution proposing that Greaves Grindle be re-appointed as reporting accountants of the charity will be put to the Annual General Meeting.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Directors

Mr M D Burdon (Chairman)
Mr W Tarbit (Secretary)
Mr E C Peat (Treasurer)
Mrs G Thompson MBE

Manager

Mrs V Thompson

Address

Albion Terrace
Lynemouth
Morpeth
Northumberland
NE61 5SY

Company Number

5233187

Charity Number

1106526

Reporting Accountants

Greaves Grindle
Victoria House
Bondgate Within
Alnwick
Northumberland
NE66 1TA

Bankers

Barclays Bank PLC
Northumbria House
Cramlington
Northumberland
NE23 6QP

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 5 December 2023 and signed on its behalf by:

M D Burdon - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
LYNEMOUTH DAY CENTRE LIMITED**

Independent examiner's report to the trustees of Lynemouth Day Centre Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Jane Harvey F.C.A.

Greaves Grindle
Chartered Accountants
Victoria House
Bondgate Within
Alnwick
Northumberland
NE66 1TA

27 December 2023

LYNEMOUTH DAY CENTRE LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		3,045	5,370	8,415	15,461
Charitable activities					
Day Centre activities		282,553	-	282,553	260,275
Other trading activities	2	17,538	-	17,538	14,888
Investment income	3	168	-	168	8
Total		303,304	5,370	308,674	290,632
EXPENDITURE ON					
Raising funds		23,655	-	23,655	22,199
Charitable activities					
Day Centre activities		318,770	6,020	324,790	295,394
Total		342,425	6,020	348,445	317,593
NET INCOME/(EXPENDITURE)		(39,121)	(650)	(39,771)	(26,961)
RECONCILIATION OF FUNDS					
Total funds brought forward		176,562	2,328	178,890	205,851
TOTAL FUNDS CARRIED FORWARD		137,441	1,678	139,119	178,890

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	8	29,351	-	29,351	29,994
CURRENT ASSETS					
Debtors	9	23,845	-	23,845	34,246
Cash at bank and in hand		97,285	1,678	98,963	124,421
		<u>121,130</u>	<u>1,678</u>	<u>122,808</u>	<u>158,667</u>
CREDITORS					
Amounts falling due within one year	10	(13,040)	-	(13,040)	(9,771)
NET CURRENT ASSETS		<u>108,090</u>	<u>1,678</u>	<u>109,768</u>	<u>148,896</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>137,441</u>	<u>1,678</u>	<u>139,119</u>	<u>178,890</u>
NET ASSETS		<u>137,441</u>	<u>1,678</u>	<u>139,119</u>	<u>178,890</u>
FUNDS	11				
Unrestricted funds				137,441	176,562
Restricted funds				1,678	2,328
TOTAL FUNDS				<u>139,119</u>	<u>178,890</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit 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 charitable company.

BALANCE SHEET - continued
31 MARCH 2023

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

The financial statements were approved by the Board of Trustees and authorised for issue on 5 December 2023 and were signed on its behalf by:

M D Burdon - Trustee

G Thompson - Trustee

LYNEMOUTH DAY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property - 2% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Basic financial instruments

The charity accounts for basic financial instruments on initial recognition as per paragraph 11.7 Charities SORP (FRS 102). Subsequent measurement is as per paragraphs 11.17 to 11.19, Charities SORP (FRS 102).

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Creditors

The charity has creditors which are measured at settlement amounts less any trade discount.

LYNEMOUTH DAY CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

2. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Raffle	1,733	145
External catering	11,474	14,243
Support service	4,331	500
	<u>17,538</u>	<u>14,888</u>

3. INVESTMENT INCOME

	2023	2022
	£	£
Interest receivable	168	8
	<u>168</u>	<u>8</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Independent examiner's fees	2,204	1,980
Depreciation - owned assets	643	643
	<u>2,847</u>	<u>2,623</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2023	2022
Charitable activities	10	10
Management and administration	2	2
	<u>12</u>	<u>12</u>

No employees received emoluments in excess of £60,000.

The aggregate remuneration of the management team in the year amounted to £54,958.

LYNEMOUTH DAY CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	10,292	5,169	15,461
Charitable activities			
Day Centre activities	260,275	-	260,275
Other trading activities	14,888	-	14,888
Investment income	8	-	8
Total	<u>285,463</u>	<u>5,169</u>	<u>290,632</u>
EXPENDITURE ON			
Raising funds	22,199	-	22,199
Charitable activities			
Day Centre activities	<u>278,135</u>	<u>17,259</u>	<u>295,394</u>
Total	<u>300,334</u>	<u>17,259</u>	<u>317,593</u>
NET INCOME/(EXPENDITURE)	(14,871)	(12,090)	(26,961)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>191,433</u>	<u>14,418</u>	<u>205,851</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>176,562</u></u>	<u><u>2,328</u></u>	<u><u>178,890</u></u>

8. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 April 2022 and 31 March 2023	<u>35,138</u>
DEPRECIATION	
At 1 April 2022	<u>5,144</u>
Charge for year	<u>643</u>
At 31 March 2023	<u>5,787</u>
NET BOOK VALUE	
At 31 March 2023	<u><u>29,351</u></u>
At 31 March 2022	<u><u>29,994</u></u>

Included in cost or valuation of land and buildings is freehold land of £3,000 (2022 - £3,000) which is not depreciated.

LYNEMOUTH DAY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other debtors	22,946	33,398
Prepayments	899	848
	<u>23,845</u>	<u>34,246</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	6,555	3,932
Other creditors	688	807
Accrued expenses	5,797	5,032
	<u>13,040</u>	<u>9,771</u>

11. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	Transfers between funds	At 31.3.23
	£	£	£	£
Unrestricted funds				
General reserve	138,760	(39,121)	3,332	102,971
Designated redundancy fund	37,802	-	(3,332)	34,470
	<u>176,562</u>	<u>(39,121)</u>	<u>-</u>	<u>137,441</u>
Restricted funds				
Transport fund	1,388	-	-	1,388
Building refurbishment fund	940	(650)	-	290
	<u>2,328</u>	<u>(650)</u>	<u>-</u>	<u>1,678</u>
TOTAL FUNDS	<u>178,890</u>	<u>(39,771)</u>	<u>-</u>	<u>139,119</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General reserve	303,304	(342,425)	(39,121)
Restricted funds			
Building refurbishment fund	5,370	(6,020)	(650)
	<u>308,674</u>	<u>(348,445)</u>	<u>(39,771)</u>
TOTAL FUNDS	<u>308,674</u>	<u>(348,445)</u>	<u>(39,771)</u>

LYNEMOUTH DAY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General reserve	141,957	(14,871)	11,674	138,760
Designated redundancy fund	49,476	-	(11,674)	37,802
	<u>191,433</u>	<u>(14,871)</u>	<u>-</u>	<u>176,562</u>
Restricted funds				
Transport fund	2,388	(1,000)	-	1,388
Building refurbishment fund	12,030	(11,090)	-	940
	<u>14,418</u>	<u>(12,090)</u>	<u>-</u>	<u>2,328</u>
TOTAL FUNDS	<u>205,851</u>	<u>(26,961)</u>	<u>-</u>	<u>178,890</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General reserve	285,463	(300,334)	(14,871)
Restricted funds			
Transport fund	1,000	(2,000)	(1,000)
Building refurbishment fund	4,169	(15,259)	(11,090)
	<u>5,169</u>	<u>(17,259)</u>	<u>(12,090)</u>
TOTAL FUNDS	<u>290,632</u>	<u>(317,593)</u>	<u>(26,961)</u>

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

LYNEMOUTH DAY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed assets £	Current assets £	Current liabilities £	Total 2023 £	Total 2022 £
Unrestricted funds					
General reserve	29,351	86,660	(13,040)	102,971	138,760
Designated funds					
Designated redundancy fund	-	34,470	-	34,470	37,802
Total unrestricted funds	29,351	121,130	(13,040)	137,441	176,562
Restricted funds					
Transport fund	-	1,388	-	1,388	1,388
Building refurbishment fund	-	290	-	290	940
Total restricted funds	-	1,678	-	1,678	2,328
Total funds	29,351	122,808	(13,040)	139,119	178,890