

Registered Charity Number: 1177696
Company number: 10177172

Wood Lane Conservation Trust

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the year ended 30 March 2021

Wood Lane Conservation Trust

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Wood Lane Conservation Trust

Legal and administrative information for the year ended 30 March 2021

Directors

Vicky Walker

Chair

Appointed 6 April 2021

Frances Hill

Chair until April 2021

Arthur Hill

Richard Ambler-Young

Marilyn Sanderson

Key management

David Ambler-Young

Managing Director/Centre Manager

Registered office

Wood Lane Countryside Centre

Wood Lane

Stannington

Sheffield

S6 5HE

Company Number

10177172

Charity number

1177696

Independent Examiner

Sarah Lightfoot, FCA DChA

On behalf of:

VAS Community Accountancy

The Circle

33 Rockingham Lane

Sheffield

S1 4FW

Wood Lane Conservation Trust

Directors' annual report For the year ended 30 March 2021

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 30 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued in October 2019.

Structure, governance and management

Wood Lane Conservation Trust (WLCT) is a charitable company limited by guarantee, incorporated on 12 May 2016 and registered as a charity on 22 March 2018 after amendments to the Memorandum of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Overall management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the constitution. Day to day management is delegated to the Managing director and carried out by paid staff.

Wood Lane Countryside Centre Ltd (WLCC) is a company limited by guarantee (Company number 11264778). The company is a wholly owned trading subsidiary on the basis of control by common directors. The company was incorporated on 20 March 2018 and the trading activities of the charity were transferred to this company with effect from 1 April 2018. The company operates the weddings, commercial room rental and other events carried on at the Centre and pays all its profits to the charity under the gift aid scheme.

Charitable Aims and objectives

The objects of the Charity are to promote and advance, for the public benefit, the protection, improvement and conservation of Sheffield's physical and natural environment, so as to maintain a facility for physical and leisure-time activities, aimed at improving the health and well-being of the local community in particular, but not exclusively, by:

- Managing and maintaining Wood Lane Countryside Centre (a grade II listed former farm set on the edge of countryside in north-west Sheffield)
- Creating and effectively managing wildlife habitats, such as ancient woodlands, meadows and wetlands, for biodiversity, species protection and public access and enjoyment.
- Raising awareness in people of all ages and abilities of the importance of nature conservation and biodiversity.
- Providing practical nature conservation and traditional countryside skills training for adults and children of all ages and abilities, to enable them to become actively involved in nature conservation.
- Involving communities and schools in practical nature conservation projects

The charity rents rooms and space in the building to community groups. The trading subsidiary, Wood Lane Countryside Centre (Company number 11264778), operates the weddings, commercial room rental and other events carried on at the Centre and pays all its profits to the charity under the gift aid scheme.

Wood Lane Conservation Trust

Directors' annual report (continued) For the year ended 30 March 2021

Whilst planning their activities the trustees have had regard to the guidance issued by the Charity Commission on public benefit.

Activities and achievements

Rental and community use of the Centre

From late March 2020 the UK entered a period of social distancing and self-isolation in response to the Coronavirus pandemic, which had a profound effect on the practical functioning of the charity. In March 2020 Wood Lane had to close down for all community usage and room lettings and as a venue for weddings, parties and conferences in line with Government instructions on Covid 19. All users were notified but SCCT and the Councils Public Rights of Way Unit continued to use the Centre as their work base throughout all lockdowns and the rest of the year. WLCT carried out a risk assessment and wrote and sent out a Covid action plan to all users. Cleaning was halted and all staff put on full furlough receiving 80% of their salaries. From July 2020 when community centres were allowed to open, cleaning staff carried out a few hours of deep cleaning each week and were put-on part-time furlough. A few months later other staff were put-on part-time furlough but continued to work from home.

Nature Box Forest School has been able to continue working with its nursery children and home-schooling pupils throughout the Pandemic, in line with Government rules, using the outside space, but did not pay any financial contribution. Sheffield Countryside Conservation Trust and North Sheffield Conservation Group working with adults with learning difficulties and our staff and volunteers have used the Centre 24/7 for office workshop space and storage.

In total we have lost 16 Months hire from community users. The Centre Manager has been keeping in contact with them regularly and updating them with any news of the Centre reopening. In July 2021 all the community users contacted the Centre manager to say they would like to start making plans to come back to the Centre. Over a period of 4-6 weeks from July 2021 the community groups restarted using the Centre. Community use of Wood Lane continues with the centre being used for classes and activities including art, yoga, fencing, wood turning, local conservation group and local recycling group.

In the trading subsidiary, use of the centre for wedding receptions and other events continues to provide us with support to pay for staff salaries, and to provide building and garden maintenance. All wedding dates were put back to late 2020 and subsequently into 2021. Fortunately, only 5 weddings have cancelled and had to be reimbursed. There continued to be no community or trading use of Wood Lane throughout 2020/21 and it is anticipated that this will be the case until at least mid-summer 2021.

Conservation

A self-employed gardener/ecologist was hired in December 2019 to manage the wildlife gardens at Wood Lane and to link in with the Nature Box Forest School established in spring 2019 at Wood Lane to replace the original Forest School 'Timber Tots'. Nature Box has established a Forest School Nursery working with pre-school age children on various outdoor nature projects. It is working in partnership with WLCT to carry out environmental education at Wood Lane with children (and potentially adults) of all ages.

Wood Lane Conservation Trust

Directors' annual report (continued) For the year ended 30 March 2021

WLCT does not currently have a conservation officer but conservation work is carried out in the local area by our partner organisation North Sheffield Conservation Group, who are based at the centre. Fortnightly conservation tasks have continued to be carried out at weekends by their volunteers.

During Lockdown of early summer 2021, the Centre Manager managed to form a new partnership with a Beekeeper from Heeley City Farm. The Beekeeper have helped take on management of the bees and during the summer of 2021 have split the hives taking us to five colonies. Wood Lane and the Beekeepers hope to offer environmental education to schools and groups from spring 2022. Our apiary continues to thrive. Having the honey bee hives has enabled us to promote bee keeping and use bee conservation as part of our Nature Box Forest School sessions.

Financial review

The closure of the centre due to the pandemic has had a serious impact on the Trust's normal income stream. Community Groups have not used the centre, so income is confined to contributions from Sheffield Countryside Conservation Trust and Sheffield Council's Public Rights of Way Unit. WLCC Trading surplus has dried up completely having a serious negative impact on WLCT's financial position.

In recognition of the centre losing 90% of its income due to its closure through the pandemic, Sheffield City Council/ Government have awarded the Centre grants amounting to £50,006 up to 31 March 2021, further grant aid has been received in the next financial year 21/22. This financial help is imperative in helping keep the Trust afloat.

The staff where possible were furloughed unless they were needed at the Centre to carry out Wedding duties, cleaning, or Statutory checks. The staff were mostly furloughed at 80% from the introduction of the scheme in April 2020 until July 2021. In Mid July 2021 we made the decision to bring staff back to work part time. The Furlough scheme has been a lifeline for us and many other organisations. All staff returned to work in October 2021 when the furlough scheme ended. Furlough income received under the Coronavirus Job Retention Scheme amounted to £43,596 during the financial year.

The Tenancy at Will agreement, signed in September 2019 with Sheffield City Council, gave WLCT responsibility for funding and running Wood Lane Countryside Centre. This significantly increased WLCT's annual financial liabilities by circa £30,000, with utilities being recharged from September 2019. 20/21 has been the first full year operating under the new Tenancy agreement but the pandemic and essential closure of the Centre has meant our income and expenditure streams have been far from normal. With all the future uncertainties it is impossible to judge the impact this extra expenditure will have on the Trust. No utilities recharge has been received for the 20-21 financial year, as detailed in the contingent liability note in the accounts (note 15).

The Trust's financial situation has been further aggravated by one Wood Lane tenant, Sheffield Countryside Conservation Trust (SCCT), refusing to make contributions to WLCT for 4 years, ignoring invoices and claiming financial difficulties. Their debt exceeds £31,000 and this has compounded our current cash flow problems. The Trust has, however, honoured its annual contribution in 20/21. The Trustees therefore remain hopeful that SCCT will settle at least some of their arrears.

Wood Lane Conservation Trust

Directors' annual report (continued) For the year ended 30 March 2021

Future plans

Our plans for 2021/22 and beyond include:-

- Develop new community events and activities
- Increase variety of community classes offered at Wood Lane
- Develop community resources such as a community café and farm type shop
- Continue negotiations with neighbouring school for use of the former Caretaker's bungalow to develop food growing project and environmental education projects with local schools, youth groups and the wider community
- Start a new partnership working with Willow & Worms to deliver Environmental education and Practical Skills at the Centre and on School premises (Subject to funding)
- Develop activities for elderly and isolated people to address loneliness
- Appoint a new conservation officer (subject to funding)
- Further develop the Wildlife gardens including the pond area
- Develop the new nature trail
- Develop new composting system
- Continue to develop partnership with Nature Box Forest School including installation of log cabin in grounds and new training initiatives working with Sheffield Hallam University

For the past year WLCT has been working in partnership with Nature Box, an organisation delivering forest school and environmental education activities at Wood Lane Countryside Centre to local young people and schools. The Nature Box have now approached the neighbouring School during WLCT's absence from the Centre during Lockdown and have potentially secured the Former care takers bungalow for themselves. The directors are saddened by this as so much work has gone into obtaining the Bungalow for the Centre's usage. However, once The Nature Box have vacated Wood Lane, WLCT will seek to utilise the space currently occupied by The Nature box and start its own various community children's groups.

Due to the uncertainty of Covid/ Social Distancing and rising cases we have held off obtaining funding to employ a Conservation Officer until we are confident the worst of the pandemic is behind us. In late July 2021 we met with another gardening company Called Willow & Worms after the current gardener/ecologist decided to leave. We are in the process of forming a partnership with Willow & Worms who are currently applying for Charity status. WLCT have hired them to carry out some conservation works in the grounds of Wood Lane and Vicky, the Chair, invited some young adults from the local college to come along and spend a day at the Centre. The College students are in their second year of Horticultural and Environmental Conservation Studies. The students spent a full day of doing practical works and the Feedback from the lecturer was that the students really enjoyed it and found it quite informative. The lecturer has now asked if we could provide a regular service to the college. This will be further discussed with the College, WLCT and Willow & Worms.

The Trustees are also examining how effectively the Trust is currently functioning and will consider whether a slightly different working model could help ensure its future viability and sustainability.

Wood Lane Conservation Trust

Directors' annual report (continued) For the year ended 30 March 2021

Reserves policy and going concern assessment

The directors have determined that they require approximately 6 months running costs in reserves, to support a controlled closing down of operations. Including gross salaries (before the trading subsidiary contribution is taken into account), this is approximately £52,500.

The charity's free reserves as at 30 March 2021 were £73,631.

Taking into account the year end free reserves, and the restarting of activities in WLCT and WLCC in summer 2021, the Trustees consider WLCT will be able to continue to operate for 12 months from the signing of the accounts and the Trustees are hopeful that the charity can continue to build to a stable financial position.

Small company provisions:

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

The directors declare that they have approved the directors' annual report above on 24/1/22

Signed on behalf of the directors:



Print name:

V. WALKER

Director

Independent examiner's report to the directors of Wood Lane Conservation Trust ('the Company')

I report to the charity directors on my examination of the accounts of the Company for the year ended 30 March 2021.

Responsibilities and basis of report

As the directors of the Company you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to organisations 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: 

Sarah Lightfoot, FCA DChA
Employee of:
VAS Community Accountancy
The Circle
33, Rockingham Lane
Sheffield
S1 4FW

Date:

27 January 2022

Wood Lane Conservation Trust

Statement of financial activities

(incorporating the income and expenditure account)

For the year to 30 March 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Income from:							
Donations and grants	2	93,602	-	93,602	-	2,000	2,000
Charitable activities	3	8,830	-	8,830	41,846	-	41,846
Other trading activities	4	-	-	-	90,504	-	90,504
Other - insurance receipt		2,547	-	2,547	-	-	-
		104,979	-	104,979	132,350	2,000	134,350
Expenditure on:							
Charitable activities	5	77,483	-	77,483	125,430	2,000	127,430
		77,483	-	77,483	125,430	2,000	127,430
Net income		27,496	-	27,496	6,920	-	6,920
Total funds brought forward		46,135	-	46,135	39,215	-	39,215
Total funds carried forward		73,631	-	73,631	46,135	-	46,135

Wood Lane Conservation Trust

Balance Sheet

As at 30 March 2021

	Notes	2021 £	2020 £
Tangible fixed assets	8	<u>-</u>	<u>765</u>
Current assets			
Debtors	9	48,151	47,558
Cash at bank and in hand		27,976	29,669
Total current assets		<u>76,127</u>	<u>77,227</u>
Creditors: amounts falling due within one year	10	(2,496)	(31,857)
Net current assets		<u>73,631</u>	<u>45,370</u>
Total assets less current liabilities		73,631	46,135
Creditors: amounts falling due after more than one year		-	-
Total net assets		<u>73,631</u>	<u>46,135</u>
Represented by:			
Funds of the Charity			
Unrestricted funds		73,631	39,215
Restricted income funds	11	-	-
Total funds	12	<u>73,631</u>	<u>39,215</u>

For the year ending 30 March 2021 the 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 company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The director's acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

Approved by the board of directors on 24/1/22 and signed on behalf of the board by:

(print name):


V. WALKER
 Director

Wood Lane Conservation Trust

Notes to the Accounts For the year to 30 March 2021

1 Accounting Policies

(a) General

Wood Lane Conservation Trust is a charitable company in the United Kingdom limited by guarantee and has no share capital. In the event that the charity is wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011. The financial statements have taken advantage of the exemption to prepare a Statement of Cash Flows.

The organisation meets the definition of a public benefit entity under FRS 102.

(b) Income

Income is recognised when the organisation has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the organisation has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income for multi or split financial year projects, as specified by the funder, has been recognised in that year. This may result in deferred income or income received in advance.

Income from rent, services or events is included in the year in which the service took place.

Investment income is included when receivable.

(c) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(d) Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the organisation without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the funder.

(e) Fixed Assets

Depreciation has been calculated to write down the cost or valuation, less estimated residual value, of all tangible fixed assets over their expected useful life, as follows:

Bar equipment	- straight line over 4 years
Other equipment	- straight line over 3 years

(f) Pension costs and other post-retirement

The organisation operates a defined contribution pension scheme. Contributions payable to the organisation's pension scheme are charged to the Statement of Financial Activities in the year to which they relate.

(g) Exemption from preparing group accounts

The company has taken advantage of the exemption in section 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that it is a small sized group.

(h) Going concern

The financial statements have been prepared on a going concern basis, as the trustees consider that due to the resumed activities in the trading subsidiary, the current rental income and community use, and other plans, the charity can continue to operate for 12 months from the signing of the accounts, despite the debt recoverability issues as detailed in the trustee report.

Wood Lane Conservation Trust

Notes to the accounts (continued) For the year to 30 March 2021

2 Income from grants and donations

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Groundworks UK - One Stop - Carriers for Causes	-	-	-	-	2,000	2,000
Sheffield City Council - covid-19 business support grants	50,006	-	50,006	-	-	-
Coronavirus Job Retention Scheme	43,596	-	43,596	-	-	-
	93,602	-	93,602	-	2,000	2,000

3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Sheffield Countryside Conservation Trust - Centre contribution	6,735	-	6,735	12,600	-	12,600
Sheffield Countryside Conservation Trust - Centre contribution 19/20 adjustment	(6,600)	-	(6,600)	-	-	-
Sheffield Countryside Conservation Trust - other reimbursements	-	-	-	1,323	-	1,323
Sheffield City Council - rent right of way	8,695	-	8,695	8,695	-	8,695
Community use rents	-	-	-	19,228	-	19,228
	8,830	-	8,830	41,846	-	41,846

4 Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Distributed trading profits from subsidiary	-	-	-	31,347	-	31,347
Reimbursed payroll costs from subsidiary	-	-	-	38,157	-	38,157
Rental income from subsidiary	-	-	-	21,000	-	21,000
	-	-	-	90,504	-	90,504

5 Expenditure on charitable activities

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Staff costs							
Staff salary and wages costs	6	62,925	-	62,925	89,245	-	89,245
Training		-	-	-	1,092	-	1,092
Bookkeeping costs (self employed)		-	-	-	163	-	163
Payroll and HR costs		2,997	-	2,997	3,042	-	3,042
Other costs							
Conservation project costs		38	-	38	1,569	-	1,569
Equipment		-	-	-	-	2,000	2,000
Insurance		3,856	-	3,856	3,608	-	3,608
Utility costs		1	-	1	12,606	-	12,606
Building and grounds maintenance		4,729	-	4,729	6,370	-	6,370
Cleaning		365	-	365	1,969	-	1,969
Depreciation		765	-	765	1,636	-	1,636
Other costs		495	-	495	-	-	-
Legal and professional fees		540	-	540	405	-	405
Bad debts		-	-	-	2,840	-	2,840
Bank charges		112	-	112	105	-	105
Independent examination fees	7	660	-	660	780	-	780
		77,483	-	77,483	125,430	2,000	127,430

Wood Lane Conservation Trust

Notes to the accounts (continued) For the year to 30 March 2021

6 Staff costs, trustee remuneration and expenses and the cost of key management personnel

	2021 £	2020 £
Salaries	61,097	83,778
Employer's National Insurance (net of employment allowance)		3,089
Employer's pension contribution	1,828	2,378
	62,925	89,245

No employee received emoluments of more than £50,000. The average monthly number of employees during the year was 4. (2020: 5).

The charity trustees were not paid or received any other benefits from employment with the Charity or its subsidiary in the year.

The following trustees received reimbursements via the trading subsidiary:

Trustee	Expense	2021 £	2020 £
Marilyn Sanderson	Telephone contribution		90
Frances Hill	Telephone contribution	120	120

No other trustees received reimbursed expenses during the year. No charity trustee received payment for professional or other services supplied to the charity.

The key management personnel of the charity comprise the trustees and the Managing Director. The total employee benefits of the key management personnel were £26,402 (2020: £30,284).

The Managing Director is married to a trustee. To avoid conflict of interest the trustee does not take part in discussions or decision making relating to staff remuneration.

7 Other fees payable to Independent examiner's organisation

	2021 £	2020 £
Independent examination fees	660	780
Other fees payable to the independent examiner's organisation		
Legal and professional fees - including software subscription, training and other services	360	405
Payroll administration	428	470
	428	875

8 Tangible fixed assets

	Equipment £	Total £
Cost or Valuation		
As at 31 March 2020	6,542	6,542
As at 30 March 2021	6,542	6,542
Depreciation		
As at 31 March 2020	5,777	5,777
Charge this year	765	765
As at 30 March 2021	6,542	6,542
Net Book Value		
As at 30 March 2021	-	-
As at 30 March 2020	765	765

Wood Lane Conservation Trust

Notes to the accounts (continued) For the year to 30 March 2021

9 Debtors

	Note	2021 £	2020 £
Trade debtors		36,646	9,635
Other debtors		3,577	37,923
Owed by trading subsidiary	14	7,928	-
		48,151	47,558

10 Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Trade creditors		1,119	12,876
Taxes and social security		-	905
Other creditors		357	418
Accruals		1,020	1,860
Owed to trading subsidiary	14	-	15,798
		2,496	31,857

11 Restricted funds

There were no restricted funds during the year.

Prior year comparison

	Brought forward £	Income £	Expenditure £	Carried forward £
Forest school equipment	-	2,000	(2,000)	-
Forest school equipment	-	2,000	(2,000)	-

Grant received on behalf of Nature Box forest school for equipment.

Wood Lane Conservation Trust

Notes to the accounts (continued) For the year to 30 March 2021

12 Net asset by fund

	Total Unrestricted 2021 £	Total Unrestricted 2020 £
Fixed assets	-	765
Net current assets	73,631	45,370
	73,631	46,135

13 Related Party Transactions

There were no additional related party transactions, other than those in note 8.

14 Operations of the trading subsidiary

Wood Lane Countryside Centre Ltd is a company limited by guarantee (Company number 11264778). The company is a wholly owned trading subsidiary on the basis of control by common directors. The company was incorporated on 20 March 2018 and the trading activities of the charity were transferred to this company with effect from 1 April 2018. The company operates the weddings, commercial room rental and other events carried on at the Centre and pays all its profits to the charity under the gift aid scheme. The charity has taken the exemption to not prepare group accounts.

The summary of the financial performance of the subsidiary alone is:

		2021		2020
		£	£	£
Turnover		506		130,503
Cost of sales and administration costs		(4,158)		(39,999)
Reimbursed salary costs to the charity	Note	-		(38,157)
Rent charged by the charity	Note	-		(21,000)
Net profit/(loss)		(3,652)		31,347
Amount gift aided to the charity		-		(31,347)
Retained in subsidiary		(3,652)		-
The assets and liabilities of the subsidiary as at the year end were:				
Due from charity	Note	-		15,798
Other current assets		31,886		18,281
Current assets		31,886		34,079
Due to charity		(7,928)		-
Other current liabilities		(27,610)		(34,079)
Current liabilities		(35,538)		(34,079)
Total net liabilities/Aggregate reserves		(3,652)		-

Notes

The subsidiary was loss making in the year due to covid-19 restrictions placed on its operations. The charity received Sheffield City Council support grants relating to the hospitality industry, on behalf of the subsidiary. As the charity is not permitted to support the subsidiary with a transfer of funds, the charity has retained all the grant funding, but will continue to support the subsidiary with cash flow support until such time as its operations are profitable, which is anticipated to be in the 21/22 financial year.

All salaried staff are employed by the charity. The proportion of time each employee works for the subsidiary activities is calculated, and the gross payroll costs recharged to the subsidiary. This year all staff were furloughed, and all costs incurred within the charity.

Rent is recharged from the charity to the subsidiary for the use of the buildings, in line with other organisation rental charges. Due to covid, no rent was recharged during the year.

The monies owed to the subsidiary from the charity initially arose on the separation of activities due to advanced deposits and payments for weddings being received.

15 Contingent liability

As at the date of reporting, no notification of the utilities owed to Sheffield City Council for the financial year has been received. Last year, £12,606 was recharged from September 2019 to March 2020.

As the amounts are unknown, a contingent liability exists.