

# **Pennine Magpie**

Charity number 1147911

A company limited by guarantee number 04498986

## **Annual Report and Financial Statements** **for the year ended 31 December 2021**



**Annual Report and Financial Statements**  
**for the year ended 31 December 2021**

<b>Contents</b>	<b>Page</b>
Trustees' report	2 to 4
Examiner's report	5
Statement of financial activities	6
Balance sheet	7
Cashflow statement	8
Notes to the accounts	9 to 15

# **Pennine Magpie**

## **Trustees' report for the year ended 31 December 2021**

### **Reference and administrative details of the charity, its trustees and advisors**

The trustees during the financial year and up to and including the date the report was approved were:

<b>Name</b>	<b>Position</b>	<b>Dates</b>
John Platt	Chair	
John West	Treasurer	
Rachel Bielby		Resigned March 2021
Jo Core		
Nicola Abel		
<b>Charity number</b>	1147911	Registered in England and Wales
<b>Company number</b>	04498986	Registered in England and Wales

### **Registered and principal address**

Unit 15 and 4a Calderdale Business Park  
Club Lane  
Halifax  
HX2 8DB

### **Bankers**

National Westminster	Shawbrook Bank Limited	The Charity Bank Limited
8 Market Place	Lutea House	Fosse House
Huddersfield	Warley Hill Business Park	182 High Street
HD1 2AL	Great Warley	Tonbridge
	Brentwood	TN9 1BE
	CM13 3BE	

### **Independent examiner**

Helen Galvin FCCA

### **West Yorkshire Community Accountancy Service CIO**

Stringer House  
34 Lupton Street  
Leeds  
LS10 2QW

### **Structure, governance and management**

The charity is a company limited by guarantee and was formed on 30 July 2002. It is governed by a memorandum and articles of association. New articles were adopted by special resolution on 8 March 2012 as amended by special resolution on 6 June 2012. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £10.

### **Method of recruitment and appointment of trustees**

The Board consists of a minimum of 3 trustees with no maximum. One third of all trustees (on a rotational basis - longest serving deemed to retire first) who have held office since the last Annual General Meeting (AGM), plus all new appointments retire at the next AGM. Retiring trustees are eligible for re-appointment.

New trustees are recommended for appointment by the existing trustees. Membership of Pennine Magpie is open to any individual or organisation provided that, in the opinion of the board, they do not present a conflict to the best interests of the Charity.

# **Pennine Magpie**

## **Trustees' report (continued) for the year ended 31 December 2021**

### **Objectives and activities**

#### **The charity's objects**

The objects of the company are to benefit young persons and adults with special needs through the provision of training, personal development activities and support services to provide the skills, confidence and infrastructure necessary for them to live a more independent and fulfilling life within the community.

#### **The charity's main activities**

The Charity is established to benefit young people and adults with special needs. This is achieved by the provision of training and other facilities to enable such persons to acquire skills, confidence and the infrastructure necessary for them to live a more independent and fulfilling life within the community.

There have been no material changes in the objectives or policies of the Charity during the year.

#### **Public benefit statement**

The trustees have complied with the duty in Sec 17(5) of the Charities Act 2011 to have due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. The charitable activity focuses on supporting all young people and adults to further the charitable purpose for public benefit.

#### **Achievements and performance**

2021 was another unsettled year where the organisation had to work differently to enable the safe care of its members during the pandemic. Whilst we were able to reopen in September 2020, our income was affected, as only those attending could be charged. As many of our members are classed as vulnerable a significant proportion of members continued to isolate.

We did not have to reduce staff numbers but were able to reduce staff hours by agreeing reduced weekly hours to a small number of staff who had requested this. During the summer of 2021 things started to ease a little with more members returning and new members joining us.

Outreach had previously been a very small part of our offer but in July 2021 we decided to relaunch the service, opening it up to a wider audience. The service was very well received with good relationships formed with brokerage staff, professionals, outreach members and their carers. We also piloted outreach activities which were planned staffed activities each Thursday evening. The pilot was very successful and now outreach activities are also part of our ongoing offer.

The 2021 budget predicted a loss but due to things improving in the summer and the early success of the Outreach pilots, this loss was significantly reduced.

We anticipate that the increase in service provision will continue in 2022.

#### **Financial review**

The net expenditure for the year was £10,754, including net expenditure of £11,254 on unrestricted funds and net income of £500 on restricted funds.

We did consider the impact of Covid-19 on the 2021 budget and predicted a loss of around £32k. However, our revamped Outreach service which was formally launched in Aug 21 has been very well received and has impacted positively on the projected loss.

At the time of signing these accounts the charity has been impacted by the global Covid-19 virus. The trustees have reassessed the charity's ability to continue for at least 12 months from the date that the accounts are approved and conclude that no material uncertainties exist that cast significant doubt on the charity's ability to continue as a going concern.

#### **Reserves policy**

The charity's free reserves, excluding fixed assets, at the year end were £894,495.

The trustees have allocated reserves of between 3 and 6 months running costs (Approx. £150k and £300k) and have designated £650k for the building fund.

# **Pennine Magpie**

## **Trustees' report (continued) for the year ended 31 December 2021**

### **Statement of trustees' responsibilities**

The trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees report and the financial statements in accordance with the applicable law and UK Accounting Standards.

Company law requires the trustees to prepare financial accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

select suitable accounting policies and apply them consistently;

observe the methods and principles in the Charities SORP;

make judgements and estimates that are reasonable and prudent;

state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

prepare the accounts on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial accounts comply with the Companies Act 2006. 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.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS102)), and in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Signed on behalf of the board of trustees on 14/06/2022

John West (Trustee)

# **Pennine Magpie**

## **Independent examiner's report to the trustees of Pennine Magpie**

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 December 2021, which are set out on pages 6 to 15.

### **Responsibilities and basis of report**

As the charity's trustees of the charitable 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 charitable 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 ('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 the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act.

I confirm that I am qualified to undertake the examination because I am a member of ACCA which is one of the listed bodies.

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

- 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.

Signed:  Name: Helen Galvin FCCA

14/06/2022

### **West Yorkshire Community Accountancy Service CIO**

Stringer House  
34 Lupton Street  
Leeds  
LS10 2QW

# Pennine Magpie

## Statement of Financial Activities

(including summary income and expenditure account)

for the year ended 31 December 2021

	Notes	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
<b>Income and endowments from:</b>					
Donations		220	-	220	2,520
Charitable activities	(2)	535,618	1,000	536,618	530,507
Fundraising		319	-	319	171
Bank interest		2,573	-	2,573	14,102
<b>Total income</b>		<u>538,730</u>	<u>1,000</u>	<u>539,730</u>	<u>547,300</u>
<b>Expenditure on:</b>					
Charitable activities	(3)	<u>549,984</u>	<u>500</u>	<u>550,484</u>	<u>567,218</u>
<b>Total expenditure</b>		<u>549,984</u>	<u>500</u>	<u>550,484</u>	<u>567,218</u>
<b>Net (expenditure) / income</b>		(11,254)	500	(10,754)	(19,918)
<b>Fund balances brought forward</b>		<u>909,725</u>	<u>-</u>	<u>909,725</u>	<u>929,643</u>
<b>Fund balances carried forward</b>	(4)	<u>898,471</u>	<u>500</u>	<u>898,971</u>	<u>909,725</u>

All incoming resources and resources expended derive from continuing activities.

**Pennine Magpie**  
**Balance sheet**  
**as at 31 December 2021**

		2021	2021	2021	2020
		Unrestricted	Restricted	Total	Total
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	(5)	3,976	-	3,976	12,057
<b>Total fixed assets</b>		<u>3,976</u>	<u>-</u>	<u>3,976</u>	<u>12,057</u>
<b>Current assets</b>					
Debtors and prepayments	(6)	61,809	-	61,809	81,721
Cash at bank and in hand	(7)	851,911	500	852,411	841,133
<b>Total current assets</b>		<u>913,720</u>	<u>500</u>	<u>914,220</u>	<u>922,854</u>
<b>Current liabilities:</b>					
<b>amounts falling due within one year</b>					
Creditors and accruals	(8)	19,225	-	19,225	25,186
<b>Total current liabilities</b>		<u>19,225</u>	<u>-</u>	<u>19,225</u>	<u>25,186</u>
<b>Net current assets</b>		<u>894,495</u>	<u>500</u>	<u>894,995</u>	<u>897,668</u>
<b>Net assets</b>		<u>898,471</u>	<u>500</u>	<u>898,971</u>	<u>909,725</u>
<b>Funds</b>					
Unrestricted funds					
General unrestricted funds		248,471	-	248,471	909,725
Designated funds	(9)	650,000	-	650,000	-
Restricted funds		-	500	500	-
<b>Total funds</b>		<u>898,471</u>	<u>500</u>	<u>898,971</u>	<u>909,725</u>

For the year ending 31 December 2021 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476. The trustees (who also the directors for the purposes of company law) 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 FRS 102 (effective January 2019).

The financial statements were approved by the board of trustees on 14/06/2022

John West (Trustee)



**Pennine Magpie**  
**Statement of cash flows**  
**for the year ended 31 December 2021**

	2021 £	2020 £
<b>Cash flows from operating activities:</b>		
<b>Net cash provided by (used in) operating activities</b>	<u>9,527</u>	<u>(49,172)</u>
<b>Cash flows from investing activities:</b>		
Dividends and interest	2,573	14,102
Purchase of tangible fixed assets	822	-
<b>Net cash provided by (used in) investing activities</b>	<u>3,395</u>	<u>14,102</u>
Change in cash and cash equivalents in the reporting period	11,278	(35,070)
Cash and cash equivalents at the beginning of the reporting period	841,133	876,203
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>852,411</u>	<u>841,133</u>
<b>Reconciliation of net movement in funds to net cash flow from operating activities</b>		
	2021 £	2020 £
Net movement in funds for the reporting period (as per the statement of financial activities)	(10,754)	(19,918)
Adjustments for:		
Depreciation charges	8,903	14,289
Other interest receivable and similar income	(2,573)	(14,102)
(Increase) / decrease in debtors and prepayments	19,912	(34,520)
Increase / (decrease) in creditors and accruals	(5,961)	5,079
<b>Net cash provided by (used in) operating activities</b>	<u>9,527</u>	<u>(49,172)</u>
<b>Analysis of cash and cash equivalents</b>		
	2021 £	2020 £
Cash in hand	1,080	392
Notice deposits (less than 30 days)	851,331	840,741
<b>Total cash and cash equivalents</b>	<u>852,411</u>	<u>841,133</u>

# **Pennine Magpie**

## **Notes to the accounts**

### **for the year ended 31 December 2021**

#### **1 Accounting policies**

##### **Basis of accounting**

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

There has been no change to the accounting policies since last year.

No changes have been made to the accounts for previous years.

##### **Going concern**

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

##### **Incoming resources**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

##### **Grants and donations**

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Donated goods for resale are valued at the amount actually realised upon their sale.

Donated assets, facilities or services are valued at their estimated value to the charity. This is the price that the charity estimates it would pay in the open market for equivalent items; or services and facilities of equivalent utility to the charity.

##### **Expenditure and liabilities**

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

##### **Taxation**

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

# **Pennine Magpie**

## **Notes to the accounts**

### **for the year ended 31 December 2021**

#### **1 Accounting policies continued**

##### **Tangible fixed assets**

Tangible fixed assets costing more than £750 are capitalised and included at cost including any incidental expenses of acquisition. Gifted assets are shown at the value to the charity on receipt. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Fixtures and fittings: over 5 years

Computer equipment: over 5 years

Motor vehicles: over 10 years

##### **Pensions**

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised in the year they are payable.

##### **Fund accounting**

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

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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

##### **Leases**

Rents under operating leases are charged on a straight line basis over the lease term or to an earlier date if the lease can be determined without financial penalty.

**Pennine Magpie**  
**Notes to the accounts continued**  
**for the year ended 31 December 2021**

<b>2 Charitable activities</b>	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Grants for charitable activities				
North Halifax Partnership	-	1,000	1,000	-
Support services	497,813	-	497,813	521,092
Out of hours support	35,296	-	35,296	7,652
Kitchen and tuckshop	-	-	-	1,545
Garden produce sales	20	-	20	-
Student events	2,489	-	2,489	218
	<u>535,618</u>	<u>-</u>	<u>536,618</u>	<u>530,507</u>

<b>3 Charitable activities expenditure</b>	2021 Activities undertaken directly £	2021 Support costs £	2021 Total funds £	2020 Total funds £
Charitable activities	424,509	125,975	550,484	567,218
	<u>424,509</u>	<u>125,975</u>	<u>550,484</u>	<u>567,218</u>

**Support costs**

	2021 Total funds £	2020 Total funds £
Management and finance	57,506	56,534
Office costs	64,760	77,569
Legal and professional	1,909	1,108
Governance	1,800	1,962
	<u>125,975</u>	<u>137,173</u>

# Pennine Magpie

## Notes to the accounts continued

### for the year ended 31 December 2021

3 Charitable activities expenditure continued	2021	2021	2021	2020
	Unrestricted	Restricted	Total	Total
	funds	funds	funds	funds
	£	£	£	£
Salaries (3a)	409,426	-	409,426	411,410
Payroll, pension and life assurance charges	925	-	925	1,213
Staff support costs	379	-	379	163
Rent	38,827	-	38,827	50,385
Light and heat	14,569	-	14,569	9,334
Insurance	5,289	-	5,289	4,409
Repairs and maintenance	4,243	-	4,243	3,165
Telephone and internet	2,025	-	2,025	4,064
IT support, software and website	8,082	-	8,082	12,128
Depreciation	8,903	-	8,903	14,289
Student events and expenses	2,760	-	2,760	266
Training and development	5,872	-	5,872	4,985
Kitchen and tuckshop	-	-	-	1,706
Motor vehicle expenses	6,028	-	6,028	4,754
Printing, postage and stationery	2,263	-	2,263	2,556
Purchases	5,389	-	5,389	4,110
DBS checks	1,189	-	1,189	138
Sundry expenses	1,143	-	1,143	875
Subscriptions and licences	2,658	-	2,658	3,825
Advertising and rebranding	8,562	-	8,562	16,773
Independent examination and accountancy	1,800	-	1,800	1,800
Legal and professional fees	720	-	720	970
Bank charges	845	-	845	622
Governance	13	-	13	13
Equipment rental	5,111	-	5,111	3,480
Equipment purchases	2,195	-	2,195	6,061
Refreshments and Christmas party	4,105	-	4,105	162
Travel expenses	3,646	-	3,646	1,894
Garden construction	1,760	500	2,260	10
Health and safety	1,257	-	1,257	1,658
	<u>549,984</u>	<u>500</u>	<u>550,484</u>	<u>567,218</u>

#### 3a Staff costs and numbers

	2021	2020
	£	£
Gross salaries	375,600	375,027
Social security costs	26,376	29,225
Employment allowance	(4,000)	(4,000)
Pensions	11,450	11,158
	<u>409,426</u>	<u>411,410</u>

The average number of employees during the year was 20.3, being an average of 15.1 full time equivalent (2020: 19.7, 15.8 FTE).

There were no employees with emoluments above £60,000.

#### Defined contribution pension scheme

	2021	2020
	£	£
Costs of the scheme to the charity for the year	11,450	11,158
Amount of any contributions outstanding at the year end	2,316	-

# Pennine Magpie

## Notes to the accounts continued

### for the year ended 31 December 2021

4 Restricted funds	Balance b/f £	Incoming £	Outgoing £	Balance c/f £
North Halifax Partnership (1)	-	500	500	-
North Halifax Partnership (2)	-	500	-	500
	<u>-</u>	<u>1,000</u>	<u>500</u>	<u>500</u>

#### Fund name

#### Purpose of restriction

North Halifax Partnership (1)	Towards materials for the sensory garden project
North Halifax Partnership (2)	Towards the development of the sensory room

5 Tangible assets	Leasehold improvements	Computer equipment	Motor vehicles	Furniture and fixtures	Total
<b>Cost</b>			£	£	£
At 1 January 2021	94,526	27,042	78,142	117,174	316,884
Additions	-	-	-	822	822
At 31 December 2021	<u>94,526</u>	<u>27,042</u>	<u>78,142</u>	<u>117,996</u>	<u>317,706</u>
<b>Depreciation</b>					
At 1 January 2021	94,526	24,212	72,646	113,443	304,827
Charge for year	-	2,730	4,512	1,661	8,903
At 31 December 2021	<u>94,526</u>	<u>26,942</u>	<u>77,158</u>	<u>115,104</u>	<u>313,730</u>
<b>Net book value</b>					
At 31 December 2021	<u>-</u>	<u>100</u>	<u>984</u>	<u>2,892</u>	<u>3,976</u>
At 31 December 2020	<u>-</u>	<u>2,830</u>	<u>5,496</u>	<u>3,731</u>	<u>12,057</u>

6 Debtors and prepayments	2021 £	2020 £
Debtors	54,543	74,926
Prepayments	7,266	6,795
	<u>61,809</u>	<u>81,721</u>

7 Cash at bank and in hand	2021 £	2020 £
Cash at bank	851,331	840,741
Cash in hand	1,080	392
	<u>852,411</u>	<u>841,133</u>

8 Creditors and accruals	2021 £	2021 £
Creditors	17,425	23,386
Accruals	1,800	1,800
	<u>19,225</u>	<u>25,186</u>

**Pennine Magpie**  
**Notes to the accounts continued**  
**for the year ended 31 December 2021**

9 Designated funds	Balance b/f £	Incoming £	Outgoing £	Balance c/f £
	650,000	-	-	650,000
<b>Purpose of restriction</b>				
To purchase a building				

**10 Related party transactions**

**Trustee expenses**

No trustee received any expenses during the year (previous year: 1 trustee was paid £162 in respect of

**Trustee remuneration and benefits**

No trustee received any remuneration or benefit during this or the previous year.

**Remuneration and benefits received by key management personnel**

The key management personnel of the charity include the trustees and the Chief Officer. The total employee benefits received were £55,736 (2020: £54,699).

No trustee received any remuneration or benefit in this capacity during this or the previous year.

**11 Operating leases**

Expected future minimum lease payments over the remaining life of the lease, analysed into the period in which the commitment falls due:

	2022 £	2021 £
Within one year	15,957	14,986
In the second to fifth years inclusive	8,199	6,690
	<u>24,156</u>	<u>21,676</u>

## Pennine Magpie

### Statement of Financial Activities including comparatives for all funds (including summary income and expenditure account) for the year ended 31 December 2021

	2021 Unrestricted funds £	2020 Unrestricted funds £	2021 Restricted funds £	2020 Restricted funds £	2021 Total funds £	2020 Total funds £
<b>Income</b>						
Donations	220	2,520	-	-	220	2,520
Charitable activities	535,618	530,507	1,000	-	536,618	530,507
Fundraising	319	171	-	-	319	171
Bank interest	2,573	14,102	-	-	2,573	14,102
<b>Total income</b>	<b>538,730</b>	<b>547,300</b>	<b>1,000</b>	<b>-</b>	<b>539,730</b>	<b>547,300</b>
<b>Expenditure</b>						
Charitable activities	549,984	567,218	500	-	550,484	567,218
<b>Total expenditure</b>	<b>549,984</b>	<b>567,218</b>	<b>500</b>	<b>-</b>	<b>550,484</b>	<b>567,218</b>
<b>Net income / (expenditure)</b>	<b>(11,254)</b>	<b>(19,918)</b>	<b>500</b>	<b>-</b>	<b>(10,754)</b>	<b>(19,918)</b>
<b>Fund balances brought forward</b>	<b>909,725</b>	<b>929,643</b>	<b>-</b>	<b>-</b>	<b>909,725</b>	<b>929,643</b>
<b>Fund balances carried forward</b>	<b>898,471</b>	<b>909,725</b>	<b>500</b>	<b>-</b>	<b>898,971</b>	<b>909,725</b>