

Financial Statements

Sutton Old People's Welfare Committee
(incorporating Sutton Lodge Day Centre)

For the year ended 31 March 2022

Registered number: 284231

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Contents

	Page
Reference and administrative details of the company, its trustees and advisers	3
Trustees' report incorporating the strategic report	4 – 8
Independent auditor's report	9
Consolidated statement of financial activities	10
Company balance sheet	11
Consolidated statement of cash flows	12
Notes to the financial statements	13-19

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Reference and administrative details of the company, its trustees and advisers

For the year ended 31 March 2022

Nominated Trustees during the year under review

Mrs Marilyn Gordon-Jones MBE (Chair)
Mrs Pam Norton MBE (Vice Chair)
Mrs Reena Barai
Mrs Pauline Bier
Mrs Joan Crowhurst
Mrs Shirley Phillips
Mrs Evelyn Cathcart
Ms Tracey Tibos
Ms Lily Bande
Mrs Kate Todd
Mr Dan Pembroke (Resigned 20 April 2021)

Charity registered number

284231

Principal and registered office

139 Brighton Road
Sutton
Surrey
SM2 5SW

Chair

Mrs Marilyn Gordon-Jones MBE

Independent examiner

Kevin Avery
3 Green Court Avenue
Croydon, Surrey
CR0 7LD

Bankers

Lloyds Bank PLC
49-53 High Street
Sutton, Surrey
SM1 1DT

Solicitors

None

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Trustees' Report incorporating the strategic report

For the year ended 31 March 2022

The trustees present their annual report together with the examined financial statements of Sutton Old People's Welfare Committee for the year ended 31 March 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the charity's governing document, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2015).

Structure, governance and management

Structure of the charity

Sutton Old People's Welfare Committee is a registered charity and the Trustees are listed on the Charity Commission Site.

The trustees are the trustees of Sutton Old People's Welfare Committee in accordance with the Charities Act 2011. The Committee is made up of voluntary individuals with relevant corporate skills and an interest in our work.

Method of recruitment and appointment

Committee members are recruited through open advertisement in our facilities and word of mouth. Selection is carried out by the current committee members who evaluate the skills and experience of applicants against relevant criteria using assessments and interviews.

Policies adopted for the induction and training of Trustees

All trustees, upon appointment, are introduced to the trust by the chair and other committee members. A short briefing on charitable, statutory and fiduciary duties; the role of committee members; and business planning and strategy is included. The committee intend to introduce a more formal induction training during the following year.

Organisational structure and decision making

Strategy and business objectives are agreed by the committee annually and, where necessary, during the year. The Committee meets four times a year to review progress and to make decisions accordingly. There is also a regular operations meeting attended by representatives for trustees, management and volunteers. During this year a funding committee was introduced to deal more effectively with the lack of funds in the charity. All Health and Safety, staff policies and other legal/legislative matters are dealt with by the managers with support from the Committee.

Day-to-day management of the organisation is delegated to the two managers and the service support officers.

Risk management

The Trustees currently consider the possible risks associated with the operation of the Charity and the actions required to mitigate those risks during their committee meetings. The trustees will make a more formal approach to review of risks during the next business year.

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Trustees' Report incorporating the strategic report (continued)

For the year ended 31 March 2022

Objectives and Activities

The trust's principal objects are to provide a preventative day care service and other support services as appropriate in order to improve and maintain the welfare and wellbeing of older people within the local community supported by a significant band of volunteers.

The works of the trust include day centre activities including, provision of a hot meal; the provision of the Borough's meals on wheels service and provision of a mobile library service for those who are house bound. The Lodge is also a strategic building to be utilised in need of a major emergency and is always on call.

The staffing structure consists of a manager, one part time support officer and a caretaker/cleaner. There are a further 3 paid part time staff with the Meals on Wheels service. All other roles are filled by volunteers. With a band of approximately 90 essential volunteers care is given to their recruitment and retention.

Strategic report

Achievements and performance

The results for the year are set out in the annexed financial statements.

Sutton Old People's Welfare Committee has met its planned revised targets by continuing to work within funding means as far as possible. During 2021/2022 the charity began to return to pre Covid openings although numbers are down and the Lodge is still not open on Monday or Wednesday. This, together with income from various grants has resulted in a deficit of £9,055 (2020/21 loss £22,121). Numbers are climbing and it is hoped to open for the further day during 2022/23, which together with an increase in revenue from hire of the building will close the deficit further.

The team at the Lodge have continued to spend time on applying for grants, both from the government and from other funders. This has achieved a massive figure of £29,670 to help continue to run the charity until such time as the income comes back from its activities. It is by no means certain that this level of grant income can be retained but every effort will be made to get help for the deficit which needs funding.

The Lodge has also benefitted from a reduction in the rent creditor during the period as the lease for the premises was finally agreed and invoices issued for outstanding amounts. This coupled with some reduction in rent during the Covid period has seen a return to reserves of some £52,916. All outstanding amounts have been agreed and paid.

Public benefit

No private benefit is derived from the activities of the charity. The Trustees believe that the work of the Committee demonstrates a real public benefit in both preventative works and to the wider community.

Financial review

Principal risks and uncertainties

The principal risks and uncertainties facing the charity are:

- withdrawal of funding from London Borough of Sutton for meals on wheels;

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Trustees' Report incorporating the strategic report (continued)

For the year ended 31 March 2022

- health & safety compliance.
- more immediate risk of future funding

The Committee have continued to work on filling the funding gap left by the withdrawal of the grant from The London Borough of Sutton (Please see above achievements and performance report). These results show the effort so far achieved and the ability of the trust to continue to close this gap.

As noted above, the pandemic has not aided this situation in the current year but all work continues to give the charity full funding. The trustees continue to apply for all government and other support during the current months, post year end, including the rates rebates, rent holidays and any specific grant applicable to the Lodge.

Financial management and reserves policies

The charity's business plan and associated financial budget is prepared by the treasurer and management staff and approved by the Board of Trustees; the charity's risks and reserves policy are updated as part of this process and are incorporated into any plans.

Sutton Old People's Welfare Committee retains at least three months expenditure as "free" reserves to meet the shortfalls in income or unexpected expenses.

The Trustees keep under review the need for free reserves, which are those unrestricted funds not otherwise designated. There are currently no restricted funds and those reserved accounts are able to be used were this to become appropriate.

Related parties and co-operating with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity must be disclosed to the full board of trustees in the same way as any contractual relationship with a related party. In the current year no such related party transactions were reported.

Employee involvement and employment of the disabled

All employees and were appropriate volunteers have the opportunity for training, career development and promotion in accordance with their skills and ability.

The charity recognised its responsibility to disabilities and equal opportunities as required and has continued to ensure that all employees are considered on an equal basis in respect of all areas of employment, including recruitment, training, career development and promotion. We endeavour to promote continuing employment and, where necessary, arrange appropriate training for employees who have become disabled or need other help during their employment.

The charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Trustees' Report incorporating the strategic report (continued)

For the year ended 31 March 2022

- Volunteers' policy
- Health & safety policy
- Safeguarding

In accordance with the charity's Equal opportunities policy, the charity has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the charity's offices.

Trustees' responsibilities statement

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

Company law requires the charity Trustees to prepare financial statements for each year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

The trustees have done additional work and held extra meetings during the pandemic and are presently of the opinion that this charity is a going concern.

Statement as to disclosure of information to the independent examiner

In so far as the Trustees are aware at the time of approving the Trustees' annual report:

- there is no relevant information, being information needed by the independent examiner in connection with preparing their report, of which the charity's independent examiner is unaware, and
- the Trustees have each taken all steps that he/she is obliged to take as a trustee in order to make themselves aware of any relevant audit information and to establish that the independent examiner is aware of that information.

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Trustees' Report incorporating the strategic report (continued)

For the year ended 31 March 2022

Independent Examiner

Kevin Avery was re-appointed as independent examiner for this current year at the last AGM. This report was approved by the Trustees on 25th October 2022, and signed on their behalf by:

Marilyn Gordon-Jones

Chair

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Independent Examiner's Report to the Members and Trustees of Sutton Old People's Welfare Committee

For the year ended 31 March 2022

We have audited the financial statements of Sutton Old People's Welfare Committee for the year ended 31 March 2022, which comprise the balance sheet, the statement of financial activities, the statement of cash flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charity's members and trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 154 of the Charities Act 2011. Our examination has been undertaken so that we might state to the charity's members and trustees those matters we are required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its members and trustees as a body, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and examiner

As the charity's trustees you are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed auditor under section 151 of the Charities Act 2011 and report in accordance with this Act. Our responsibility is to examine and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An examination includes a review of the accounting records kept by the charity and a comparison of financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanation from the trustees concerning any such matter. The procedures undertaken do not provide all the evidence that would be required in audit, and consequently we do not express an opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination no matter has come to my attention, which gives me reasonable cause to believe that in any material respect the requirements

- To keep accounting records in accordance with the relevant Acts; and
- To prepare accounts which accord with the accounting records and to comply with the relevant requirements of the Acts

Have not been met or to which in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Kevin Avery

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Statement of Financial Activities

(including income and expenditure account)

For the year ended 31 March 2022

	Note	Total funds 2022 £	Total funds 2021 £
Income:			
Income from donors and grants	3	99,430	84,086
Income from charitable activities	4	21,028	3,866
Investment income	5	14	187
Total income		<u>120,472</u>	<u>88,139</u>
Expenditure			
Expenditure on charitable activities:			
Operation of charity	6	129,527	110,260
Total expenditure		<u>129,527</u>	<u>110,260</u>
Net movement in funds for the year		(9,055)	(22,121)
Other commercial Income:			
Furlough grant from the government		3,003	3,514
Rent waiver during Covid period		52,916	-
Total funds at beginning of year		<u>91,494</u>	<u>110,101</u>
Total funds at end of year		<u><u>138,358</u></u>	<u><u>91,494</u></u>

All income and expenditure derive from continuing activities. All activities relate to unrestricted funds.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 19 form part of these financial statements.

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Company Balance Sheet

As at 31 March 2022

	Note	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	9		-		1,017
Total fixed assets			-		1,017
Current assets					
Debtors	10	2,410		1,340	
Cash at bank and in hand		<u>140,799</u>		<u>165,029</u>	
Total current assets		143,209		166,369	
Creditors: amounts falling due within one year	11	<u>4,851</u>		<u>75,892</u>	
Net current assets			<u>138,358</u>		<u>90,477</u>
Total assets less current liabilities			138,358		91,494
Creditors: amounts falling due after more than one year	12		-		-
Net assets			<u>138,358</u>		<u>91,494</u>
The funds of the charity					
Unrestricted funds:					
Unrestricted funds		105,898		56,082	
Total unrestricted funds			105,898		56,082
Restricted funds:					
Restricted funds		-		-	
Reserved account - Transport		32,460		35,412	
Total restricted funds			<u>32,460</u>		<u>35,412</u>
Total charity funds			<u>138,358</u>		<u>91,494</u>

The financial statements were approved by the Trustees on 25th October 2022 and signed on their behalf

The notes on pages 13 to 19 form part of these financial statements.

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Statement of cash flows

For the year ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Operating loss		(6,066)	(18,794)
Adjustments for:			
Depreciation of tangible assets	9	1,017	1,263
Interest received		14	187
Rent waiver during Covid period		52,916	-
(Increase)/decrease in debtors		(1,070)	936
(Decrease)/increase in trade creditors		<u>(71,041)</u>	<u>17,030</u>
Net cash (utilised by)/ generated from operating activities		<u>(24,230)</u>	<u>622</u>
Cash flows from investing activities			
Proceeds from sale of tangible assets		-	-
Purchase of tangible assets	9	<u>-</u>	<u>-</u>
Net cash from investing assets		-	-
Net (decrease)/increase in cash and cash equivalents		(24,230)	622
Cash and cash equivalents at the beginning of the year		<u>165,029</u>	<u>164,407</u>
Cash and cash equivalents at end of year		<u><u>140,799</u></u>	<u><u>165,029</u></u>

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Notes to the Financial Statements

For the year ended 31 March 2022

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, unless otherwise stated in the relevant notes(s) to these accounts.

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 Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

These financial statements for the year ended 31 March 2022 comply with FRS102 and Charities SORP (FRS 102).

Sutton Old People's Welfare Committee meets the definition of a public benefit entity under FRS102.

1.2 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the charity will continue to have sufficient resources available to it to continue as a going concern.

Management prepares, and the trustees review, regular financial information which summarises financial performance to date and that forecast for future periods. That financial information also includes cash flow projections. The trustees have considered the future trading forecasts of the charity, together with its levels of forecast capital expenditure and cash reserves. Accordingly, they have concluded that it is appropriate to prepare the financial statements on a going concern basis at present.

Additional work has continued to be done during the continual Covid lockdowns including extra meetings and figures for cash flow forecasts on various bases. All relevant grants and donations have been sought and the Charity has taken some advantage of the government grant for furlough during the second lockdown. The trustees are still of the opinion that cash resources are adequate for a further period of eighteen months without any improvement of funds or situation.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. There are currently no restricted funds.

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Notes to the Financial Statements

For the year ended 31 March 2022

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable in respect of specified period relating to the general activities of the charity are recognised in the Statement of Financial Activities in the period to which they relate or cover.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor Vehicles	-	Over 5 years
Equipment	-	Over 3 to 5 years

1.7 Liabilities

Liabilities are recognised when there is a legal or constructive obligation to pay cash or other assets, and are carried at the present value of the obligation until the obligation is extinguished.

Sutton Council are now raising rent invoices quarterly and the large creditor has therefore been settled. This has shown an improvement in the 2021-22 accounts as the rent foregone by Sutton Council and rent foregone by the Council due to Covid reductions has been written back into reserves.

1.8 Taxation

Sutton Old People's Welfare Committee is a registered charity and is subject to neither corporation tax nor income tax on its charitable activities.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

There are no material judgements or estimates applied in the preparation of these accounts.

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Notes to the Financial Statements

For the year ended 31 March 2022

3. Income from donors

	Total funds 2022 £	Total funds 2021 £
Grants and subsidies from London Borough of Sutton MOW	56,303	51,495
Other Grants	29,670	28,015
Other Fees	4,196	929
Hire of building	6,062	813
Donations	<u>3,199</u>	<u>2,834</u>
	<u>99,430</u>	<u>84,086</u>

Included in other grants are a restart grant of £8,000, a community grant of £5,700 and other grant wins from bids of £15,970.

4. Income from charitable activities

	Total funds 2022 £	Total funds 2021 £
Meals	20,428	3,018
Activities with users	<u>600</u>	<u>848</u>
Total income from charitable activities	<u>21,028</u>	<u>3,866</u>

5. Investment income

	2022 £	2021 £
Deposit Account Interest	<u>14</u>	<u>187</u>
	<u>14</u>	<u>187</u>

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Notes to the Financial Statements

For the year ended 31 March 2022

6. Summary by expenditure type

	Staff costs	Direct costs	Total 2022	Total 2021
	£	£	£	£
Sutton Lodge day centre	34,715	39,810	74,525	62,885
Meals on wheels	31,892	15,957	47,849	41,768
Transport	-	7,153	7,153	5,607
	<u>66,607</u>	<u>62,920</u>	<u>129,527</u>	110,260

All support costs relate to the sole charitable activity of the company.

7. Analysis of direct costs

	Total 2022	Total 2021
Cost of meals	3,938	377
Direct overheads of day centre premises	34,637	30,613
Costs relating to Meals on wheels	5,954	
Transport	7,154	5,564
Volunteer expenses	383	189
Benefits to users	2,367	310
Staff training	-	43
Equipment maintenance/purchase	7,173	1,342
Depreciation of assets	1,017	1,263
Bank charges	297	256
	<u>62,920</u>	<u>39,957</u>

Direct costs are allocated to the charitable activities on the basis of headcount or on the estimated service delivered by the support service or other bases if these are more appropriate.

In previous years the costs of running the meals on wheels have been netted off against the grant from Sutton Council. This should be shown separately in the costs and this has now been done. No adjustment has been done to the prior year, if this had been done a transfer of £3,860 of costs would have been the amount.

Direct costs are stated after charging depreciation of tangible fixed assets of £1,017 (2021 £1,263)

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Notes to the Financial Statements

For the year ended 31 March 2022

8. Staff costs

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	64,880	68,468
National insurance costs	-	-
Other pension costs	1,727	1,835
	<u>66,607</u>	<u>70,303</u>

The average monthly number of employees during the year was as follows:

	2022 No.	2021 No.
Full time employees	0	0
Part time employees	8	8
Volunteers	<u>123</u>	<u>123</u>

During the year, no Trustees received any remuneration (2021 - £Nil). During the year, no Trustees received any benefits in kind (2021 - £Nil).

Reimbursed expenses in respect of trustee meetings, amounted to £Nil (2021 - £Nil).

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Notes to the Financial Statements

For the year ended 31 March 2022

9. Tangible fixed assets

Company	Motor vehicles £	Equipment £	Total £
Cost			
At 1 April 2021	30,000	8,595	38,595
Additions	-	-	-
Disposals	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2022	<u>30,000</u>	<u>8,595</u>	<u>38,595</u>
Depreciation			
At 1 April 2021	30,000	7,578	37,578
Charge for the year	-	1,017	1,017
On disposals	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2022	<u>30,000</u>	<u>8,595</u>	<u>38,595</u>
Net book value			
At 31 March 2022	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2021	<u>-</u>	<u>1,017</u>	<u>1,017</u>

Sutton Old People's Welfare Committee (Incorporating Sutton Lodge Day Centre)

Registered number: 284231

Notes to the Financial Statements

For the year ended 31 March 2022

10. Debtors

	2022 £	2021
Cash owing from hire of premises	1,049	-
Cash owing from members	21	-
Advance payments	1,340	1,340
	<hr/>	<hr/>
	<u>2,410</u>	<u>1,340</u>

11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Cash owing to members	-	392
Salaries creditor	4,851	-
Rent owing to Sutton Council	-	75,500
	<hr/>	<hr/>
	<u>4,851</u>	<u>75,892</u>

12. Creditors: Amounts falling due after more than one year

There are no creditors due after more than one year (2021 = £Nil)

13. Controlling party

There is no ultimate controlling party. The charity is controlled by the Board of Trustees.