

CAFÉ JJ

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3S Accountancy Services
Chartered Accountants

CAFÉ JJ

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

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CAFÉ JJ

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Trustees

Darryl Gregory
Valerie Hutchinson
Joseph Hutchinson
Louise Hindmarch
Cheryl Cordier
Stuart Reginald Cordier
Mark Roberts
Sharon Walls
Peter Fletcher
Dorothy Griffiths
Maureen Elizabeth Pressley
Julie Ann Nichols (resigned 21.7.23)
Dennis Michael Brookbanks (resigned 2.8.23)

Secretary

Valerie Hutchinson

Main office

4 Linden Court
Hurworth Place
Darlington
County Durham
DL2 2DL

Trading address

Clifton Centre Community Association
Clifton Avenue
Darlington
Co Durham
DL1 5EE

Accountants

3S Accountancy Services
Chartered Accountants
5-8 Priestgate
Darlington
DL1 1NL

Bankers

HSBC Bank PLC
1 Prospect Place
Darlington
Co Durham
DL3 7LQ

Charity number

1141883

CAFÉ JJ
ANNUAL REPORT OF THE TRUSTEES
YEAR ENDED 31 MARCH 2023

The trustees present their report together with the financial statements of the charity for the year ended 31 March 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and 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 published on 16 July 2014. Legal and administrative information set out on page 1 forms part of this report.

STRUCTURE GOVERNANCE AND MANAGEMENT

The charity was established in 2007, and has been a registered charity since May 2011. The trustees meet at least 3 times a year, in addition a weekly Management Meeting takes place each Monday (when the Café is operating) which is always attended by Trustees.

None of the trustees received remuneration for duties carried out as a trustee. However trustees claimed out of pocket expenses while undertaking volunteer duties during the operation of the Café and reimbursement of any expenditure incurred purchasing goods and services required by the Café.

OBJECTIVES

The objectives of the Charity are:

The advancement of education and skills of adults with Learning Difficulties in the Area of Benefit through:

- The provision of a Community Café and Delivery Service, giving opportunities to gain catering skills and develop mental and physical capabilities in a catering environment.
- And to acquire relevant experience and training through appropriate external activities by the use of small awards given by the charity to suitable service users.

ACHIEVEMENTS AND PERFORMANCE

The excellent reputation and work of the charity continues to grow. We now have twelve adults with learning impairments training in both catering and waiting on skills. All trainees participate on a rota basis in shopping, preparing the food served in the cafe and are allocated specific duties when the cafe is open. All continue to show improved skills and show an increased confidence dealing with the public.

We continue to co-operate with Darlington College and the Education Village to provide work experience for their students. We also liaise with Darlington Youth Employment Initiative offering advice and short term secondments.

Café operation

We are pleased to report a near uninterrupted trading year. Following the disruption of the pandemic, Café JJ appears to be returning to pre lockdown levels. The year started quietly with 51 and 56 customers during the first Tuesdays. However, following the planned Easter break footfall increased and despite a few low weeks during peak holiday periods we averaged 70 customers per Tuesday over the 44 trading weeks.

Also, thanks to support from Darlington Association on Disability, funded by the Household Support Fund, we were able to provide, over four weeks, free meals to over 300 of our customers affected by the cost of living crisis.

We have eased our covid testing requirement for staff, Team JJ and volunteers are now only required, in line with recommendations, to take a Lateral Flow Test if they have any flu like symptoms and are requested not to attend if they prove positive.

CAFÉ JJ
ANNUAL REPORT OF THE TRUSTEES continued
YEAR ENDED 31 MARCH 2023

Income

Income for the current year came from three main sources: Direct Payments, Cafe Operations and Donations.

The Trustees would like to thank all of our supporters for their continued support. Special thanks to County Durham Community Foundation for their continued support in providing a grant towards our rent. Thanks also to the following for their donations towards our Operating Costs:

USDAW
Laura Pass
Darlington Borough Council

Year	Sales	% Increase
2018/2019	24,327	6.1%
2019/2020	25,983	8.2%
2020/2021	nil	na
2021/2022	12,268	na
2022/2023	20,982	71.0%

The café is regarded as a meeting place for older people, people with disabilities and families giving them the opportunity to enjoy a nutritious meal at a low price.

We have, like many others, seen increased ingredient prices, and have, for as long as possible avoided increasing the price of our meals. However, it has been necessary to make an increase of around 10% which the customers have accepted without any adverse comments. The Trustees at their last meeting agreed to continue the policy of trying to maintain an affordable price for our customers and the situation will be under constant review to ensure the organisation's viability.

Public benefit

The trustees have complied with the duty in the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Reserves

The Association's policy is to maintain free reserves at a level to enable continued operation for a period of 6 months. Whilst reserves are not at this level, the trustees aim to ensure surpluses are achieved to reach this point.

Risk management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks

Statement of Trustees' Responsibilities

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom accounting standards for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the applicable Charities SORP;
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e) prepare the Financial Statements on a going concern basis unless it is inappropriate to assume that the charity will continue operating.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the Financial Statements comply with the Charities Act 2011 and the applicable Charity (Accounts and Reports) Regulations, and the provisions of the trust deed. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the board on 18.11.2023 and signed on its behalf

DWGregory

D Gregory
Chair

CAFÉ JJ

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CAFÉ JJ YEAR ENDED 31 MARCH 2023

I report on the accounts of the charity for the year ended 31 March 2023, which are set out on pages 5 to 10.

This report is made solely to the trustees of the charity, as a body, in accordance with section 145 of the Charities Act 2011 (the 2011 Act). My examination has been undertaken so that I might state to the trustees of the charity those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees of the charity as a body for my examination, for this report or the opinions I have formed.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of 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 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 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

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.



Catherine Milbanke FCA
3S Accountancy Services, Chartered Accountants
5-8 Priestgate
Darlington
DL1 1NL

Date: 18/11/23.....

CAFÉ JJ
STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account)
YEAR ENDED 31 MARCH 2023

	Note	Unrestricted £	Restricted £	2023 £	2022 £
Income					
Income from:					
Donations and legacies	2	49,677	8,329	58,006	59,568
Other trading activities	3	20,982	-	20,982	12,268
Investment income		120	-	120	2
Total		70,779	8,329	79,108	71,838
Expenditure					
Expenditure on:					
Raising funds		580	-	580	163
Charitable activities		64,085	13,320	77,405	59,958
Total	4	64,665	13,320	77,985	60,121
Net income / (expenditure)		6,114	(4,991)	1,123	11,717
Transfers between funds		-	-	-	-
Net movement in funds		6,114	(4,991)	1,123	11,717
Fund balances brought forward at 1 APRIL 2022		22,908	5,570	28,478	16,761
Fund balances carried forward at 31 MARCH 2023	10	29,022	579	29,601	28,478

The statement of financial activities includes all gains and losses recognised in the year.

CAFÉ JJ

BALANCE SHEET

AS AT 31 MARCH 2023

Note	2023		2022	
	£	£	£	£
Current assets				
Stock		120		120
Debtors and prepayments	8	7,340		6,256
Cash at bank and in hand		<u>32,249</u>		<u>30,654</u>
		39,709		37,030
Creditors				
Amounts falling due within one year	9	<u>(10,108)</u>		<u>(8,552)</u>
Net current assets		29,601		28,478
Net assets		<u>29,601</u>		<u>28,478</u>
Funds				
Unrestricted Funds		29,022		22,908
Restricted funds		<u>579</u>		<u>5,570</u>
Total charity funds	10	<u>29,601</u>		<u>28,478</u>

These financial statements were approved and signed by the trustees and authorised for issue on **18.11.2023**

— — *DW Gregory*

D Gregory
Chair

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

1. Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's accounts.

- (i) The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and with the Charities Act 2011.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the notes to these accounts.

The charity constitutes a public benefit entity as defined by FRS102.

(ii) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

(iii) Incoming resources

Income is accounted for on an accruals basis. Grants are recognised as an incoming resource when the conditions for the receipt have been met and are accounted for in accordance with the headings they have been allocated to on a basis consistent with the use of the resources.

(iv) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable settlement will be required and the amount of the obligation can be measured reliably.

2. Donations and legacies

	Unrestricted	Restricted	2023	2022
	£	£	£	£
Grants received	47,696	8,329	56,025	58,163
Donations	1,981	-	1,981	1,405
	<u>49,677</u>	<u>8,329</u>	<u>58,006</u>	<u>59,568</u>

In 2022 restricted grants received were £15,447 and restricted donations were £nil

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

3. Other trading activities

	Unrestricted £	Restricted £	2023 £	2022 £
Income from activities				
Café	20,344	-	20,344	12,123
Buffets and deliveries	638	-	638	145
Training	-	-	-	-
	20,982	-	20,982	12,268

4. Analysis of total resources expended

	Unrestricted £	Restricted £	2023 £	2022 £
Cost of generating funds				
Opening stock	120	-	120	-
Ingredients	13,027	1,601	14,628	8,024
Stock for resale	-	-	-	84
Closing stock	(120)	-	(120)	(120)
	13,027	1,601	14,628	7,988
Operating costs				
Rent	3,076	4,433	7,509	6,530
Staff Wages	35,497	3,000	38,497	37,446
Volunteer Expenses	4,722	-	4,722	3,570
Travelling Expenses	1,264	-	1,264	847
Promotion Costs	580	-	580	163
Fees & Insurance	460	-	460	381
Operating Expenses	1,721	50	1,771	542
Office Expenses	1,038	-	1,038	1,003
Special Events	-	-	-	-
Project Costs	2,266	-	2,266	334
Equipment	217	4,236	4,453	500
Donations	-	-	-	-
Independent examination & governance	640	-	640	660
Trustee Costs	157	-	157	157
	51,638	11,719	63,357	52,133
	64,665	13,320	77,985	60,121

In 2022 restricted total resources expended amounted to £12,985.

5. Governance

	2023 £	2022 £
Accountancy and professional fees	660	660
	660	660

6. Trustees' remuneration

The trustees received £nil (2022: £nil) worth of emoluments during the period.

CAFÉ JJ**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2023****7. Staff costs**

	2023	2022
	£	£
Wages and Salaries	38,497	37,446
	<u>38,497</u>	<u>37,446</u>

Wages and salary costs include re-charged costs from Trust121 for the directly attributable services of their employees.

The average employee headcount for the year was 10 (2022: 10).

8. Debtors

	2023	2022
	£	£
Trade debtors	-	-
Other debtors	7,340	6,256
	<u>7,340</u>	<u>6,256</u>

9 Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals and deferred income	9,300	7,903
Other creditors	808	649
	<u>10,108</u>	<u>8,552</u>

CAFÉ JJ
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

10 Statement of Funds

	Balance b/fwd £	Incoming £	Outgoing £	Transfers £	Balance c/fwd £
Unrestricted funds - general	22,908	70,779	(64,665)	-	29,022
Total unrestricted funds	22,908	70,779	(64,665)	-	29,022
Restricted funds:					
Resources	5,570	8,329	(13,320)	-	579
Total restricted funds	5,570	8,329	(13,320)	-	579
TOTAL FUNDS	28,478	79,108	(77,985)	-	29,601

Made up of:

	2023			2022		
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
Current assets						
Stock	-	120	120	-	120	120
Debtors and prepayments	-	7,340	7,340	-	6,256	6,256
Cash at bank and in hand	579	31,670	32,249	5,570	25,084	30,654
	579	39,130	39,709	5,570	31,460	37,030
Creditors	-	(10,108)	(10,108)	-	(8,552)	(8,552)
	579	29,022	29,601	5,570	22,908	28,478