

**Charity Registration No. 1171390**

**Company Registration No. 10213452 (England and Wales)**

**DUNSTON ACTIVITY CENTRE**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

# DUNSTON ACTIVITY CENTRE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mrs Pauline Brown Mr C R Lowe Mrs Joyce Forster Mr E Nichols
<b>Charity number</b>	1171390
<b>Company number</b>	10213452
<b>Registered office</b>	33 Whickham Highway Dunston Hill Gateshead NE11 9QJ
<b>Independent examiner</b>	Gunnell & Chambers Accountants Limited Office 3, 8 Fellside Road Whickham Newcastle Upon Tyne NE16 4AL

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# DUNSTON ACTIVITY CENTRE

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# DUNSTON ACTIVITY CENTRE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 30 JUNE 2021

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The Trustees present their report and financial statements for the year ended 30 June 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Act 2011, the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

#### Achievements and performance

This has been a year in which we have much extended the programme of our activities, events and services, providing them either free of charge or at prices that are widely regarded as very reasonable. We are therefore encouraged that our income rose to £225,737 and that our profit of £49,393 was an improvement on last year. When we combine our profit with accumulated in our contingency fund, we ended the year with a surplus of £49,728.

We achieved wide area recognition for the quality of our Toddler Times, Messy Play and Gym Star sessions. Our free 'Companions Club' service to the elderly, referred to us by our local medical centre, has been widely praised by Council officials and visitors from various funding bodies. This group attracts about 40 residents who have experienced significant challenges through bereavement, isolation, loneliness and depression.

We have refreshed our gymnastics' programme by employing a new head coach and by training a team of coaches that include our own staff members, volunteers and young people. We hope that our investment of financial resources into this programme will bring both increasing satisfaction to our clients and increased monies into our bank account.

Our gym membership remained strong relative to the current climate which included a number of lockdowns.

We have been praised area-wide for the quality and scope of the children's holiday and birthday parties we provide and these have been very well attended. Whether themed around Krazy Karts, football, giant soft play, inflatables, dart wars, Peppa Pig, princesses or unicorns, we have been regularly Face-booked for providing excellent fun activities at prices which are modest to say the least.

Taking full account of the tension between reaching vulnerable groups within our community and remaining financially sustainable, we have planned a major 'Hear and Now' listening project to alleviate the wide-scale increase in depression, anxiety and suicide in our area. We applied for funding the cover the training of a team of male and female counsellors who will provide and immediate service, five days a week on a rota basis.

Through our good relationships with our clients and those simply coming into the Centre for a cup of coffee, we have become increasingly aware of the poor mental health of many in our community and have taken steps to meet the need.

It is well documented that the North East is the most significant area in the Country for mental health problems and the suicide rates here are twice that of London. The problem with the talking therapies provided by local medical centres is that they are in such great demand that residents who need quite immediate support are often unable to secure the services of community psychiatric nurses or counsellors. We are therefore encouraged that, after promotion, our programme will contribute significantly to the improvement of community health.

we have also been working on projects to provide meaningful, mid-week social interaction for adolescents within our community. This involves not only games and activities but the inculcation of positive community values. We are also set to accommodate residents from ethnic minorities according to their special needs and to plan events that enhance their social integration.

Currently, we are planning an advertising programme to maximise the use of the Centre and to become increasingly involved in networking with the NHS, Social Services and other area organisations with the hope of securing commissioning by them.

For the future, we have been discussing the re-design of the Centre so as better to meet local needs.

Whether for the present, the interim or the future, we remain enthusiastically dedicated to the positive transformation of our community.

#### Financial review

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# DUNSTON ACTIVITY CENTRE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 30 JUNE 2021*

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The Trustees has 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.

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

The Charity is a company limited by guarantee.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs Pauline Brown

Mr C R Lowe

Mrs Joyce Forster

Mr E Nichols

New trustees may be appointed by a resolution passed at a special meeting of the trustees, or by statutory powers.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Trustees' report was approved by the Board of Trustees.

### **Mrs Pauline Brown**

Trustee

Dated: 24 November 2021

# DUNSTON ACTIVITY CENTRE

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF DUNSTON ACTIVITY CENTRE

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I report to the Trustees on my examination of the financial statements of Dunston Activity Centre (the Charity) for the year ended 30 June 2021.

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

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity 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 the Charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

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 that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Gunnell & Chambers Accountants Limited

Office 3, 8 Fellside Road  
Whickham  
Newcastle Upon Tyne  
NE16 4AL

Dated: 24 November 2021

# DUNSTON ACTIVITY CENTRE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<b><u>Income from:</u></b>			
Donations and legacies	3	181,470	100,175
Charitable activities	4	43,394	51,660
Investments	5	873	4
<b>Total income</b>		<u>225,737</u>	<u>151,839</u>
<b><u>Expenditure on:</u></b>			
Charitable activities	6	<u>176,344</u>	<u>156,511</u>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		49,393	(4,672)
Fund balances at 1 July 2020		335	5,007
<b>Fund balances at 30 June 2021</b>		<u><u>49,728</u></u>	<u><u>335</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# DUNSTON ACTIVITY CENTRE

## BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	9		35,859		26,953
<b>Current assets</b>					
Cash at bank and in hand		164,410		35,289	
<b>Creditors: amounts falling due within one year</b>	10	(150,541)		(61,907)	
Net current assets/(liabilities)			13,869		(26,618)
<b>Total assets less current liabilities</b>			49,728		335
<b>Income funds</b>					
Unrestricted funds			49,728		335
			49,728		335

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the Trustees on 15 November 2021

Mrs Pauline Brown  
**Trustee**

**Company Registration No. 10213452**



# DUNSTON ACTIVITY CENTRE

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 JUNE 2021**

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### **1 Accounting policies**

#### **Charity information**

Dunston Activity Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is 33 Whickham Highway, Dunston Hill, Gateshead, NE11 9QJ.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with FRS102, the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

#### **1.4 Income**

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

#### **1.5 Expenditure**

# DUNSTON ACTIVITY CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

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### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	15% reducing balance
Fixtures and fittings	15% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

# DUNSTON ACTIVITY CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	5,360	4,920
Grants receivable	144,971	10,966
Membership fees	31,139	84,289
	<u>181,470</u>	<u>100,175</u>

### 4 Charitable activities

	Charitable Income Heading 1 2021 £	Charitable Income Heading 7 2021 £	Total 2021 £	Charitable Income Heading 1 2020 £	Charitable Income Heading 7 2020 £	Total 2020 £
Sales of services by beneficiaries	-	8,271	8,271	-	31,529	31,529
Charitable rental income	34,952	-	34,952	20,131	-	20,131
Other income	171	-	171	-	-	-
	<u>35,123</u>	<u>8,271</u>	<u>43,394</u>	<u>20,131</u>	<u>31,529</u>	<u>51,660</u>

# DUNSTON ACTIVITY CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	873	4
	<u>873</u>	<u>4</u>

### 6 Charitable activities

	Charitable Expenditure Heading 1	Charitable Expenditure Heading 1
	2021	2020
	£	£
Cafe expenses	3,475	13,341
Leisure assistants	71,694	79,687
Rates and water	4,008	6,789
Light and heat	22,194	27,530
Repairs and maintenance	55,705	12,717
Insurance	3,159	3,127
Cleaning	1,433	1,275
Motor and travel	-	261
Legal and professional	-	1,655
Telephone	1,428	1,481
Stationery and printing	6,477	2,015
Depreciation	5,093	4,312
Advertising	169	488
General expenses	367	459
Bank charges	182	834
Other charitable expenditure	960	540
	<u>176,344</u>	<u>156,511</u>
	<u>176,344</u>	<u>156,511</u>

### 7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

# DUNSTON ACTIVITY CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 8 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
8	8

### 9 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 July 2020	37,672	7,186	44,858
Additions	-	14,000	14,000
At 30 June 2021	37,672	21,186	58,858
<b>Depreciation and impairment</b>			
At 1 July 2020	15,966	1,940	17,906
Depreciation charged in the year	3,256	1,837	5,093
At 30 June 2021	19,222	3,777	22,999
<b>Carrying amount</b>			
At 30 June 2021	18,450	17,409	35,859
At 30 June 2020	21,707	5,246	26,953

### 10 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	4,927
Other creditors	59,581	56,440
Accruals and deferred income	90,960	540
	150,541	61,907

### 11 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).