

**LANGHOLM & DISTRICT DAY CENTRE FOR OLDER PEOPLE**

**REPORT AND ACCOUNTS**

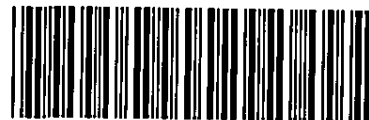
**For the year ended**

**31st March 2011**

**Company Number SC273066**

**Charity Number SC014753**

**TUESDAY**



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**SCT**

**04/10/2011**

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**COMPANIES HOUSE**

## REPORT OF THE TRUSTEES

The Trustees, who are also Directors for the purposes of the Companies Act, submit their Report together with the Accounts for the year ended 31st March 2011.

### Reference and Administrative Details

Charity Number	SC014753
Company Number	SC273066
Principal Office	Charles Street, Langholm, Dumfriesshire, DG13 OAA
Independent Examiner	Kevin D. Crowford, The JRW Group, 19 Buccleuch Street, Hawick, TD9 OHL
Bankers	Bank of Scotland, High Street, Langholm, DG13 OJH
Directors and Trustees:-	

The Directors, being also Trustees for the purposes of Charity Law, who served during the year were as follows:-

John Hammond, MBE  
John Scott  
Peter Irving Stuart

Secretary Kathleen Turk

Under the requirements of the Articles of Association one third of the Directors are subject to retirement by rotation at each Annual General Meeting.

Mr. Stuart retires by rotation at the next Annual General Meeting and, being eligible, offers himself for re-election.

### Objectives and Activities

The Day Centre was established to promote the welfare of older people by (i) offering opportunities for social integration, shared activities, maintaining and renewing friendships, re-establishing confidence where confidence may have been lost; (ii) providing assistance in maintaining independence (iii) making information available for older people, their carers and their families.

### Structure, Governance and Management

Langholm and District Day Centre for Older People is a Company Limited by Guarantee and does not have a Share Capital. It is governed by its Memorandum and Articles of Association. The Day Centre is organised through regular meetings of Trustees and administered by the Company Secretary and Company Accountant. In the event of the Company being wound up members are required to contribute an amount not exceeding £1.

### Trustee Induction & Training

The current Trustees are already familiar with the practical work of the Charitable Company. New Trustees will undergo an induction process which will include guidance from experienced Trustees and an information pack including the Guidance for Charity Trustees produced by OSCR.

### Review of Risks

As stated above, the Trustees exercise control of the Charitable Company through regular meetings and with the support of the Secretary and Accountant. Regular reports on activities and finances enable the Trustees to mitigate exposure to the major risks.

## REPORT OF THE TRUSTEES (Contd)

### **Achievements, Performance and Financial Review**

The Charitable Company's main area of charitable activity is the operation of the Langholm Day Centre which provides a supportive environment for older people to socialise. The Charitable company provides a minibus to transport frail older people to the Day Centre and also provides low cost lunches. A number of organised activities are provided.

The Charitable Company received core funding from Dumfries & Galloway Council (£54,247). The Charitable Company also generates funds from the provision of lunches to members. Income generated from this source was virtually unchanged in the year under review. Net incoming resources for the year were £36,114, of which £2,074 related to unrestricted funds.

The charitable company received donations totalling £42,550 from the Friends of the Day Centre's Wheels Appeal, including £10,000 from Awards for All and £10,000 from The Robertson Trust, for the purpose of purchasing a new minibus. These transactions are accounted for in restricted funds.

The directors expect that a break-even position will be achieved in 2012 and The Friends of the Day Centre will make funds available to cover any shortfall.

### **Investment Policy**

Aside from retaining a prudent amount in reserves each year it is anticipated that most of the Charitable Company's funds are to be spent in the short term and so there are few funds available for long term investment.

### **Reserves Policy**

The Trustees have established a policy whereby the unrestricted funds not committed for investment in tangible fixed assets should be approximately equal to three months expenditure. Budgeted expenditure for 2011/12 is £85,000 and therefore the target is £21,250 in general funds. The reserves are needed to meet the working capital requirements of the Charitable Company in the event of a significant drop in funding. As at 31st March 2011 this unrestricted fund balance stood below this level but the Trustees believe that the steps taken to address the situation, as described above under Achievements, Performance and Financial Review, will over time, result in the achievement of the target level of reserves.

### **Plans for Future Periods**

The Charitable Company plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

### **Trustees Responsibilities**

Company Law requires the Trustees to prepare Accounts for each financial year which give a true and fair view of the state of the affairs of the Day Centre and the surplus or deficit of the Day Centre for that year. In preparing these Accounts the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the Accounts on the going concern basis unless it is inappropriate to presume that the Day Centre will continue on that basis.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Day Centre and to enable them to ensure that the Accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE TRUSTEES (Contd)

The above report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, the special provisions of Part 15 of the Companies Act 2006 relating to small entities and the Memorandum and Articles of Association.

Signed on behalf of the Trustees

A handwritten signature in black ink, appearing to read 'J Hammond', with a long horizontal flourish extending to the right.

**John Hammond, MBE**

**Registered Office:-** Charles Street,  
LANGHOLM,  
DUMFRIESSHIRE, DG12 OAA.

17th August 2011.

# INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

4.

## OF LANGHOLM AND DISTRICT DAY CENTRE FOR OLDER PEOPLE

I report on the accounts of the charity for the year ended 31st March 2011 which are set out on pages 5 to 9.

### Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

### Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. 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 seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

### Independent examiner's statement

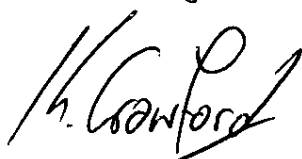
In the course of my examination, no matter has come to my attention.

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

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.



Kevin D. Crowford,  
Chartered Accountant.  
The JRW Group,  
19 Buccleuch Street,  
HAWICK, TD9 OHL.

24th August 2011



Registered Number: SC273066

**BALANCE SHEET**

**As at 31st March 2011**

	Notes	2011	2010
<b>Fixed Assets</b>			
Tangible Assets	7	34,040	-
<b>Current Assets</b>			
Debtors	8	£ 2,662	£ 3,096
Cash at Bank and in Hand		<u>14,026</u>	<u>27,509</u>
		£ 16,688	£ 30,605
<b>Creditors:</b> amounts falling due within one year	9	<u>3,668</u>	<u>19,659</u>
<b>Net Current Assets</b>		<u>13,020</u>	<u>10,946</u>
<b>Net Assets</b>		£ 47,060 =====	£ 10,946 =====
Unrestricted Fund	10	13,020	10,946
Restricted Fund	10	<u>34,040</u> 47,060 =====	<u>-</u> 10,946 =====

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2011.

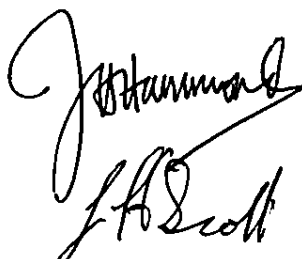
The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2011 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:


- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 17th August 2011 and were signed on its behalf by:



**J. HAMMOND - DIRECTOR**



**J. SCOTT - DIRECTOR**

**NOTES TO THE ACCOUNTS**  
**For the year 31st March 2011**

**1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

**(a) Basis of Accounting**

The financial statements have been prepared under the historical cost accounting rules and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) the Companies Act 1985, and follow the recommendations of the Statement of Recommended Practice: Accounting and Reporting by Charities.

**(b) Fund Accounting**

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Restricted funds are restricted to the use prescribed by the donors.

**(c) Incoming Resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.
- The value of services provided by volunteers has not been included in these accounts.
- Grants are recognised in the Statement of Financial Activities when the Charitable Company is entitled to the income and the amount can be quantified with reasonable accuracy.

**(d) Recognition of Liabilities**

Expenditure is included in the Statement of Financial Activities when incurred.

**(e) Resources Expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

- Costs of Generating Funds includes goods sold and the cost of transporting members for lunches etc.
- Charitable Activities Costs includes staff costs relating to the running of the Day Centre.
- Governance Costs include those costs incurred in meeting the Constitutional and Statutory requirements of the Charitable Company.

**(f) Depreciation**

Depreciation is calculated so as to write off the cost of fixed assets over their estimated useful life at the following rates:

Motor vehicles      20% Straight line

**2. Staff Costs**

Staff Costs were as follows:-

	2011	2010
Salaries and Wages	£ 52,835	£ 49,976
Social Security Costs	2,900	2,510
	£ 55,735	£ 52,486
	=====	=====

The Charity does not operate any pension scheme for its employees but has offered to administer a stakeholder pension which the Charity will not contribute to.

NOTES TO THE ACCOUNTS

For the year 31st March 2011

3. TRUSTEES REMUNERATION & RELATED PARTY TRANSACTIONS

No Trustees received any remuneration or expenses during the year.

No Trustees had any personal interest in any contract or transaction entered into by the Charity during the year.

The Charitable Company is controlled by the Trustees.

4. TAXATION

As a Charity, the Company is exempt from tax on all income and gains in relation to its charitable activities.

5. DONATIONS & GRANTS

	2011 (Unrestricted)	2011 (Restricted)	2011 Total	2010 Total (Unrestricted)
Friends of the Day Centre	£ -	£ 42,550	£ 42,550	£ -
Donations - General	922	-	922	1,164
Grant - Dumfries & Galloway Council	54,247	-	54,247	54,953
	£55,169	£ 42,550	£ 97,719	£ 56,117
	=====			

6. TOTAL RESOURCES EXPENDED

	Charitable Activities	Governance Costs	2011 Total	2010 Total
<b>Costs Directly Allocated to Activities</b>				
Staff Costs	£ 55,735	£ -	£ 55,735	£ 52,486
Food & Drink	13,390	-	13,390	14,832
Kitchen Equipment	1,366	-	1,366	435
Minibus Running Costs	3,510	-	3,510	6,268
Exercise Grant Expenditure	2,000	-	2,000	1,920
Depreciation	8,510	-	8,510	-
Independent Examiner Fees	-	800	800	796
	£ 84,511	£ 800	£ 85,311	£ 76,737
<b>Support Costs Allocated to Activities</b>				
Premises, including rent & repairs	2,737	-	2,737	2,963
Telephone	816	-	816	1,027
Stationery & other Administration Costs	2,628	-	2,628	2,134
	£ 90,692	£ 800	£ 91,492	£ 82,861
	=====			

NOTES TO THE ACCOUNTS  
For the year 31st March 2011

7. FIXED ASSETS

	Motor Vehicles	Total
<b>Cost</b>		
As at 31.3.10	£ -	£ -
Additions	42,550	42,550
As at 31.3.11	£ 42,550	£ 42,550
	=====	=====
<b>Aggregate Depreciation</b>		
As at 31.3.10	£ -	£ -
Charge for year	8,510	8,510
As at 31.3.11	£ 8,510	£ 8,510
	=====	=====
<b>Net Book Value</b>		
As at 31.3.11	£ 34,040	£ 34,040
	=====	=====
As at 31.3.10	£ -	£ -
	=====	=====

8. DEBTORS

Accrued Income & Prepayments	£ 2,662	£ 3,096
	=====	=====

9. CREDITORS: Due within one year

Donations for Wheels Appeal	£ -	£ 15,000
Other Creditors & Accruals	3,668	4,659
	£ 3,668	£ 19,659
	=====	=====

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund	Restricted Fund	Total
Fixed Assets	£ -	£ 34,040	£ 34,040
Debtors	2,662	-	2,662
Cash at Bank and in hand	14,026	-	14,026
Creditors – due within one year	(3,668)	-	(3,668)
	£ 13,020	£ 34,040	£ 47,060
	=====	=====	=====

The **Unrestricted Fund** comprises the general funds of the Charitable Company which the trustees are free to use in accordance with the charitable objects of the society.

The **Restricted Fund** comprises the minibus which was purchased using funds donated specifically for that purpose.

11. COMPANY LIMITED BY GUARANTEE

The Charity is a Company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.