

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 January 2023
for
Outside-In Cumbria

Outside-In Cumbria

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for the Year Ended 31 January 2023

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Outside-In Cumbria (Registered Charity number: 1182347)

Report of the Trustees
for the Year Ended 31 January 2023

The trustees present their report with the financial statements of the charity for the year ended 31 January 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' effective 1 January 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered CIO number
CE016737 (England and Wales)

Registered Charity number
1182347

Business Address
Playbase Building
Beezon Road
Kendal
Cumbria
LA9 6EL

Trustees

M Helme
V Broyd
E Winter
H N Ladhams
C E Rennie-Nash
Katie McMillan

Appointed

26 February 2019
10 February 2022 (reappointed)
21 March 2020
26 February 2019
10 February 2022 (reappointed)
01 December 2022

OBJECTIVES AND ACTIVITIES

Objectives and aims

The main aim of the Charity is to promote, for the benefit of the inhabitants of Kendal and the surrounding area, the provision of facilities for recreation or other leisure time occupation of children up to the age of 11 who have need of such facilities by reason of their youth, infirmity or disablement, financial hardship or social and economic circumstances in the interests of social welfare and with the object of improving their conditions of life, by the provision of play facilities.

Public benefit

The trustees have had due regard to guidance published by the Charity Commission on public benefit.

ACHIEVEMENT AND PERFORMANCE

The period from January 2022 to January 2023 was the first full year the charity had experienced without any restrictions or closures placed on our service (post covid) and as such, it was a year in which we were very keen to see whether the business model that initiated the centre but had to be adapted during covid, was fit for purpose going forward. We now had an online booking system that customers appreciated as it guaranteed their entry at busy times, party booking increased significantly throughout this year as people were keen to ensure their young children finally had a proper party after lockdowns and restrictions had prevented gatherings for the last few years.

To support our development over the coming years and to ensure the trustee board provided appropriate strategic direction to the staff team, the board developed a 3 year strategy. As part of this we agreed our vision, mission and values as well as setting and outlining 4 strategic objectives.

As part of our efforts to offer an inclusive space, we set up a networking event for organisations working with disadvantaged children. This was well received and attended and is now organised annually. We also received grant funding from the County Council to be able to offer free and discounted session vouchers for a session that included a hot meal, this ran for 6 months and we are planning more each winter. In addition, we ran several successful events that were 'donation on entry' meaning that everyone could afford to attend regardless of their financial situation.

Our marketing improved this year as we created a bespoke leaflet for the centre which has been regularly distributed throughout the south lakes tourist hotspots. We also developed our service with new offers such as Lego Club, Elf Academy, Baking Sessions and Toddler Ball Skills

We also reviewed our trustee board this year and recruited Katie McMillan, a local primary school teacher and parent. Having done a review of our trustee board and each trustees time on the board, it became clear that we needed to recruit new people.

FINANCIAL REVIEW

Reserves policy

Based on advice from our business advisor, we intend to build up reserves of approximately 20% of our annual turnover. His year did not enable us to do this so we intend to adapt our business plan with a view to reaching this amount in future years.

Principal funding sources

In August 2020 with our bank balance looking worryingly low, the trustees agreed to take out a bounce back loan in order to ensure our centre survived the effects of the pandemic. £45,000 was borrowed with an initial 12-month interest free repayment holiday. This loan was repaid in full in early 2022.

Our primary income comes from play session bookings, parties and café takings. Alongside this we received some small grants and donations.

Income for the year amounted to £155,222. After deducting expenditure of £213,524 there was a net loss in funds of £58,302. This left funds of £84,348, of which £46,442 were restricted.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity was registered on 6 March 2019 and is controlled by its governing document and constitutes a Charitable Incorporated Organisation (CIO).

Recruitment and appointment of new trustees

The charity is overseen by a committee of voluntary trustees, who meet regularly either in person or online. At the end of the year there were five trustees who made all the major decisions. On a daily basis our centre manager is in charge of staff and duties and is in direct contact with the trustees on a regular basis. There are also four supervisors who work closely with the centre manager and have specific areas of responsibility such as marketing, stock taking, outreach and party bookings.

We found that initially there were many volunteers for the project, but there has been a high dropout rate as the project was a large project to start from scratch. We have sought feedback from all volunteers who had to take a step back and the feedback was that the time requirement and workload was very large for a voluntary project. However, our core trustees have been successful in moving the project forwards and now we have paid staff, the trustee workload has lessened. We have a paid accountant and also pay someone to undertake oversight of final accounts. We have become a member of the Association of Indoor Play, a member owned organisation that was set up during the first lockdown and aims to represent our rights as well as offer mutual support and guidance. This has been really helpful, especially in navigating covid risk assessment and restrictions.

We have recently taken on one new trustee and intend to recruit more in the coming year with the intention of enabling some of the original trustees to step down but also to fill certain skill gaps that we recognise we have.

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Risk management

We remain in a period of uncertainty and are responding to experience and feedback regularly. We have reduced costs in certain areas e.g. a cheaper more effective online booking platform and a cheaper more comprehensive insurance policy that allows for occasional lone working. We are approaching the winter months which we always anticipated to be more profitable as people seek warm dry places to retreat to with their children. We engage with our community regularly through our Facebook page which has over 3,800 followers.

We have been developing our outreach programme, offering free session access to local school children and pre-schoolers in nurseries who are identified as being from low-income families. It was hoped that the café and session income would be sufficient to fund our outreach programme going forward but at this stage that is not something we can rely on and we will seek to get additional grant funding next year to supplement this.

Our party packages really took off this year and have become a very popular choice for local children. To ensure we offer a range of costs for parties, we offer both exclusive use as well as a mid-week package. This is a significant income generator for us and we will look to enhance this offer with various supplementary offers.

Our staff team has changed slightly over the year and staffing remains a challenge for us, especially at weekends.

Going Concern

At this stage the future of the charity is very precarious. Thanks to our new accountants, we have recently been made aware of our VAT requirements and there is a debt that will need to be paid as well as regular contributions that must be covered. We will need to increase prices across the board due to cover this as well as inflationary rises. There is an obvious need to raise additional money through grants/donations, but the time and resources needed to deliver is lacking. We plan to take on new trustees and volunteers, raise prices, increase our profile and improve our marketing approach and seek support from local funders.

Outside-In Cumbria

Statement of Trustees Responsibilities
for the Year Ended 31 January 2023

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial period 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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102), effective 1 January 2019;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the governing document. 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.

Trustees Report and Trustees responsibilities signed on behalf of the Board of Trustees on 15/10/23



E Winter
Trustee

Independent Examiner's Report to the Trustees of
Outside-In Cumbria (Registered Charity number: 1182347)

I report on the financial statements for the year ended 31 January 2023, which are set out on pages 8 - 16.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the 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.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.



Fiona Harrison FCCA FMAAT
Fiona Wills Accountancy Services Ltd

Date: 30/10/2023

Outside-In CumbriaStatement of Financial Activities
for the Year Ended 31 January 2023

	Notes	Unrestricted fund £	Restricted fund £	Year ended 31.1.23 Total funds £	Year ended 31.1.22 Total funds £
INCOME					
Incoming resources from:					
Charitable activities	2	148,522	-	148,522	100,234
Grants and donations	3	6,700	-	6,700	69,873
		<u>155,222</u>	<u>-</u>	<u>155,222</u>	<u>170,107</u>
Total income and endowments					
EXPENDITURE					
Charitable activities	4	138,134	-	138,134	95,437
Overheads	5	75,390	-	-	72,999
		<u>213,524</u>	<u>-</u>	<u>213,524</u>	<u>168,436</u>
Total expenditure					
NET INCOME/(EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS					
		(58,302)		(58,302)	1671
Gross transfers between funds					
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income/(expenditure) for the year					
		(58,302)	-	(58,302)	1671
RECONCILIATION OF FUNDS					
Total funds brought forward		77,006	46,442	123,448	121,777
Prior Year adjustment for Late VAT registration		19,202		19,202	
		<u>37,906</u>	<u>46,442</u>	<u>84,348</u>	<u>123,448</u>
TOTAL FUNDS CARRIED FORWARD					

Outside-In Cumbria (Registered Charity number: 1182347)

Balance Sheet

At 31 January 2023

	Notes	Unrestricted fund £	Restricted fund £	31.1.23 Total funds £	31.1.22 Total funds £
FIXED ASSETS					
Tangible assets	6	59,484	-	59,484	89,322
CURRENT ASSETS					
Stock		1,360	-	1,360	1,125
Debtors	7	8,847	-	8,847	10,417
Cash at bank and in hand		29,306	-	29,306	72,791
		<u>39,513</u>	<u>-</u>	<u>39,513</u>	<u>84,333</u>
CREDITORS					
Amounts falling due within one year	8	(14,649)	-	(14,649)	(16,645)
NET CURRENT ASSETS		<u>24,864</u>	<u>-</u>	<u>24,864</u>	<u>67,688</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		84,348	-	84,348	157,010
LONG TERM LIABILITIES					
Bank Loan	9	-	-	-	(33,562)
NET ASSETS/(LIABILITIES)		<u>84,348</u>	<u>-</u>	<u>84,348</u>	<u>123,448</u>
FUNDS	10				
Unrestricted funds				37,906	77,006
Restricted funds				<u>46,442</u>	<u>46,442</u>
TOTAL FUNDS				<u>84,348</u>	<u>123,448</u>

These financial statements were approved by the trustees on 15/10/23 and were signed on its behalf by:


 E Winter
 Trustee

I. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with 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 the Republic of Ireland (FRS102) (effective 1 January 2019) – (Charities SORP (FRS102)).

Outside-In Cumbria meets the definition of a public entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transactional value unless otherwise stated in the relevant accounting policy note(s).

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

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income, it is reasonably certain it will be received and the amount can be quantified with reasonable accuracy. Donations, interest, and other income are accounted for when receivable.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

All assets costing more than £200 are capitalised at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the rates below in order to write off the cost less estimated residual value of each asset over its expected useful life.

Leasehold improvements – 5 years straight line (over term of the lease from date of opening in mid-January 2020)

Play Equipment – 5 years straight line (from date of opening in mid-January 2020)

Equipment, fixtures & fittings - 5 years straight line (from date of opening in mid-January 2020)

Stock

Is valued at the lower of cost and net realisable value.

Taxation

The charity is exempt from income tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. INCOME FROM CHARITABLE ACTIVITIES

	Year ended 31.1.23 £	Year ended 31.1.22 £
Admissions	19,373	48,548
Food and drink	56,767	39,922
Parties and miscellaneous	<u>72,382</u>	<u>11,764</u>
	<u>148,522</u>	<u>100,234</u>

3. INCOME FROM GRANTS AND DONATIONS

	£ Unrestricted	£ Restricted	Year ended 31.1.23 £ Total	Year ended 31.1.22 £ Total
Government grants				
Coronavirus Job Retention Scheme	-	-	-	-
SLDC	1,050	-	1,050	-
Cumbria County Council	<u>2,600</u>	-	<u>2,600</u>	-
	3,650	-	3,650	74,410
Non -government grants				
Lakeland Colleague – Managed Fund	1,000	-	1,000	-
Joseph Strong Frazer Trust	1,000	-	1,000	-
Anonymous	<u>500</u>	-	<u>500</u>	-
	2,500	-	2,500	33,500
Donations and Legacies				
NCS	500	-	500	-
Anonymous	<u>50</u>	-	<u>50</u>	-
	550	-	550	240
TOTAL	<u>6,700</u>	<u>-</u>	<u>6,700</u>	<u>69,873</u>

The split of income in the period ended 31 January 2022 was £39,873 Unrestricted and £30,000 Restricted.

4. CHARITABLE ACTIVITIES EXPENDITURE

	Year ended 31.1.23 £	Year ended 31.1.22 £
Food and beverage costs	38,795	13,159
Wages and defined contribution pension costs	98,315	80,094
Toys and general supplies	<u>1,024</u>	<u>2,184</u>
	<u>138,134</u>	<u>95,437</u>

The average number of employees during the year was 8 (year ended 31 January 2022 was 9).

Outside-In Cumbria

Notes to the Financial Statements - continued for the Year Ended 31 January 2023

5. OVERHEAD EXPENDITURE

	Year ended 31.1.23 £	Year ended 31.1.22 £
Rent	25,000	25,000
Service charge	4,432	4,231
Rates	468	1,242
Repairs and renewals	1,038	1,930
Depreciation of tangible fixed assets	29,837	29,540
Legal and professional fees	514	594
Bookkeeping, payroll, and accountancy fees	3,003	1,251
Independent examiner's fee	750	510
Advertising and promotional	1,241	169
Insurance	2,061	2,744
Cleaning	930	911
Uniform costs	-	-
Office expenses	2,856	2,299
Small equipment, crockery, cutlery etc	168	98
Sundry expenses	1,718	310
Interest payable	97	373
Bank charges and card fees	1,277	1,797
	<u>75,390</u>	<u>72,999</u>

6. TANGIBLE FIXED ASSETS

	Leasehold Property Improvements £	Play Equipment £	Equipment £	Totals £
COST				
Brought forward	64,837	68,175	16,173	149,185
Additions	-	-	-	-
At 31 January 2023	<u>64,837</u>	<u>68,175</u>	<u>16,173</u>	<u>149,185</u>
DEPRECIATION				
Brought forward	26,438	27,838	5,587	59,863
Charge for year	12,968	13,635	3,235	29,838
At 31 January 2023	<u>39,406</u>	<u>41,473</u>	<u>8,822</u>	<u>89,701</u>
NET BOOK VALUE				
At 31 January 2023	<u>25,431</u>	<u>26,702</u>	<u>7,351</u>	<u>59,484</u>
At 31 January 2022	<u>38,399</u>	<u>40,337</u>	<u>10,586</u>	<u>89,322</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	At 31.1.23 £	At 31.1.22 £
Prepaid expenditure	2,597	4,167
Rent Deposit	<u>6,250</u>	<u>6,250</u>
	<u>8,847</u>	<u>10,417</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	At 31.1.23	At 31.1.22
	£	£
Trade creditors	5,685	2,234
Bank loan	-	8,617
Accruals	2,150	2,251
PAYE	2,869	2,486
Pension	341	317
Other creditors	(1)	740
VAT	3605	
	<u>14,649</u>	<u>16,645</u>

9. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	At 31.1.23	At 31.1.22
	£	£
Bank Loan	-	33,562
	<u>-</u>	<u>33,562</u>

The bank loan was a BounceBack Loan taken to help the charity during the coronavirus pandemic and resulting closures. The initial loan was taken in August 2020 of £45,000 and was repayable over 5 years after an initial 12 month interest free repayment holiday and had an interest rate of 2.5%. The loan has now been repaid in full.

10. FUNDS

	At 1.2.22 £	Net movement in funds £	Transfers between funds £	At 31.1.23 £
Unrestricted funds				
General fund	77,006	(39,100)		37,906
Restricted funds				
Disabled Hoist	-	-	-	-
Outreach work	46,442	-	-	46,442
	<u>46,442</u>	<u>-</u>	<u>-</u>	<u>46,442</u>
TOTAL FUNDS	<u>123,448</u>	<u>(39,100)</u>	<u>-</u>	<u>84,348</u>

The transfers in the period from restricted funds to unrestricted funds represent the cost of tangible fixed assets purchased from restricted fund income; these assets are held for general purposes not restricted purposes.

10. FUNDS (Continued)

Net movement in funds for the year ended 31.1.23, included in the above are as follows:

	Incoming resources £	Expenditure £	Net movement £	Transfers between funds £
Unrestricted funds				
General fund	155,222	(213,524)	(58,302)	-
Restricted funds				
Disabled hoist	-	-	-	-
Outreach work	-	-	-	-
	<u>-</u>	<u>(213,524)</u>	<u>(58,302)</u>	<u>-</u>
TOTAL FUNDS	<u>155,222</u>	<u>(213,524)</u>	<u>(58,302)</u>	<u>-</u>

FUNDS – COMPARATIVE

	At 1.2.21 £	Net movement in funds £	Transfers between funds £	At 31.1.22 £
Unrestricted funds				
General fund	140,107	(168,056)		(27,949)
Restricted funds				
Disabled hoist	-	(380)	-	(380)
Play equipment	-	-	-	-
Outreach work	30,000	-	-	30,000
	<u>30,000</u>	<u>(380)</u>	<u>-</u>	<u>29,620</u>
TOTAL FUNDS	<u>170,107</u>	<u>(168,436)</u>	<u>-</u>	<u>1,671</u>

The transfers in the period from restricted funds to unrestricted funds represent the cost of tangible fixed assets purchased from restricted fund income; these assets are held for general purposes not restricted purposes.

10. FUNDS (Continued)

Net movement in funds for the year ended 31.1.22, included in the above are as follows:

	Incoming resources £	Expenditure £	Net movement in funds £	Transfers between funds £
Unrestricted funds				
General fund	140,107	(168,056)	(27,949)	1,620
Restricted funds				
Disabled hoist	-	(380)	380	-
Play equipment	-	-	-	(1,620)
Outreach work	30,000	-	30,000	-
	<u>20,442</u>	<u>(380)</u>	<u>29,620</u>	<u>(1,620)</u>
TOTAL FUNDS	<u>170,107</u>	<u>(168,436)</u>	<u>(1,671)</u>	<u>-</u>

The restricted funds above are for the following purposes:

Disabled hoist – Funded by Hadfield Trust for a hoist to allow disabled access to some of the play equipment. This has been purchased post year end.

Outreach work – Funded by The Beck Out of School Club towards Outreach workers' payroll costs, training and other associated Outreach expenses to support the Outreach workers' role and duties. This work was slow to start due to us being closed for the first few months of the year but soon picked up once we were open with free session vouchers being issued, relationships forming and discounted play for specialist groups.

11. TRUSTEES' REMUNERATION, BENEFITS AND TRANSACTIONS

There were no trustees' remuneration or other benefits for the year ended 31 January 2023 (2022 - £nil).

At 31 January 2023 a loan of £740 (2022 - £740) was repaid to trustee M Helme and her husband J Helme.

Trustees' expenses

There were no trustees' expenses paid in the year ended 31 January 2023 (2022 - £nil), other than reimbursement of wholly business expenses.

12. ULTIMATE CONTROLLING PARTY

There is no single ultimate controlling party of the charity throughout the current or previous period.

13. TAXATION

As a charity, Outside-In Cumbria, is exempt from tax on income and gains falling within sections 472-474 of the Corporation Tax Act 2010, sections 478-489 of the Corporation Tax Act 2010, or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

14. CONTINGENT LIABILITIES

There were no contingent liabilities as at 31 January 2023 or 31 January 2022.