



Dewsbury & District League of Friendship

CIO Registered Charity no. 1184667

Annual Report and Accounts 2022

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Trustees' Report for the Year Ended 31 December 2022**Legal Details**

The League's founding purpose is to promote and assist the welfare of physically disabled persons in Dewsbury and the surrounding district. This is now extended to promoting the relief of people in need by reason of age, infirmity, ill-health, financial hardship or other disadvantage, consistent with the league's original primary purpose.

The League was established in 1952 and was simultaneously registered under the provisions of The National Assistance Act 1948. It was later registered with the Charity Commission, charity registration number 234785.

The League converted to a Charitable Incorporated Organisation (CIO), number 1184667, with an up-to-date constitution and protection of trustees from unlimited liability. The CIO was registered on 30th July 2019 and became the substantive charity on 1st January 2021. The original charity 234785 has been linked to the CIO as a subsidiary 1184667-1; some legal details to do with our building lease remain outstanding, meanwhile the subsidiary charity is inactive and will be closed in due course.

Registered Address and Contact Details

Address: Howlands, School Street, Dewsbury, West Yorkshire WF13 1LD

Telephone: 01924-463693

E-mail: howlandcentre@aol.co.uk

Bankers: Yorkshire Bank plc, 46 Market Place, Dewsbury WF13 1DN

Objectives of the Charity

The major objective of the Charity is to promote and assist the health and welfare of physically disabled and other disadvantaged persons in Dewsbury and its surrounding areas by:

1. Providing facilities for physical and mental recreation
2. Providing or helping to provide facilities for physical movement and improvement
3. Furthering health and relieving stress and sickness
4. Co-operating with other bodies which also provide accommodation, employment, education or training, for such persons

In particular, the Charity provides regular art and craft sessions with instruction suited to individual members.

Premises

The League of Friendship holds the building Howlands, with an original purchase price of £35,200, on a 125-year lease expiring in 2113 at an annual peppercorn rent from Kirklees Metropolitan Council. In 2017 Howlands underwent a major refurbishment at a cost of around £440,000. The building is in the middle of Dewsbury, close to shops, bus and railway stations, and other facilities. It has electric sliding doors to cater for wheelchairs, disabled toilets, central heating, a kitchen and carpets throughout, which meet the specific needs of our members, and flexible spaces which allow a wide range of users to rent rooms not in use for the Centre's main activities. We also have a small car park.

Organisation

As at 31st December 2022 the Trustees are supported by an Executive Committee and a Management Committee. Trustees and committee members are elected at General meetings of the League, normally the Annual General Meeting.

The Executive Committee comprises the Trustees and the Manager. The Management Committee comprises at least 5 Trustees, including the Chair, Secretary (if one is elected) and Treasurer (the Officers); the Manager; class craft teachers and class representatives (members). Both committees may co-opt additional members such as volunteers or representatives of other local organisations.

Day-to-day running of the League is undertaken by the Manager and staff, with help and support from volunteers. The Officers and Manager ensure compliance with the law and internal policies.

Employed staff are the Centre Manager, who is also a class teacher, and two part-time teachers, who also perform support and cleaning tasks, together with volunteers. Trustees, the other members of the Management Committee, class helpers and supporters are all volunteers.

There were 7 trustees at December 31st 2022: Catherine Longley (Chair), Gary Cox, Dawn Field, Izaaz Mohammed, Stephen Readhead, Victoria Ward and Andrew Young (Treasurer).

Activities

Craft classes are held each weekday throughout the year, led by two teachers. Members learn new skills, make friends and enjoy a sense of purpose in a safe environment with people who understand their needs. Instruction is provided in a wide range of crafts including oil and watercolour painting, sketching, tapestry, embroidery and mosaics.

Thanks to external funding added to our own resources, we are able to offer morning and afternoon classes 4½ days a week. This allows us to benefit as many existing and potential new members as possible. Further funding is continuously being sought to maintain this level of service to members.

As well as classes, our members enjoy games and social activities, at and away from Howlands.

For most of 2020 and 2021, Covid-19 forced Howlands to close for regular classes. Members were kept in touch with a newsletter and activity kits delivered to their homes. By the start of 2022 classes had restarted and members and other users were returning to the centre. By the end of 2022 we could say that we had returned to 'normal.'

Once again, on behalf of the League, the Trustees would like to thank our staff for their positivity and support, and all the professional advisors, fundraisers, volunteers and members themselves who give their time and energy to support and enrich us in many different ways.

Financial Report for the Year Ended 31st December 2022**Statement of Trustees' Responsibilities**

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its financial activities. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with SORP 2 and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the Charity will continue in business

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Charity to enable them to ensure that the financial statements comply with the Charities Acts. 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.

Accounting Policies and Presentation

The accounts have been prepared in accordance with Charity SORP (FRS102) accounting standards and the Charities Acts.

Following professional advice, the accounts are simplified by being cash receipts and payments only. Also, we do not produce a full balance sheet, which is not necessary for the Annual Return to the Charity Commission. An asset register is maintained and kept in our office.

Intangible Income

Donated goods and services, and volunteer hours, have not been quantified.

Funded Projects

Funds received for specific purposes are accounted for separately; the accounts show the split between Howlands funds (unrestricted) and funded projects (restricted), in order to give a clearer view of resources and commitments. Unspent funds appear in the balances and in the bank but do not count towards the League's assets. All funding from the 2017 Big Lottery refurbishment project has now been spent; a small final commitment remains, to complete the CIO conversion.

Fixed Assets

Items of furniture, equipment and machinery are recorded on a register, without a formal balance sheet. Our major asset is the Howlands building; the lease dates from 1988 and was last valued at £107,170 in December 2014.

The refurbishment construction of 2017-18 was settled in 2019; the total cost was £460,283 – £386,828 for construction, £32,054 for furniture and £41,401 for professional fees and services.

Since then, there have been no significant asset purchases.

Summary of the Year's Finances for the Year Ended 31st December 2022

<u>Income and Expenditure Comparisons</u>		<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Income:	Internal Activities	£26.3K	£12.5K	£5.5K	£32.8K
	Donations & Grants	£13.7K	£58.6K	£21.3K	£10.2K
	Funding	£0.5K	£0.3K	£26.9K	£12.6K
	Total	£40.5K	£71.4K	£53.7K	£55.6K
Expenses:	Staff & Volunteers	£47.1K	£36.9K	£34.9K	£43.0K
	Building	£13.8K	£11.6K	£11.0K	£11.5K
	Other Expenses	£6.1K	£5.3K	£5.6K	£2.8K
	Total	£67.0K	£53.8K	£51.5K	£57.3K
Net Surplus (Deficit)		– £26.5K	£17.6K	£2.2K	– £1.7K
Reserves (excluding Big Lottery)		£21.6K	£48.1K	£30.5K	£28.3K

Internal Activities

Regular activity – classes, sales, coffee mornings, raffles &c – resumed in September 2021 after the Covid shutdown. Recovery took time, but by the end of the year we were broadly back to pre-Covid levels. Rents increased too, to a total around £6,000, including £2,500 from the Muscle Pit. We had several fundraising events, in particular a concert, which made £1,600, and the usual successful Christmas fair, which raised nearly £2,000.

Donations and Grants

We received small and medium donations totalling about £3,500, but none over £650. In particular, we did not get anything from the A M Fenton Trust, which had donated annually with £6,000 in each of the previous 4 years. We received one major grant of £10,000.

Funding

Funding refers to restricted grants, designated for a specific purpose or project. The only new funding in 2022 was a small bid of £500 for Platinum Jubilee celebrations (the Queen's and ours). Funding carried over from 2021 was spent on new computers as planned.

Expenses

Our main operating cost is staffing; 2022 was a return to a full year's wages, including increases in line with the minimum wage. Building costs also increased, mainly because of energy prices.

Summary

2021's reduced activity and high level of income support meant that we recorded a surplus of over £17,000. In 2022 donations and grants were much reduced, while self-generated income took time to recover. The net result was that our own reserves went down from about £48,000 to £21,500. Clearly this is unsustainable, and the trustees are working to stabilise our finances, primarily by stepping up applications for grants and funding.

Andrew D Young

Andrew Young, Treasurer & Trustee

Trustee

Dated: **30th September 2023**

Dated: **30th September 2023**

Independent Examiner's Report

To the Trustees of the Dewsbury & District League of Friendship for Disabled Persons:

I report on the accounts of the Trust for the year ended 31st December 2022 which are set out on the following pages.

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 needed.

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 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 disclosure in the accounts, and seeks 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 statement below.

Independent Examiner's Statement

In connection with my examination, no matter had 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 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.

Dated: _____

Receipts and Payments – Unrestricted Funds (Howlands)

	<u>2022</u>	<u>2021</u>
Receipts		
Classes	£10,520	£4,245
Donations & Legacies	£3,456	£16,828
Grants	£10,281	£41,791
Sales	£2,620	£598
Raffles & Lotteries	£1,308	£120
Coffee Mornings	£1,248	£399
Special Fundraising	£4,370	£1,982
Rents	£6,148	£5,058
Miscellaneous, Interest &c.	£88	£98
Total Receipts	£40,039	£71,119
Payments		
Staff & Volunteers	£47,113	£28,684
Craft Materials	£67	£4
Catering	£303	£418
Centre Maintenance	£13,857	£11,455
Rates and Utilities	£7,490	
Centre Upkeep	£3,020	
Repairs & Renewals	£664	
Insurance	£2,358	
Cleaning & Supplies	£325	
Administration Expenses	£2,593	£873
Telecommunications	£1,090	
Office Expenses	£508	
Printing, Stationery, Postage	£995	
Marketing & Events	£1,300	£359
Total Payments	£65,233	£41,793
Net Receipts / Payments	– £25,194	£29,326
Exceptional Item: CIO Conversion Overrun	– £617	
Funding Transfers/Released	£239	£3,275
Net Change to Cash Reserves	– £25,572	£32,601

Receipts and Payments – Restricted Funds (Funded Projects)

	<u>2022</u>	<u>2021</u>
Total Receipts	£500	£350
Payments		
Staff & Volunteers		£8,206
Craft Materials		£1,192
Centre Maintenance		
Administration Expenses	£958	£208
Marketing & Events	£261	
Total Payments	£1,219	£9,606
Net Receipts / Payments	– £719	– £9,256
Funding Transfers/Released	– £239	– £3,275
Net Change to Cash Reserves	– £958	– £12,531

Receipts and Payments – Big Lottery Refurbishment Project

During the project money was passed from the Lottery, via our specific bank account, to pay suppliers' pre-approved invoices. The main building work concluded in 2019, but there remained an amount for professional fees to assist our conversion to a CIO. This has been a drawn-out process, in particular settling the lease on the Howlands building. With additional delays due to Covid restrictions, no transactions took place in 2020; the process resumed in 2021 but had not completed by the end of 2022, although the funding had run out. Shortfall payments were made from our general fund, with an expected final charge less than £1,000 to come in 2023.

	<u>2022</u>	<u>2021</u>
Brought Forward	£2,990	£7,011
CIO Conversion, Wrigleys Solicitors	– £3,607	– £4,021
Balance paid from General Funds	£617	
Carried Forward	£0	£2,990

Receipts and Payments – 2022 Totals

Receipts	Total	Unrestricted	Restricted Funding
Classes & Sales	£13,140	£13,140	
Donations and Grants	£13,737	£13,737	
Coffee Mornings, Raffles & Lotteries	£2,556	£2,556	
Special Fundraising	£4,370	£4,370	
Rents	£6,148	£6,148	
Miscellaneous, Interest &c.	£88	£88	
Funding	£500		£500
Total Receipts	£40,539	£40,039	£500
Payments			
Staff & Volunteers	£47,113	£47,113	
Craft Materials	£67	£67	
Catering	£303	£303	
Centre Maintenance	£13,857	£13,857	
Administration Expenses	£3,551	£2,593	£958
Marketing & Events	£1,561	£1,300	£261
Total Payments	£66,452	£65,233	£1,219
Net Receipts / Payments	– £25,913	– £25,194	– £719
CIO Conversion excess from general fund	– £617	– £617	
Funding Transfers/Releases		£239	– £239
Net Change to Reserves	– £26,530	– £25,572	– £958

Statement of Financial Assets and Liabilities

	Total	Unrestricted	Restricted Funding	Restricted Big Lottery
Balances at the Start of the Year	£51,130	£47,182	£958	£2,990
Current Account	£12,469			
Deposit Account	£35,623			
Big Lottery Account	£2,990			
Cash	£48			
Net Change to Reserves	– £29,520	– £25,572	– £958	– £2,990
Balances at the End of the Year	£21,610	£21,610	£0	<i>(finished)</i> £0
Current Accounts	£11,585			
Deposit Account	£9,671			
Cash	£384			
Outstanding Items net	– £30			