

COMPANY REGISTRATION NUMBER: 03222165

CHARITY REGISTRATION NUMBER: 1071636

MIDDLEHAM KEY CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2021

MIDDLEHAM KEY CENTRE LIMITED
YEAR ENDED 31ST MARCH 2021

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MIDDLEHAM KEY CENTRE LIMITED
LEGAL & ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31ST MARCH 2021

Charity Number	1071636
Company Registration Number	03222165
Registered Office	Middleham Key Centre Park Lane Middleham Leyburn North Yorkshire DL8 4RA
Trustees	Il E Sweeting M C R Sweeting D Davis A Adams
Secretary	M C R Sweeting
Accountants	O'Reilly Chartered Accountants Kiln Hill Market Place Hawes North Yorkshire DL8 3RA
Bankers	CAF Bank Limited 25 Kings Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Hall & Birtles Solicitors The Office Gold Lion Yard Market Place Leyburn North Yorkshire DL8 5AS

MIDDLEHAM KEY CENTRE LIMITED
REPORT OF THE TRUSTEES (INCORPORATING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31ST MARCH 2021

The trustees present their report and the financial statements for the year ended 31st March 2021. The trustees, who are also directors of Middleham Key Centre Ltd for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, Governance and Management

Governing document

The Charity is constituted as a company limited by guarantee and a registered charity and is, therefore, governed by a Memorandum and Articles of Association. Membership is open to anyone over the age of 18.

Appointment of Trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout the report are collectively referred to as trustees.

The Articles of Association provide that trustees may be appointed by ordinary resolution in general meeting.

Objectives and Activities

The principal activity of the company is that of the provision of educational, training and recreational facilities for the people of Middleham, Leyburn and the surrounding areas.

The charity is organised so that the trustees meet regularly to manage its affairs and to revise and manage identified risks. There are administrators who manage the day to day activities of the charity. Funds are raised primarily from community and commercial bookings, courses and rental income from tenants. Additionally monies are donated and shown in note 2 to the accounts.

When reviewing the charity's objectives, activities and future plans, the trustees have referred to the guidance contained in the Charity Commissions' general guidance on public benefit.

Achievements and Performance

The Centre's trading year was disrupted by the Covid-19 from the very start. Lockdown 1 commenced about two weeks before the year began, with all public buildings, including our own, entirely closed.

It is very fortunate that all the planned consolidation from the prior trading year had been implemented. In between lockdowns various improvements to the fabric of the building were made. A take-away business became our tenant for the kitchens just at the start of the lockdowns and saw rapid growth. However, our most established tenant Mike Russell Electronics, had already given notice due to staff re-location.

In between lockdowns the Centre was very successful in attracting new tenants, partly through a policy of upgrading each room or suite as an old tenant departed. As both redundancies in the wider job market and Covid support trickled through, several start-ups were attracted to MKC. The pattern though, was of either outgrowing us or wind-up after six months. At one point, however, we were at full commercial capacity, quite surprising for the troubled times. Constant changes in government Covid regulations and general uncertainty meant that rental and event income was minimal during the same period.

MIDDLEHAM KEY CENTRE LIMITED
REPORT OF THE TRUSTEES (INCORPORATING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31ST MARCH 2021

Financial Review

Without the receipt of two substantial grants from the Covid-19 recovery fund via RDC, the Centre would have been forced to cease trading. An unexpected extra was a kind donation from Wensleydale Wheels, which had been forced to wind up during the crisis period. Their policy was to make donations of their remaining funds to organisations that had assisted them with their eco-friendly goals. MKC was thus a recipient.

Our normal budget was made meaningless from the very start, with the effect of Covid hitting our existing tenants hard, not just our own hire and casual use. We extended favourable terms to core tenants for as long as we could. It is encouraging to report zero bad debt arising from this difficult scenario. Those receiving government support were able to pay out of that. Several local societies offered their entire year's rental money, knowing they would receive zero use of the facilities. The main beneficiary of reduced terms voluntarily repaid us in full when they were able. Community support was excellent.

Our only other meaningful revenue generator was the solar array. 2020 benefitted from above average sunny weather, so MKC benefitted from above average income from the energy tariff scheme.

Future Developments

Ironically, because variable costs went down sharply at a point where we were gaining both unusual unearned and earned income, the outcome for the year was really positive. The obvious major challenge is to rebuild the volunteer base. This will take a long time and a lot of effort due to deaths, shielding and other changes of personal circumstances. Most volunteers have permanently stopped because it is unfeasible or impossible to do what they once did. It was already clear that the next generation of retirees in the area have minimal interest in supporting community enterprises, which is affecting many other organisations that are substantially assisted by volunteers. It is unclear how long the Covid emergency will continue, making most planned development, other than on the building fabric, impractical. It is inevitable that work previously done by volunteers will now have to be done by contractors, but reserves are well able to cover this change.

MIDDLEHAM KEY CENTRE LIMITED
REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31ST MARCH 2021

Tangible Fixed Assets for use by the Charity

Details of movements in fixed assets are set out in note 10 to the accounts.

Statement of Trustees' Responsibilities

The trustees (who are also directors of Middleham Key Centre Limited for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

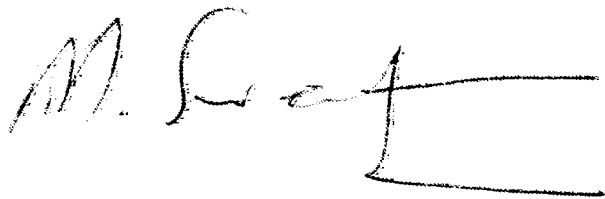
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 charitable company 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 charitable company and which enable them to ensure that the financial statements 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.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the board:



M C R Sweeting
Secretary

MIDDLEHAM KEY CENTRE LIMITED:
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES ON THE UNAUDITED FINANCIAL
STATEMENTS OF MIDDLEHAM KEY CENTRE LIMITED
FOR THE YEAR ENDED 31ST MARCH 2021

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st March 2021, which are set out on pages 6 to 14.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 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.

Independent examiner's report

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those accounting records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
G Ritzema FCA
O'Reilly Chartered Accountants
Kiln Hill
Market Place
Hawes
DL8 3RA

MIDDLEHAM KEY CENTRE LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2021

	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>2021</u> <u>Total</u>	<u>2020</u> <u>Total</u>
<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Income				
Income from generating funds:				
Voluntary income	2,303	-	2,308	966
Activities for generating funds	14,949	-	14,949	33,891
Investment income	13	-	13	23
Government grants receivable	34,000	-	34,000	-
Total Income	51,265	-	51,265	34,880
Expenditure				
Wages & Salaries	11,984	-	11,984	12,609
Employer Pension Contributions	121	-	121	146
Purchases	57	-	57	574
Tutors fees	390	-	390	1,950
Operating leases	1,747	-	1,747	1,261
Establishment costs	5 11,971	-	11,971	13,031
Accountancy fees	1,547	-	1,547	1,503
Telephone	2,498	-	2,498	2,111
Other office expenses	6 493	-	493	1,084
Depreciation and impairment	2,555	1,640	4,195	4,727
General expenses	526	-	526	880
Subscriptions	1,376	-	1,376	220
Donations	-	-	-	421
Total Expenditure	35,265	1,640	36,905	40,517
Net Incoming Resources before Transfers	16,000	(1,640)	14,360	(5,637)
Transfers between funds	-	-	-	-
Net movement in funds/Net income for the year	16,000	(1,640)	14,360	(5,637)
Total funds brought forward	29,977	12,068	42,045	47,681
Total Funds Carried Forward	45,977	10,428	56,405	42,045

The notes on pages 9 to 14 form an integral part of these financial statements.

MIDDLEHAM KEY CENTRE LIMITED
BALANCE SHEET AS AT 31ST MARCH 2021

			<u>2021</u>	<u>2020</u>
	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>
Fixed Assets:				
Tangible assets	10		25,586	29,782
Current Assets				
Debtors	11	3,577		3,840
Cash at bank and in hand		30,069		15,196
		<u>33,646</u>		<u>19,036</u>
Creditors: amounts falling due within one year	12	<u>(2,827)</u>		<u>(6,773)</u>
			30,819	12,263
Net Current Assets				
Total Assets less Current Liabilities			56,405	42,045
Creditors: amounts falling due after more than one year			-	-
			<u>56,405</u>	<u>42,045</u>
Funds				
Unrestricted income funds	13		45,977	29,977
Restricted income funds	14		10,428	12,068
			<u>56,405</u>	<u>42,045</u>
<u>Total Funds</u>			<u>56,405</u>	<u>42,045</u>

The Balance Sheet continues on the following page.

The notes on pages 9 to 14 form an integral part of these financial statements.

MIDDLEHAM KEY CENTRE LIMITED
BALANCE SHEET (CONTINUED)
TRUSTEES STATEMENTS REQUIRED BY THE COMPANIES ACT 2006 FOR THE YEAR ENDED 31ST
MARCH 2017

In approving these financial statements as trustees of the company we hereby confirm:

- (a) that for the year state above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006;
- (b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31st March 2017.
- (c) That we acknowledge our responsibilities for:
 - ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and
 - preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities SORP.

The financial statements were approved by the board on _____ and signed on its behalf by:



M E R Sweeting
Trustee



L E Sweeting
Trustee

The notes on pages 9 to 14 form an integral part of these financial statements.

MIDDLEHAM KEY CENTRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

1. Accounting Policies

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

1.1. Basis of Accounting

The financial statements are prepared under the historic cost convention and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities, 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 (FRS102) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2. Income

All income is 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.

Income from investments is included in the year in which it is receivable.

1.3. Expenditure

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

1.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	25% reducing balance
Solar Panels	-	Straight line over 15 years

1.5. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

MIDDLEHAM KEY CENTRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

2. Voluntary income

	<u>Unrestricted</u> <u>funds</u>	<u>Restricted</u> <u>funds</u>	<u>2021</u> <u>Total</u>	<u>2020</u> <u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Individuals	2,303	-	2,303	966
	<u>2,303</u>	<u>-</u>	<u>2,303</u>	<u>966</u>

3. Activities for Generating Funds

	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>2021</u> <u>Total</u>	<u>2020</u> <u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Rental income	12,285	-	12,285	14,788
Fundraising events	427	-	427	2,792
Community bookings	58	-	58	536
Non community bookings	1,000	-	1,000	8,657
Training courses	335	-	335	2,635
Clerical services	844	-	844	553
Catering sales	-	-	-	1,470
Postage sales	-	-	-	166
Sundries	-	-	-	2,294
	<u>14,949</u>	<u>-</u>	<u>14,949</u>	<u>33,891</u>

4. Investment income

	<u>Unrestricted</u> <u>funds</u>	<u>2021</u> <u>Total</u>	<u>2020</u> <u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Bank Interest Receivable	13	13	23
	<u>13</u>	<u>13</u>	<u>23</u>

MIDDLEHAM KEY CENTRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

5. Establishment Costs

	Unrestricted funds	Restricted funds	2021 Total	2020 Total
	£	£	£	£
Rates and water	2,992	-	2,992	2,507
Light and heat	4,120	-	4,120	339
Repairs and maintenance	3,292	-	3,292	8,259
Insurance	1,567	-	1,567	1,926
	<u>11,971</u>	<u>-</u>	<u>11,971</u>	<u>13,031</u>

6. Other office expenses

	Unrestricted funds	2021 Total	2020 Total
	£	£	£
Licences	283	283	360
Printing, postage and stationery	210	210	724
	<u>493</u>	<u>493</u>	<u>1,084</u>

7. Net outgoing resources for the year

	2021 £	2020 £
Net outgoing resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	<u>4,195</u>	<u>4,727</u>

8. Employees

There were two employees during the year.

No remuneration was paid to trustees in the year, nor were any expenses reimbursed to them.

9. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income And Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

MIDDLEHAM KEY CENTRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

10. Tangible fixed assets

	Plant and machinery £	Total £
Cost		
As 1 April 2020	87,302	87,302
Additions	-	-
Disposals	-	-
At 31 st March 2021	<u>87,302</u>	<u>87,302</u>
Depreciation		
At 1 st April 2020	57,521	57,521
Charge for the year	4,195	4,195
Disposals	-	-
At 31 st March 2021	<u>61,716</u>	<u>61,716</u>
Net book values		
At 31 st March 2021	<u>25,586</u>	<u>25,586</u>
At 31 st March 2020	<u>29,781</u>	<u>29,781</u>

11. Debtors

	2021 £	2020 £
Trade debtors	1,588	2,366
Other debtors	1,989	1,474
	<u>3,577</u>	<u>3,840</u>

12. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,252	4,968
Accruals and deferred income	1,575	1,805
	<u>2,827</u>	<u>6,773</u>

MIDDLEHAM KEY CENTRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

13. Unrestricted funds

	1 April 2020 £	Incoming resources £	Outgoing resources £	Transfers £	31 March 2021 £
General fund:	29,977	51,265	(35,265)	-	45,977

14. Restricted funds

	1 April 2020 £	Incoming resources £	Outgoing resources £	Transfers £	31 March 2021 £
Jack Brunton Trust	518	-	-	-	518
Grant Aid – Solar Panels	9,000	-	(1,000)	-	8,000
RDC COF Grant	2,443	-	(610)	-	1,832
RDC CCTV Grant	107	-	(30)	-	77
Restricted fund Total	12,068	-	(1,640)	-	10,428

Restricted incoming resources relate to grants and donations received for specific expenditure.

Included within Restricted Funds as at 31st March 2021 is the balance of historic grants and donations received for assets, less the depreciation related to these specific assets.

MIDDLEHAM KEY CENTRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

15. Related party transactions

The building was transferred from the ownership of Middleham Key Partnership Ltd, which was subsequently liquidated, to Middleham Town Council as Guardian Trustees in March 2013 and a licence agreement approved.

16. Company limited by guarantee

Middleham Key Centre limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member or within one year after he or she ceases to be a member, for the payment of the charity's debts and liabilities contracted before he or she ceases to be a members, and of the costs, charges and expenses on winding up, and for the adjustment the rights of the contributories among themselves.