

COMPANY REGISTRATION NUMBER: 05120656

CHARITY REGISTRATION NUMBER: 1107991

**Craghead Development Trust Limited
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2023**

Craghead Development Trust Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2023

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	5
Statement of financial activities (including income and expenditure account)	6
Statement of financial position	7
Notes to the financial statements	8
The following pages do not form part of the financial statements	
Detailed statement of financial activities	18

Craghead Development Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name Craghead Development Trust Limited

Charity registration number 1107991

Company registration number 05120656

Principal office and registered office Burnside Family Centre
Mendip Terrace
Stanley
Durham
DH9 6QP

The trustees

G Hunter
F Mitchell
J English
T Bowman

Company secretary G Hunter

Accountants 3S Accountancy Services
Chartered Accountants

Structure, governance and management

Craghead Development Trust Limited (CDT) is constituted under its memorandum and articles of association dated 6 May 2004 and is a registered charity, number 1107991. The company is limited by guarantee, the members guaranteeing to contribute up to £1 in the event of the company winding up.

The charitable company is managed by the Management Committee, which comprises not less than three and no more than nine trustees. The opportunity for appointment as a trustee is promoted widely and informal meetings for those who are potentially interested in becoming trustees are undertaken, to inform them of the work of the charity and the role and responsibilities of the trustees.

One third of the trustee directors retire by rotation at every annual general meeting. If the company does not fill the vacancy the retiring trustee director is deemed re-appointed. The Management Committee can co-opt certain members to the Board, to a maximum of 40% of the Management Committee being co-opted.

The Management Committee delegates responsibility for the day to day running of the charitable company to the manager, within certain financial and operational limits.

Craghead Development Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Objectives and activities

The objects of the charitable company are:

'To promote the benefit of the inhabitants of Craghead and surrounding districts without distinction of sex, sexual orientation, race or of political religious or other opinions by associating together the said inhabitants and the local authorities, voluntary and other organisations in a common effort to advance education, provide social and economic regeneration and relieve poverty by providing opportunities in the interests of social welfare for recreation and leisure time occupation with the primary object of improving the conditions of life for the said inhabitants.'

The charity's mission is to provide opportunities for both social and economic regeneration in the area by undertaking the coordination and management of a range of projects, businesses and initiatives that will serve to improve the quality of life of local residents.

The trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

Nursery and Childcare provision

The Nursery has continued to meet the demand for places for children. Based in the heart of the Craghead community the Nursery has provided both fee paying and funded early education places for local children.

Burnside Family Centre

The Trust has continued to develop services and activities at Burnside Family Centre working in partnership with local organisations and directed by the local community of South Stanley.

Local Housing Project

The Trust has continued to offer affordable rents as landlord for three properties in Craghead. Long-term tenants remain in these properties.

Craghead Development Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Objectives and activities *(continued)*

Trust management

We have continued to develop existing services and activities at Burnside Family Centre. The Trust Manager continues to actively encourage work placements for those seeking employment working in partnership with the local Job Centre.

Achievements and performance

The charity continues to review its areas of operation in consideration of community priorities, service sustainability, financial implications and Trust capacity to improve the Trust's financial position. The Trustees are satisfied with performance for the year however are also conscious of the continuing financial pressures facing the Trust and the Charity sector in general and as such we continue to monitor the impact, viability and future potential of all service areas.

Financial review and reserves

The Trustees are satisfied with the financial performance for the year and that the Trust has sufficient resources to cover likely cash requirements and contingencies for the forthcoming year. It does, however, remain the Trust's intention to further improve its financial position and thus allow the development of existing or new projects to support the charity's objectives.

The Trustees have maintained a designated operating fund to cover core running costs in the event of a funding shortage, equivalent to 3 months' salary costs. The housing fund represents the value of local housing assets and is not available for the day to day running of the charity without selling the properties.

Risk Management

An ongoing review process is undertaken to identify funding opportunities available to the Charity and also any risks to which it is exposed. The Management Committee reviews financial activities regularly, with remedial action taken to compensate for any projected shortfall or overspend. Internal risks are minimised by a system of internal control.

Craghead Development Trust Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 13/12/23
the board of trustees by:

and signed on behalf of


G Hunter
Trustee Director

Craghead Development Trust Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Craghead Development Trust Limited

Year ended 31 March 2023

I report on the financial statements for the year ended 31 March 2023, which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes.

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 financial statements. 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;
- 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 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 next statement.

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 Charities
- have 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.

CF MILBANKE FCA
3S Accountancy Services
5-8 Priestgate
Darlington
DL1 1NL



Date: 13/12/23

Craghead Development Trust Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

31 March 2023

	Note	2023 Unrestricted £	2023 Restricted £	2023 Total funds £	2022 Total funds £
Income and endowments					
Donations and legacies	5	-	13,030	13,030	35,295
Charitable activities	6	205,533	-	205,533	203,041
Investment income	7	23	-	23	-
Total income		<u>205,556</u>	<u>13,030</u>	<u>218,586</u>	<u>238,336</u>
Expenditure					
Expenditure on charitable activities	8,9	251,648	12,661	264,309	238,460
Total expenditure		<u>251,648</u>	<u>12,661</u>	<u>264,309</u>	<u>238,460</u>
Net income		<u>(46,092)</u>	<u>369</u>	<u>(45,723)</u>	<u>(124)</u>
Transfers	17	16,023	(16,023)	-	-
Net movement in funds		<u>(30,069)</u>	<u>(15,654)</u>	<u>(45,723)</u>	<u>(124)</u>
Reconciliation of funds					
Total funds brought forward		239,518	34,444	273,962	274,086
Total funds carried forward	17	<u>209,449</u>	<u>18,790</u>	<u>228,239</u>	<u>273,962</u>

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

The notes on pages 8 to 16 form part of these financial statements.

Craghead Development Trust Limited

Company Limited by Guarantee

Statement of Financial Position

31 March 2023

		2023 £	2022 £
Fixed assets			
Tangible fixed assets	14	138,420	138,000
Current assets			
Debtors	15	2,174	5,267
Cash at bank and in hand		96,173	139,334
		<u>98,347</u>	<u>144,601</u>
Creditors: amounts falling due within one year	16	<u>8,528</u>	<u>8,639</u>
Net current assets		89,819	135,962
Total assets less current liabilities		<u>228,239</u>	<u>273,962</u>
Net assets		<u>228,239</u>	<u>273,962</u>
Funds of the charity			
Unrestricted funds		209,449	239,518
Restricted funds		18,790	34,444
Total charity funds	17	<u>228,239</u>	<u>273,962</u>

For the year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 13/12/23, and are signed on behalf of the board by:

G Hunter
Trustee Director
Company registration number 05120656

The notes on pages 8 to 16 form part of these financial statements.

Craghead Development Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Burnside Family Centre, Mendip Terrace, Stanley, Durham DH9 6QP.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue for the foreseeable future.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

Craghead Development Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Craghead Development Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

3. Accounting policies (continued)

Tangible assets (continued)

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Housing properties	over 20 years
Climbing wall	over 2 years
Other equipment	over 3 years

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Craghead Development Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

3. Accounting policies (continued)

Financial instruments (continued)

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

4. Limited by guarantee

The company is limited by guarantee, the members guaranteeing to contribute up to £1 in the event of the company winding up. There is no ultimate controlling party.

5. Donations and legacies

	2023 Unrestricted £	2023 Restricted £	2023 Total Funds £
Grants			
Grants receivable	-	13,030	13,030
Donations	-	-	-
	-	13,030	13,030

	2022 Unrestricted £	2022 Restricted £	2022 Total Funds £
Grants			
Grants receivable	7,867	27,428	35,295
Donations	-	-	-
	7,867	27,428	35,295

Craghead Development Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

6. Income from charitable activities

	2023 Unrestricted £	2023 Total Funds £	2022 Unrestricted £	2022 Total Funds £
Burnside	363	363	404	404
Nursery	193,820	193,820	191,597	191,597
Trust	-	-	-	-
Housing	11,350	11,350	11,040	11,040
	<u>205,533</u>	<u>205,533</u>	<u>203,041</u>	<u>203,041</u>

7. Investment income

	2023 Unrestricted £	2023 Total Funds £	2022 Unrestricted £	2022 Total Funds £
Bank interest receivable	<u>23</u>	<u>23</u>	<u>-</u>	<u>-</u>

8. Expenditure on charitable activities by fund type

	2023 Unrestricted £	2023 Restricted £	2023 Total Funds £
Direct charitable activities	234,109	12,661	246,770
Support costs	17,539	-	17,539
	<u>251,648</u>	<u>12,661</u>	<u>264,309</u>

	2022 Unrestricted £	2022 Restricted £	2022 Total Funds £
Direct charitable activities	203,538	19,675	223,213
Support costs	15,247	-	15,247
	<u>218,785</u>	<u>19,675</u>	<u>238,460</u>

9. Expenditure on charitable activities by activity type

	2023 £	2022 £
Burnside	9,104	12,388
Nursery	200,979	159,113
Trust	49,494	54,065
Housing	4,732	12,894
	<u>264,309</u>	<u>238,460</u>

Craghead Development Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

10. Net income

Net income is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	<u>210</u>	<u>3,629</u>

11. Independent examination fees

	2023	2022
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,300</u>	<u>1,300</u>

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	192,708	170,668
Social security costs	7,010	5,545
Pension contributions	<u>4,700</u>	<u>3,751</u>
	<u>204,418</u>	<u>179,964</u>

The average head count of employees during the year was 16 (2022: 15). The average number of employees during the year is analysed as follows:

	2023	2022
	No.	No.
Trust manager	1	1
Nursery	<u>15</u>	<u>14</u>
	<u>16</u>	<u>15</u>

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

13. Trustee remuneration and expenses

No remuneration or expenses were paid to trustees during the year (2022: £nil).

During the year fees for accountancy services of £1,175 (2022: £1,864) were paid to TLB Accountancy Services, a business controlled by T Bowman.

Craghead Development Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

14. Tangible fixed assets

	Housing properties £	Equipment £	Climbing wall £	Total £
Cost or valuation				
At 1 April 2022	138,000	61,122	16,938	216,060
Additions	-	630	-	630
At 31 March 2023	<u>138,000</u>	<u>61,752</u>	<u>16,938</u>	<u>216,690</u>
Depreciation				
At 1 April 2022	-	61,122	16,938	78,060
Charge	-	210	-	210
At 31 March 2023	<u>-</u>	<u>61,332</u>	<u>16,938</u>	<u>78,270</u>
Carrying amount				
At 31 March 2023	138,000	420	-	138,420
At 31 March 2022	<u>138,000</u>	<u>-</u>	<u>-</u>	<u>138,000</u>

Housing properties are included at directors valuation as at 31 March 2023. The original cost of the properties was £69,100.

In 2017 the charity entered into a 30 year lease at peppercorn rent for Burnside Resource centre from Durham County Council.

15. Debtors

	2023 £	2022 £
Trade debtors	-	1,306
Other debtors	2,174	3,961
	<u>2,174</u>	<u>5,267</u>

16. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,770	2,127
Social security and other taxes	2,467	2,202
Other creditors	4,291	4,310
	<u>8,528</u>	<u>8,639</u>

Craghead Development Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

17. Analysis of charitable funds

Unrestricted funds

	1 April 2022 £	Income £	Expenditure £	Transfers £	31 March 2023 £
General funds (free reserves)	66,518	205,556	(251,648)	16,023	36,449
Designated funds:					
Operating fund	35,000	-	-	-	35,000
Housing fund	138,000	-	-	-	138,000
	<u>239,518</u>	<u>205,556</u>	<u>(251,648)</u>	<u>16,023</u>	<u>209,449</u>

The trustees have designated an operating fund to be set aside to cover core running costs in the event of a funding shortage, equivalent to 3 months' salary costs.

The housing fund represents the value of local housing assets and is not available for the day to day running of the charity without selling the properties. Within the housing fund is £68,900 (2022: £68,900) in respect of revaluations.

Restricted funds

	1 April 2022 £	Income £	Expenditure £	Transfers £	31 March 2023 £
Housing properties	1,648	-	(1,648)	-	-
Homes England	13,806	-	(1,837)	(2,500)	9,469
Nursery allotment / outdoor	297	-	-	-	297
Womens group	4,533	3,000	(675)	(5,700)	1,158
Youth group	500	3,000	(750)	(1,502)	1,248
Winter resilience	150	-	(145)	-	5
Mens group	5,628	3,000	(750)	(5,700)	2,178
Mental health	1,743	2,000	(568)	-	3,175
Burnside repairs	2,913	-	(2,683)	-	230
Sensory garden	3,226	-	(2,605)	(621)	-
Community buildings	-	1,000	(1,000)	-	-
Shakers and movers	-	1,030	-	-	1,030
	<u>34,444</u>	<u>13,030</u>	<u>(12,661)</u>	<u>(16,023)</u>	<u>18,790</u>

Transfers between funds represent internal rent re-charged, management recharge and restricted funds expended on capital items.

Nursery Allotment / Outdoor – Funding for resources and equipment needed for the children at the nursery allotment and the renovation of the nursery allotment.

Housing properties – funding received to purchase, refurbish and maintain Craghead properties.

Womens, Mens and Youth groups – monies held on behalf of these groups, for their specific use.

Burnside repairs – income specifically for the improvement of Burnside Family Centre

Craghead Development Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

17. Analysis of charitable funds (continued)

Net assets are split as follows:

	Unrestricted £	2023 Restricted £	Total £	Unrestricted £	2022 Restricted £	Total £
Fixed assets	138,420	-	138,420	138,000	-	138,000
Current assets other than cash	2,174	-	2,174	5,267	-	5,267
Cash at bank/ in hand	77,383	18,790	96,173	104,890	34,444	139,334
Current liabilities	(8,528)	-	(8,528)	(8,639)	-	(8,639)
Total net assets	209,449	18,790	228,239	239,518	34,444	273,962

Craghead Development Trust Limited

Company Limited by Guarantee

Management Information

Year ended 31 March 2023

The following pages do not form part of the financial statements.

Craghead Development Trust Limited

Company Limited by Guarantee

Detailed Statement of Financial Activities

31 March 2023

	2023 £	2022 £
Income and endowments		
Donations and legacies		
Grants receivable	13,030	35,295
Charitable activities		
Burnside	363	404
Nursery	193,820	191,597
Trust	-	-
Housing income	11,350	11,040
	205,533	203,041
Investment income		
Bank interest receivable	23	-
Total income	218,586	238,336
Expenditure		
Expenditure on charitable activities		
Purchases	14,750	9,812
Wages and salaries	192,708	170,668
Employer's NIC	7,010	5,545
Pensions	4,700	3,751
Training	525	-
Establishment	25,730	18,962
Motor/travel costs	480	480
Legal and professional fees	7,949	7,218
Consultancy	1,867	7,991
Office costs	5,404	6,594
Depreciation	210	3,629
Sundry expenses	543	910
Subscriptions	1,086	2,900
Bad debts	1,347	-
	264,309	238,460
Total expenditure	264,309	238,460
Net (expenditure) / income	(45,723)	(124)