

REGISTERED CHARITY NUMBER: 1183600

Report of the Trustees and Unaudited Financial Statements
for the Year Ended 30 June 2021

North East Dementia Care (Sunderland) CIO

Penwells
18 Lumley Terrace
Chester-le-Street
Co Durham
DH3 3NQ

North East Dementia Care (Sunderland) CIO

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for the Year Ended 30 June 2021

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North East Dementia Care (Sunderland) CIO

Report of the Trustees **for the Year Ended 30 June 2021**

The trustees present their report with the financial statements of the charity for the year ended 30 June 2021. The trustees have adopted the provisions of 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

Objectives and aims

The objects of the charity are to relieve the needs of people living with dementia in Sunderland and surrounding areas, their families and carers, through the provision of support, services, advice and information.

Significant activities

The charity operates a day care centre at Pennywell Business Park, Portsmouth Road, Sunderland, SR4 9AR. The charity offers transport to bring members to the centre and to take them home. Once at the centre the charity offers a caring and supportive environment where activities and entertainment are offered to help stimulate the brain and improve wellbeing. The centre provides members with a hot cooked lunch together with refreshments during the day. Our qualified team of carers are on site to provide care and support.

Public benefit

The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission on public benefit in deciding what activities the charity should undertake.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The year to 30 June 2021 was the charity's second full year. Unfortunately, the Covid-19 national lockdowns forced the day care centre at Pennywell Business Park, Sunderland to close during part of the year. Also, on reopening member numbers were initially much reduced. Fortunately, member numbers built up to pre Covid-19 levels. With the first Covid-19 national lockdown the centre closed on 23 March 2020 and reopened on 14 September 2020 with the relaxation of Covid-19 restrictions. The second Covid-19 lockdown brought additional restrictions in the period 5 November 2020 to 2 December 2020. The centre remained open until 9 January 2021 when the third Covid-19 national lockdown forced it to close once more. The centre reopened again on 12 April 2021 with the relaxation of Covid-19 restrictions. This was a very worrying time for the charity and its members.

The charity received various government and local authority grants totalling £35,334 (2020: £31,896) across both the day care centre and the charity shop to help it survive the absence of income during the periods of enforced closure due to Covid-19.

Day care centre attendances were erratic during the year. At the start of the first lock-down there were 23 members. However, on reopening in September 2020 only 9 of those 23 returned. Member numbers built up again until the second lockdown in November 2020. Upon reopening in April 2021 numbers were again down. Since then, numbers have built up and the centre is currently operating at capacity with all 60 sessions per week filled.

Fundraising activities

There were donations received in the year totalling £5,642 (2020: £9,674). There are two lady volunteers who draw up family trees and donate any income from this activity to the charity. In the year the total donated by the ladies was £2,065 (2020: £1,785). The charity is very appreciative of their generosity. Other significant donations were Pearsons Engineering £500 and Greenhams £400.

The charity operates a shop at 53 Hylton Road, Sunderland. The charity shop sells donated goods and is staffed by volunteers. The shop made a small profit in the year of £2,181 (2020: £588). This comprised sales of £9,568 (2020: £2,996) with costs of £7,387 (2020: £2,408). In addition, the charity's shop received grants in the year from Sunderland Council totalling £13,904 (2020: £10,000). This was a useful addition to the charity's income.

Covid-19 restrictions meant that the charity's fundraising efforts were curtailed. Total other fundraising for the year was £1,466 (2020: £8,082). Included in this total is £1,000 raised by Lisa Brown's sponsored walk.

North East Dementia Care (Sunderland) CIO

Report of the Trustees for the Year Ended 30 June 2021

FINANCIAL REVIEW

Results for the year

The financial performance of the charity in the year under review is summarised in the Statement of Financial Activities at page 5. The charity received total income of £98,338 (2020: £105,514) and had total expenditure of £99,063 (2020: £92,823) leaving a net deficit of £725 (2020: net income of £12,691). The main components of total income of £98,338 (2020: £105,514) are dementia day centre fees of £46,328 (2020: £51,360) together with grants and donations of £40,976 (2020: £43,070). The main components of total expenditure of £99,063 (2020: £92,823) are staff costs of £55,004 (2020: £48,311), transport costs of £12,332 (2020: £15,355) and centre rent of £14,242 (2020: £10,330).

This was a difficult second year for the charity with the various national Covid-19 lockdowns. The receipt of government and local authority grants were a valuable financial support. The results for the year include total grants received of £35,334 (2020: £33,396). This includes grants £13,904 (2020: £20,000) from Sunderland Council and Coronavirus Job Retention Scheme government grants totalling £21,430 (2020: £11,896) to enable it to pay its furloughed staff. This has helped the charity to pay staff and overheads during the periods of enforced closure.

The overall financial result for the year is considered satisfactory.

Reserves policy

Unrestricted funds at the year end amount to £12,000 which is also the amount of free reserves. The trustees have determined that the level of free reserves to be maintained be approximately £45,000 to cover six months operating costs. It will take a number of years to build up this level of free reserves.

Going concern

At the date of approving the financial statements the trustees consider that the charity is a going concern with the day care centre and shop operating as normal. With the UK's continuing national coronavirus vaccination campaign, it is less likely there will be further national lockdowns. It is considered that any future Covid-19 restrictions will be more limited in duration and nature. Even in a worst-case scenario experience has shown that the Government may be provide grants to cover any shortfall in income funding.

FUTURE PLANS

With the continuing uncertainty arising out of the Covid-19 pandemic the charity's immediate aim is to continue providing services to members at its day care centre.

The centre is currently operating at capacity with all 60 sessions per week filled. There are two main constraints on the number of members we can help, being the maximum member to staff ratio of 4 to 1 and the size of the centre. The trustees are currently considering renting the floor above the centre. This would enable the charity to offer more sessions to members and the possibility of using some of the upstairs rooms for respite care. The trustees are also looking into the current transport arrangements with a view to securing the use of a minibus.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a Charitable Incorporated Organisation – Foundation (CIO) controlled by its governing document, a scheme sealed by the Charity Commission and entered on the Register of Charities on the 28th of May 2019.

Recruitment and appointment of new trustees

The governing document provides that there must be a minimum of three charity trustees. The first three trustees are named in the governing document. The term of appointment of these three trustees is staggered with trustees having terms of 2, 3 or 4 years. Further trustees must be appointed for a term of three years by resolution passed at a properly convened meeting of trustees.

In selecting individuals for appointment as trustee, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the charity.

On induction each new trustee will be provided with a copy of the charity's current constitution together with the latest Trustees' Annual Report and Financial Statements.

North East Dementia Care (Sunderland) CIO

Report of the Trustees
for the Year Ended 30 June 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number: 1183600

Principal Address

Pennywell Business Centre
Sunderland
SR4 9AR

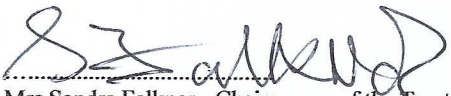
Trustees

Mrs Sandra Falkner	- Chairperson
Miss Zoe Dillon	- Secretary
Mr John Hellens	- Treasurer
Mrs Tracey Falkner	
Mr Scott Falkner	
Mrs Ann Hawes	
Mrs Aileen Alexander	

Independent examiner

Mr Dominic Killoury, ACA, CTA
Penwells
18 Lumley Terrace
Chester-le-Street
Co Durham
DH3 3NQ

Approved by order of the board of trustees on 19 October 2021 and signed on its behalf by:



Mrs Sandra Falkner - Chairperson of the Trustees



Mr John Hellens - Treasurer

Independent Examiner's Report to the Trustees of
North East Dementia Care (Sunderland) CIO

I report on the accounts for year ended 30 June 2021 set out on pages five to eleven.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



D Killoury, ACA, CTA
Penwells
18 Lumley Terrace
Chester-le-Street
Co Durham
DH3 3NQ

Date: 19 October 2021

North East Dementia Care (Sunderland) CIO

Statement of Financial Activities
for the Year Ended 30 June 2021

		Unrestricted fund	Restricted funds	30.06.21 Total funds	30.06.20 Total funds
	Note	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	19,546	21,430	40,976	43,070
Charitable activities	3	46,328	-	46,328	51,360
Other trading activities	4	11,034	-	11,034	11,078
Investment income	5	-	-	-	6
Total		76,908	21,430	98,338	105,514
EXPENDITURE ON					
Raising funds	6	7,518	-	7,518	5,640
Charitable activities	7				
Dementia care		70,115	21,430	91,545	87,183
Total		77,633	21,430	99,063	92,823
NET (EXPENDITURE)/ INCOME		(725)	-	(725)	12,691
RECONCILIATION OF FUNDS					
Total funds brought forward		12,691	-	12,691	-
TOTAL FUNDS CARRIED FORWARD		11,966	-	11,966	12,691

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

North East Dementia Care (Sunderland) CIO

Statement of Financial Position
At 30 June 2021

		Unrestricted fund	Restricted funds	30.06.21 Total funds	30.06.20 Total funds
	Notes	£	£	£	£
CURRENT ASSETS					
Debtors	12	5,489	-	5,489	2,090
Cash at bank		<u>14,936</u>	<u>-</u>	<u>14,936</u>	<u>15,561</u>
		20,425	-	20,425	17,651
CREDITORS					
Amounts falling due within one year	13	(8,459)	-	(8,459)	(4,960)
NET CURRENT ASSETS		<u>11,966</u>	<u>-</u>	<u>11,966</u>	<u>12,691</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,966</u>	<u>-</u>	<u>11,966</u>	<u>12,691</u>
NET ASSETS		<u>11,966</u>	<u>-</u>	<u>11,966</u>	<u>12,691</u>
FUNDS	14				
Unrestricted funds				11,966	12,691
Restricted funds				<u>-</u>	<u>-</u>
TOTAL FUNDS				<u>11,966</u>	<u>12,691</u>

The financial statements were approved by the Board of Trustees on 19 October 2021 and were signed on its behalf by:


Mrs Sandra Falkner - Chairperson of the Trustees


Mr John Hellens - Treasurer

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 30 June 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Going concern

At the date of approving these financial statements the trustees consider the charity to be a going concern. With the UK's continuing national coronavirus vaccination campaign, it is less likely there will be further national lockdowns. It is considered that any future Covid-19 restrictions will be more limited in duration and nature.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants and donations

Grants and donations are only included in the Statement of Financial Activities when the general income recognition criteria are met.

Donated goods

Donated goods are recognised at the point of sale at the value of the sales proceeds.

Expenditure

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

Allocation and apportionment of costs

All support costs and governance costs are allocated across expenditure categories on the basis of usage.

Taxation

The charity is exempt from 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.

2. DONATIONS AND LEGACIES

	30.06.21	30.06.20
	£	£
Donations	5,642	9,674
Grants	<u>35,334</u>	<u>33,396</u>
	<u>40,976</u>	<u>43,070</u>

North East Dementia Care (Sunderland) CIO

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

GRANTS RECEIVABLE

Grants receivable in the period were as follows:

		30.06.21	30.06.20
		£	£
Coronavirus Job Retention Scheme (CJRS)	Restricted	21,430	11,896
Sunderland Council grants	Unrestricted	13,904	20,000
VCA	Unrestricted	-	1,000
Greggs	Unrestricted	-	500
		<u>35,334</u>	<u>33,396</u>

3. CHARITABLE ACTIVITIES

	30.06.21	31.06.20
	£	£
Day care centre fees	<u>46,328</u>	<u>51,360</u>

4. OTHER TRADING ACTIVITIES

	30.06.21	30.06.20
	£	£
Charity shop sales	9,568	2,996
Fundraising	<u>1,466</u>	<u>8,082</u>
	<u>11,034</u>	<u>11,078</u>

5. INVESTMENT INCOME

	30.06.21	30.06.20
	£	£
Interest received	<u>-</u>	<u>6</u>

6. RAISING FUNDS

Raising donations and legacies

	30.06.21	30.06.20
	£	£
Fundraising	131	2,824
Charity shop sales	7,387	2,408
Advertising	<u>-</u>	<u>408</u>
	<u>7,518</u>	<u>5,640</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Dementia care	<u>91,029</u>	<u>516</u>	<u>91,545</u>

North East Dementia Care (Sunderland) CIO

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

8. SUPPORT COSTS

	Governance costs	Totals
	£	£
Dementia care	<u>516</u>	<u>516</u>

Activity	Basis of allocation
Governance costs	Usage

Governance costs include fees for the independent examination of £100.

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2021.

10. EMPLOYEES

Number of employees	30.06.21	31.06.20
Average monthly number of employees	<u>7</u>	<u>5</u>
Employment costs	30.06.21	30.06.20
	£	£
Wages and salaries	54,944	48,238
Other pension costs	<u>60</u>	<u>73</u>
	<u>55,004</u>	<u>48,311</u>

No employees received remuneration of more than £60,000 during the year. Remuneration of those considered to be key management personnel amounted to £18,494 (2020: £19,658) including employer pension contributions.

North East Dementia Care (Sunderland) CIO

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	30,674	12,396	43,070
Charitable activities	51,360	-	51,360
Other trading activities	11,078	-	11,078
Investment income	<u>6</u>	<u>-</u>	<u>6</u>
Total	93,118	12,396	105,514
EXPENDITURE ON			
Raising funds	5,640	-	5,640
Charitable activities			
Dementia care	<u>74,787</u>	<u>12,396</u>	<u>87,183</u>
Total	<u>80,427</u>	<u>12,396</u>	<u>92,823</u>
NET INCOME	12,961	-	12,961
RECONCILIATION OF FUNDS			
Total funds brought forward	-	-	-
TOTAL FUNDS CARRIED FORWARD	<u><u>12,961</u></u>	<u><u>-</u></u>	<u><u>12,961</u></u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.06.21 £	30.06.20 £
Trade debtors	3,437	840
Property bond	1,250	1,250
Prepayments	<u>802</u>	<u>-</u>
	<u><u>5,489</u></u>	<u><u>2,090</u></u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.06.21 £	30.06.20 £
Trade creditors	3,090	-
Loan	4,500	4,500
Other taxation and social security	-	360
Accruals	<u>869</u>	<u>100</u>
	<u><u>8,459</u></u>	<u><u>4,960</u></u>

North East Dementia Care (Sunderland) CIO

Notes to the Financial Activities - continued
for the Year Ended 30 June 2021

14. MOVEMENT IN FUNDS

	At 1.7.20 £	Net movement in funds £	At 30.06.21 £
Unrestricted funds			
General fund	12,691	(725)	11,966
Restricted funds			
Coronavirus Job Retention Scheme (CJRS)	-	-	-
TOTAL FUNDS	<u>12,691</u>	<u>(725)</u>	<u>11,966</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	76,908	(77,633)	-	(725)
Restricted funds				
Coronavirus Job Retention Scheme (CJRS)	21,430	(21,430)	-	-
TOTAL FUNDS	<u>98,338</u>	<u>(99,063)</u>	<u>-</u>	<u>(725)</u>

15. FUNDS

General fund is used for the unrestricted activities of the charity.

The Coronavirus Job Retention Scheme (CJRS) grant was provided to enable the charity to pay furloughed staff during the Coronavirus pandemic.

16. RELATED PARTY DISCLOSURES

The charity's Treasurer, Mr J Hellens made an interest-free loan to the charity of £4,500. This loan is repayable on demand and is unsecured. The balance outstanding at 30 June 2021 is £4,500 (2020: £4,500).

North East Dementia Care (Sunderland) CIO

Detailed Statement of Financial Activities
for the Year Ended 30 June 2021

	30.06.21 £	30.06.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	5,642	9,674
Grants	<u>35,334</u>	<u>33,396</u>
	<u>40,976</u>	<u>43,070</u>
Charitable activities		
Day care centre fees	46,328	51,360
Other trading activities		
Charity shop sales	9,568	2,996
Fundraising	<u>1,466</u>	<u>8,082</u>
	<u>11,034</u>	<u>11,078</u>
Investment income		
Interest received	-	6
Total incoming resources	98,338	105,514
EXPENDITURE		
Raising donations and legacies		
Fundraising costs	131	2,824
Charity shop rent, rates and insurance	5,570	2,170
Charity shop repairs	1,817	238
Advertising	<u>-</u>	<u>408</u>
	<u>7,518</u>	<u>5,640</u>
Charitable activities		
Staff costs	55,004	48,311
Rent and rates	14,242	10,330
Insurance	1,369	1,266
Transport costs	12,332	15,355
Meals	3,172	3,783
Activities and entertainment	118	1,082
Telephone	582	496
Postage and stationery	204	457
Computer expenses	153	274
Repairs and renewals	1,388	2,045
Training	467	784
Cleaning and sundry	<u>1,998</u>	<u>1,813</u>
	<u>91,029</u>	<u>85,996</u>
Support costs		
Governance costs		
Legal and professional fees	416	1,087
Independent Examination	<u>100</u>	<u>100</u>
	<u>516</u>	<u>1,187</u>
Total resources expended	99,063	92,823
Net (expenditure)/income	<u><u>(725)</u></u>	<u><u>12,961</u></u>