



Helping people to help themselves and each other

***Trustees' Report
and
Financial Statements
for
the year ended
31 December 2020***

Registered Charity No. 518451 and Company No. 02048091



**Trustees' Report and Financial Statements
for the year ended 31 December 2020
Reg. Charity No. 518451 Company No. 02048091**

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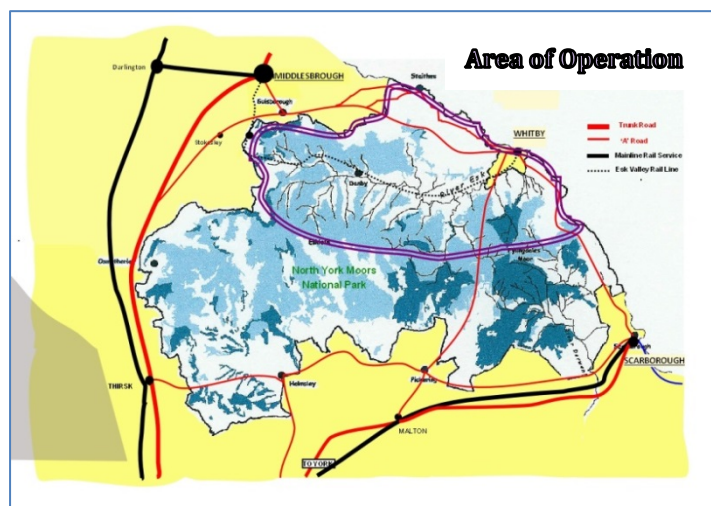
ANNUAL REPORT OF THE TRUSTEES

The Trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published in October 2019.

INTRODUCTION

As a multi-purpose 'community anchor' charity, most of the needs to be addressed arise from the isolated rural nature of the charity's area of operation. It is very sparsely populated with only 25,000 inhabitants: half in Whitby town and half scattered across several hundred square miles of the northern half of the North York Moors National Park, around the Esk valley. There are no



remaining local bus services in much of the National Park area served, compounding the usual rural difficulties of access to education, work and services. Over a third of all residents are age 60 or above and a third of households have a single occupant. A high proportion of the community is at significant risk of social exclusion.

The Whitby travel-to-work area is characterised by high levels of self-employment; one-person businesses; working from or at home; and a few small employers. The existing enterprise profile is unlikely to generate significant job growth. In comparison with national and regional averages, the area served has a high proportion of the working age population with no or few educational qualifications; and a high proportion of low income households. The very strong demand for second / holiday homes in the area, together with very limited new housing development within the National Park, results in severe problems of housing affordability and availability.

ANNUAL REPORT OF THE TRUSTEES - CONTINUED

HISTORY OF THE CHARITY

Mission: *"Helping people to help themselves and each other"*

Originally known as Whitby Network, the charity has been serving the local community since 1984, starting with an Advice Centre and evolving to meet a wide range of community needs. In 1998 it purchased the redundant Coliseum cinema building, which is centrally situated next to the bus and train stations in Whitby. The Coliseum was converted to a community centre, which also incorporates self-contained residential accommodation for adults with learning difficulties. The Coliseum Centre offers a variety of high quality office space, meeting, lecture and assembly rooms, together with the community café, theatre, and internet cafe.

The charity became the Whitby Area Development Trust in 2011, when Whitby Network merged with the Whitby Area Community Development Trust, a company limited by guarantee formed in 2007. The Community Development Trust had a greater focus on environmental and sustainability issues across the Whitby Area and a wider community involvement from the rural areas. Accordingly, the merged charity secured the approval of the Charity Commission, to adopt new objects covering rural and urban regeneration.

CHARITY OBJECTIVES AND AIMS

"The promotion for the benefit of the public of urban or rural regeneration in areas of social and economic deprivation (and in particular in the Whitby district and surrounding area) by all or any of the following means:

- a) the relief of financial hardship;
- b) the relief of unemployment;
- c) the advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience;
- d) the creation of training and employment opportunities by the provision of workspace, buildings, and/or land for use on favourable terms;
- e) the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;
- f) the maintenance, improvement or provision of public amenities;
- g) the preservation of buildings or sites of historic or architectural importance;
- h) the provision of recreational facilities for the public at large or those who by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, have need of such facilities;
- i) the protection or conservation of the environment;
- j) the provision of public health facilities and childcare;
- k) such other means as may from time to time be determined by the trustees."

ANNUAL REPORT OF THE TRUSTEES - CONTINUED

OBJECTIVES AND ACTIVITIES DURING THE YEAR

The financial results for 2020 are remarkably healthy, despite the impact of the Covid-19 pandemic. Public events and activities in the Coliseum Centre largely ceased from March 2020.

The financial position was eased by the final repayment in June 2020 of the £200,000 loan incurred to develop the Penthouse accommodation. The charity also continued to receive rental income from our residential tenants in the Penthouse and Crows Nest supported-living accommodation.

Thus, the charity was in the fortunate position of being able to retain all staff on full salary throughout the year, by 'topping- up' the Government's furlough scheme during periods of lockdown.

Several trends had been noted, before the Covid pandemic:

a) Falling income from letting office accommodation to other not-for-profit organisations serving the local community.

Cut-backs in funding for community and social services had led to reductions in outreach provision. Face-to-face services were being replaced by telephone help-line or on-line services. Trustees had costed the conversion of further office space into one or more self-contained residential apartments, to meet the same local needs as the Crows Nest.

b) Falling income from the Network shop (Recycling).

The Landfill Tax Credit scheme offered by NYCC was discontinued. More significantly, many households were disposing of unwanted furniture and goods via on-line auction sites and car boot sales, leading to a fall in items donated to the shop.

Trustees will be reviewing the future development strategy in the light of these trends, together with the likely societal changes resulting from the pandemic. We anticipate that the increase in working from home and reductions in city centre office provision will result in greater demand for session-hire office/meeting rooms, suitably equipped to facilitate remote (Zoom) meetings.

Meanwhile, the Trust will continue to contribute research papers to local government policy consultations, to ensure that particular issues affecting the Whitby area are given full consideration. The re-organisation of local government in North Yorkshire during 2022-23 is expected to bring significant change. The Trust will support campaigns to ensure that local needs are fully represented and thus recognised by the relevant statutory authorities, particularly in relation to housing, mental health services, and hospital services.

ANNUAL REPORT OF THE TRUSTEES – CONTINUED

Review of the Charity's Usual Areas of Activity

A) Coliseum Services

The Coliseum Centre may be compared to a village hall on a larger scale. Located in the town centre, adjacent to the bus and train stations, it offers a wide range of services to the local community, from basic travel information to IT courses, or just a space to meet up for coffee. Fully-serviced office space and meeting rooms are available on a session hire basis. The events programme provides opportunities for everyone in the community to enjoy a wide variety of creative activities, as audience member or participant. A grant of £1,000 from the NYCC Stronger Communities Fund helped to provide social activities for the elderly.

The theatre is used for various community events, photographic exhibitions, visiting professional dance and theatre companies, school proms and other amateur musical events. The theatre venue also hosts the monthly meetings of the local Civic Society, Film Club, and Art Society. Our staff provide a licensed café-bar for evening events, when appropriate.

B) Tenancies

- **Community Café**

The Community Café is operated during the day by Dalewood Trust, who offer work-based activities for people with learning difficulties. They cater for users of the building and the wider local community, by offering meals and snacks at reasonable prices.

- **Office Accommodation**

The Whitby community is often served on an out-reach basis from larger towns, by other charities or not-for-profit organisations. To facilitate such services, the Coliseum Centre leases fully-serviced office space to not-for-profit organisations whose aims support our own. Tenants may also session-hire the theatre or larger rooms for occasional use.

- **Residential Accommodation:**

The Penthouse provides residential accommodation within the building for up to nine adults with learning difficulties and, in some cases, mental health problems. Creative Support, an industrial and provident society, provides the 24-hour support needed by our Penthouse tenants. As their landlord, we encourage and welcome our tenants to participate in the social, cultural and educational opportunities on offer in the Coliseum Centre and wider area.

The Crows Nest provides a self-contained flat in the Coliseum building, converted from under-used attic space with the aid of a loan from Quaker Housing Trust. It comprises two bedrooms, each en-suite, plus a kitchen and open-plan living/dining area (with rather spectacular views of Whitby Abbey and harbour, hence the name Crows Nest).

ANNUAL REPORT OF THE TRUSTEES – CONTINUED

The Crows Nest was developed to meet the need for some 'training' accommodation in Whitby: to assist dependent individuals who have the potential, but lack some of the necessary skills and confidence to move directly to independent living in the accommodation offered by RSLs. Locally, this often occurs when parents become unable, through age or infirmity, to continue to provide care in the family home for their child with learning difficulties. By now middle-aged, these individuals often have a very restricted social network and lack confidence in managing without parental support. It is anticipated that the level of support required will gradually diminish, as tenants grow in skill and confidence. At the same time they are encouraged to develop a wider social network, through new friends in the Penthouse, and by participating in activities in the Coliseum Centre and other organisations in the town.

C) Recycling Services

The Network Shop is situated in Whitby town centre and sells donated items of used furniture and household items. It differs from most charity shops in that it is not intended as a fund-raising activity, but as a charitable activity. It relieves financial hardship by assisting low-income families to meet their household needs at low cost and safely. All upholstered items must bear Fire Safety regulation labels and all electrical goods are PAT tested before sale.

The service also helps to safeguard the environment. The area served has a high proportion of self-catering holiday accommodation, which is frequently refurbished to maintain its market appeal. Many discarded household items, still in good condition, would otherwise be sent to landfill. Unfortunately, the NYCC Landfill Tax Credit scheme has been withdrawn, leading to a loss of income to support the service.

The shop aids social inclusion and provides training towards employment opportunities. It is staffed by volunteers, some of whom have issues which prevent them from securing paid employment. By acquiring customer service skills and basic stock recording – plus a good attendance record – some shop volunteers are helped to progress to paid employment. Others derive on-going benefit from the dignity, social contact, feeling of self-worth and self-respect gained by being a valued member of the shop's team of volunteers.

D) Larpool Walled Garden

This project, currently under development, will create environmentally-sustainable, outdoor work opportunities for disadvantaged groups. Grant funding was received during 2018, from the North Yorkshire County Council Stronger Communities fund, to provide a composting WC. Once that essential facility was installed, volunteers had started on the clearance work and the planting of fruit trees. The Normanby Trust kindly provided a grant towards the purchase of equipment, supplies and activities.

ANNUAL REPORT OF THE TRUSTEES – CONTINUED

The U3A gardening group were also offering volunteer support. Unfortunately, all such plans have had to be shelved for the time being. Further funding will still need to be found for the renovation of the derelict outbuildings in the Walled Garden, which will provide equipment stores and an indoor shelter/meal room for the user groups.

The project aim is to provide a safe and supportive environment for adults with disabilities or special educational needs, in which they will gain a variety of horticultural skills; have exposure to a work ethic which they may not have had a chance to experience; and learn skills that will engender confidence of working in a team. Such skills and experience may improve paid employment prospects and the ability to live more independently.

CHARITY STRUCTURE, GOVERNANCE AND MANAGEMENT

Name: The name of the organisation became the **Whitby Area Development Trust** on 16th March 2011. It was formed by merger of the Whitby Resource Centre, a registered charity (known under the name "Whitby Network") with the Whitby Area Community Development Trust, a private company limited by guarantee.

Legal Status: The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The charity became a private company limited by guarantee (**Company number 02048091**) (England & Wales) on 9 August 1986 and was registered with the Charity Commission (**Charity no. 518451**) on 12 February 1987.

Principal Address &

Registered Office: The Coliseum Centre, Victoria Place, Whitby. North Yorkshire. YO21 1EZ

Governing

Documents: Memorandum and Articles of Association incorporated 9th August 1986, as amended by special resolutions passed on the 23rd October 2009 and 16th December 2010. Charity and company name amended by Certificate of Incorporation issued 16th March 2011.

ANNUAL REPORT OF THE TRUSTEES - CONTINUED

Organisation: Day-to-day management of the charity is delegated to **Susan Hudson**, the Coliseum Manager, who is the **Chief Executive Officer** and Company Secretary.

The organisation is independent of any other charity or organisation and has no branches. It retains a wholly-owned subsidiary trading company which has been dormant since 2003. The charity rents shop premises in Whitby and owns the

freehold of the Coliseum Centre building, which provides office, residential and community space. Serviced office space in the Coliseum Centre is available for rent by not-for-profit organisations whose activities promote and complement the objects of the charity.

Independent

Examiner: Nigel Clemit ACA, FCCA
JWPCreers LLP Chartered Accountants
Genesis 5
Church Lane
Heslington
York
YO10 5DQ

Bankers: Unity Trust Bank plc.
Nine Brindleyplace, Birmingham. B1 2HB

VAT registration: Registration No: 602231600

The Board of Trustees:

Leslie Overton	(Chair)
Niall Carson	(Deputy Chair)
Susan Boyce	(Treasurer)
John McEachen	
Ian Donald	(resigned March 2021)
Sir Frederic Strickland-Constable	

Sir Frederic Strickland- Constable and Leslie Overton are the trustees due to retire by rotation at the AGM, in accordance with the Articles of Association.

Company Secretary: Susan Hudson, appointed 01.06.06



ANNUAL REPORT OF THE TRUSTEES - CONTINUED

- Key Management Personnel:** The charities' key management personnel consist of the Trustees & Company Secretary.
- Trustee Meetings:** There were 3 full Trustee meetings during 2020.
- Trustee Selection:** Recruitment and appointment of new trustees: the Board identifies specific skill or representation gaps in the current board, then attempts to fill them from the local community by word of mouth; by inviting Coliseum Centre users to register such an interest; and by advertising in the newsletter of Community First Yorkshire. After eligibility checks, potential Trustees attend as non-voters for several meetings before being invited to stand for election on a vote of the existing Trustees.
- Trustee Training:** New trustees are provided with an induction pack, which includes job descriptions of the various trustee roles and Charity Commission publications on the Duties of Trustees, etc. Trustees are expected to attend training courses and other training events offered locally by Community First Yorkshire and regionally by Locality (formerly bassac).

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VOLUNTEERS

The ethos of this charity is to encourage and support people to recognise that everyone has a valuable contribution to make to their own community. A very high proportion of our work is undertaken by volunteers, who are people of all ages, from all walks of life, and with all levels of physical and mental abilities. Our staff, trustees and professional advisors also contribute significant voluntary effort.

We thank each and every one of our supporters

ANNUAL REPORT OF THE TRUSTEES – CONTINUED

PUBLIC BENEFIT STATEMENT

The Trustees confirm that they have complied with the duty to have due regard to public benefit guidance published by the Charity Commission when reviewing the Trust's aims and objectives and in planning future activities.

FINANCIAL REVIEW AND RISK MANAGEMENT

- **Policy on Reserves and Investments**

The charity has no investments but its general fund is now equivalent to 3 to 6 months' normal operating expenditure, which should safeguard its continued operation. Current free reserves amount to £97,775 (2019:£42,511)

- **Risk Management**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Trustees consider that the on-going Covid pandemic poses the most significant risk to the charity, given that the Coliseum Centre is a public venue and a very high proportion of our users are elderly. Most of our residential tenants are vulnerable adults requiring 24-hour attended care. Health & Safety precautions are top priority for the foreseeable future.

ANNUAL REPORT OF THE TRUSTEES – CONTINUED

TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Whitby Area Development Trust for the purposes of company law) are responsible for preparing the Trustees' Annual 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 trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 2019 (FRS 102);
- 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;
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the Board of Trustees on 17 December 2021 and signed on their behalf by:



**Leslie A Overton
Chair of the Board of Trustees**

**Independent examiner's report to
the trustees of Whitby Area Development Trust ('the Company')**

I report to the charity trustees on my examination of the accounts of the charity and the Company for the year ended 31 December 2020.

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').

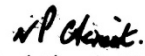
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed all the applicable directions given by the Charity Commission under Section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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 that in any material respect:

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 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 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.


Nigel Clemit ACA, FCCA
JWP Creers LLP Chartered Accountants
Genesis 5
Church Lane
Heslington
York
YO10 5DQ

20 December 2021

Statement of Financial Activities for the Year Ended 31st December 2020

	Note	2020			2019		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		Funds (£)	Funds (£)	Funds (£)	Funds (£)	Funds (£)	Funds (£)
INCOME							
Charitable Activities:	(2)						
Coliseum Services		30,364	-	30,364	22,501	1,269	23,770
Recycling	(6)	18,945	-	18,945	21,808	-	21,808
Tenancies		114,948	-	114,948	136,665	-	136,665
Larpool Garden			1,000	1,000	-	-	-
Other income:							
Grants		44,932	-	44,932	-	-	-
Donations & legacies		200	-	200	5,228	-	5,228
Other		130	-	130	127	-	127
TOTAL INCOME		209,519	1,000	210,519	186,329	1,269	187,598
EXPENDITURE							
Charitable Activities:	(3)						
Coliseum Services		45,755	1,345	47,100	48,758	2,344	51,102
Recycling	(6)	19,823	-	19,823	26,331	-	26,331
Tenancies		69,632	-	69,632	72,470	-	72,470
Larpool Garden		-	-	-	100	-	100
Other charitable activities		13,959	-	13,959	9,843	-	9,843
TOTAL EXPENDITURE		149,169	1,345	150,514	157,502	2,344	159,846
NET INCOME /(EXPENDITURE)		60,350	(345)	60,005	28,827	(1,075)	27,752
Total Funds Brought Forward		1,003,910	5,336	1,009,246	975,083	6,411	981,494
TOTAL FUNDS CARRIED FORWARD		1,064,260	4,991	1,069,251	1,003,910	5,336	1,009,246

The notes on pages 16 to 28 form an integral part of these financial statements

Balance Sheet as at 31st December 2020

		2020			2019		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		Funds (£)	Funds (£)	Funds (£)	Funds (£)	Funds (£)	Funds (£)
	Note						
FIXED ASSETS							
Tangible assets	(7)	966,485	3,471	969,956	961,399	4,816	966,215
CURRENT ASSETS							
Stock		172	-	172	172	-	172
Debtors	(8)	6,827	-	6,827	6,686	-	6,686
Cash at bank and in hand		110,520	1,520	112,040	68,540	520	69,060
		117,519	1,520	119,039	75,398	520	75,918
CREDITORS							
Amounts falling due within one year	(9)	(13,744)	-	(13,744)	(23,887)	-	(23,887)
NET CURRENT ASSETS		103,775	1,520	105,295	51,511	520	52,031
TOTAL ASSETS LESS CURRENT LIABILITIES		1,070,260	4,991	1,075,251	1,012,910	5,336	1,018,246
CREDITORS							
Amounts falling due after more than one year	(10)	(6,000)	-	(6,000)	(9,000)	-	(9,000)
NET ASSETS		1,064,260	4,991	1,069,251	1,003,910	5,336	1,009,246
FUNDS	(15)						
Unrestricted funds				774,153			713,803
Revaluation Reserve				290,107			290,107
				1,064,260			1,003,910
Restricted funds				4,991			5,336
TOTAL FUNDS				1,069,251			1,009,246

The notes on pages 16 to 28 form an integral part of these financial statements

Balance Sheet as at 31st December 2020 - continued

For the year ending 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Board of Trustees on 17 December 2021 and signed on its behalf by



**Leslie A. Overton
Chair of the Board of Trustees
Whitby Area Development Trust**

The notes on pages 16 to 28 form an integral part of these financial statements

Notes to the Financial Statements for the Year Ended 31st December 2020

Note 1: ACCOUNTING POLICIES

1.1 Basis of preparing the financial statements

Whitby Area Development Trust is a Charitable Company in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office of the charity is The Coliseum Centre, Victoria Place, Whitby. YO21 1EZ.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £0.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fund Accounting

The charity maintains a general unrestricted fund which is expendable at the discretion of the trustees in furtherance of the objectives of the charity.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the funder or when funds are raised for specific purposes.

1.4 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.
- Income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable.
- The value of goods donated for resale is included as income when the goods are sold. Donated assets are included at the value to the charity where this can be quantified, and a third party is bearing the cost.
- The value of services provided by volunteers has not been included.

Grants made to secure the provision of particular goods or services are included as income for the relevant charitable activity.

- Income from investments (if any) would be included in the year in which it is receivable.

1.5 Expenditure

- Expenditure is recognised in the year in which it is incurred.

Notes to the Financial Statements for the Year Ended 31st December 2020 - continued

1.6 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid at the year end.

1.8 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

1.9 Tangible fixed assets and depreciation

Depreciation is provided at annual rates calculated to write off the cost less residual value of each asset over its expected useful life, as shown below. Additional expenditure of £500 or more on an existing fixed asset is capitalised.

Coliseum building	- Nil provided since 2006*
Other land and buildings	- Straight line over 10 years
Auditorium seating	- Straight line over 20 years
Fixtures, fittings and equipment	- Straight line over 10 years
Motor vehicles and computer equipment	- Straight line over 4 years

*The freehold property is shown at current market value in accordance with SORP (FRS 102) effective 1 January 2019. The difference between the depreciated value of the Coliseum building (including the residential accommodation then existing on the upper floors) and the market value in 2006 resulted in the creation of a revaluation reserve of £290,107 in 2006.

1.10 Fund Transfer of Fixed Assets

In accordance with SORP (FRS 102) effective 1 January 2019, the value of fixed assets may be transferred from restricted to unrestricted funds when the asset has been purchased in whole or part from a restricted fund donation but the asset is held for a general and not a restricted purpose.

In undertaking the transfer of the asset value of the Coliseum building from the Restricted to the Unrestricted Fund in 2006, Trustees acknowledge their continuing obligation to use the Coliseum Building as a Community Resource Centre under the terms of the ERDF and National Lottery Charities Board grants made in 1998 towards the conversion costs of the Coliseum building

1.11 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.12 Pension costs

The charity contributes to defined contribution pension schemes including individual personal pensions. The assets of the schemes are held separately from those of the charity. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the year.

Notes to the Financial Statements for the Year Ended 31st December 2020 - continued

1.12 Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Note 2: DETAILED INCOME BY ACTIVITY AREA (£s)

INCOME	2020			2019		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
Coliseum Services:						
Grants	27,000	-	27,000	-	1,000	1,000
Donations	-	-	-	-	269	269
Internet Café	302	-	302	1,635	-	1,635
Room Rentals	1,509	-	1,509	7,295	-	7,295
Events	938	-	938	6,163	-	6,163
Café Bar	615	-	615	6,861	-	6,861
Commission: Ticket sales	-	-	-	547	-	547
	30,364	-	30,364	22,501	1,269	23,770
Recycling: (Note 6)						
Grants	11,334	-	11,334	-	-	-
Donated Goods	7,611	-	7,611	21,808	-	21,808
	18,945	-	18,945	21,808	-	21,808
Tenancies:	114,948	-	114,948	136,665	-	136,665
Larpool Garden:						
Grants	-	1,000	1,000	-	-	-
	-	1,000	1,000	-	-	-
Total Income from Charitable Activities:	164,257	1,000	165,257	180,974	1,269	182,243
Charity General:						
HMRC furlough grant	44,932	-	44,932	-	-	-
Donations	200	-	200	5,228	-	5,228
Other income	130	-	130	127	-	127
	45,262	-	45,262	5,355	-	5,355
TOTAL CHARITY INCOME:	209,519	1,000	210,519	186,329	1,269	187,598

Notes to the Financial Statements for the Year Ended 31st December 2020 - continued

Note 3: DETAILED EXPENDITURE BY ACTIVITY AREA (£s)

EXPENDITURE	2020			2019		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
Coliseum Services:						
Staff/Volunteer costs	10,967	-	10,967	11,836	-	11,836
Direct Costs	350	-	350	2,030	1,000	3,030
Office Costs	40	-	40	594	-	594
Premises Costs	7,032	-	7,032	6,292	-	6,292
Travel	-	-	-	264	-	264
Shared Support Costs	25,436	-	25,436	26,190	-	26,190
Depreciation	1,930	1,345	3,275	1,552	1,344	2,896
	45,755	1,345	47,100	48,758	2,344	51,102
Recycling: (Note 6)						
Staff/Volunteer costs	5,940	-	5,940	7,134	-	7,134
Direct Costs	915	-	915	3,945	-	3,945
Office Costs	36	-	36	292	-	292
Premises Costs	9,298	-	9,298	11,219	-	11,219
Shared Support Costs	3,634	-	3,634	3,741	-	3,741
	19,823	-	19,823	26,331	-	26,331
Tenancies:						
Premises Costs	29,063	-	29,063	29,834	-	29,834
Shared Support Costs	39,970	-	39,970	41,155	-	41,155
Depreciation	1,601	-	1,601	1,118	-	1,118
Finance charges	103	-	103	363	-	363
VAT recoverable	(1,105)	-	(1,105)	-	-	-
	69,632	-	69,632	72,470	-	72,470
Larpool Garden:						
Direct Costs	-	-	-	100	-	100
	-	-	-	100	-	100
Other charitable activities :						
Shared Support Costs	12,557	-	12,557	9,118	-	9,118
Office Costs	1,086	-	1,086	379	-	379
Premises Costs	316	-	316	346	-	346
	13,959	-	13,959	9,843	0	9,843
TOTAL CHARITY EXPENDITURE	149,169	1,345	150,514	157,502	2,344	159,846
Support costs:						
Staff/Volunteer costs	72,339	-	72,339	74,650	-	74,650
Printing, postage, stationery	922	-	922	1,202	-	1,202
IT costs	2,064	-	2,064	1,444	-	1,444
Bank charges	438	-	438	589	-	589
Professional fees	258	-	258	1,020	-	1,020
Accountancy fees	1,746	-	1,746	1,047	-	1,047
Sundry	-	-	-	252	-	252
Covid Relief of Rent Due	3,830	-	3,830	-	-	-
	81,597	-	81,597	80,204	-	80,204

Analysis of all support costs both attributable to specific activities above and other charitable activities expenditure

Notes to the Financial Statements for the Year Ended 31st December 2020 - continued

- The expenditure of £1,746 shown above as Accountancy fees charged wholly to Charity Management includes the Independent Examiner's fee of £1200. The remaining £546 is in respect of other accounting services.
- Shared Support Costs and Finance Charges are allocated in accordance with Note 5.
- Net Income / (Expenditure) is stated after charging / (crediting)

	<u>2020</u>	<u>2019</u>
Depreciation of owned assets:	£4,877	£4,014

Note 4: TOTAL CAPITAL MOVEMENTS BY ACTIVITY AREA (£s)

(For information - not included in figures above)

<u>Activity Area</u>	<u>Purchase of fixed assets</u>	<u>(Sale) of fixed assets</u>	<u>Loan Capital Repaid</u>
Coliseum Services	3,936	-	-
Recycling	-	-	-
Tenancies (Note 5c)	4,682	-	10,698
Larpool Garden	-	-	-
Charity Mgt.	-	-	-
TOTAL 2020	8,618	-	10,698
<i>Total 2019</i>	<i>1,553</i>	<i>-</i>	<i>16,064</i>

Note 5: ALLOCATION OF SHARED SUPPORT COSTS AND FINANCE CHARGES

Shared costs are allocated to activity areas as detailed in Note 3 above.

Allocation is made consistently on the following basis:

- Property-related costs such as utilities, maintenance services, reception and security staffing costs are allocated in proportion to the floor space occupied.
- Finance, IT and Human Resources costs are allocated according to the staffing time required for each activity area, taking into account each area's volunteer and staff headcount; payroll, invoicing and cash handling requirements, etc.
- Finance charges and loan repayments are borne by individual activity areas where applicable. The loans from the Tees Valley Housing Trust and Quaker Housing Trust were incurred to provide the Penthouse and Crows Nest residential accommodation, so are allocated wholly to Tenancies.

Notes to the Financial Statements for the Year Ended 31st December 2020 - continued

Note 6: DEPARTURE FROM THE REQUIREMENTS OF SORP (FRS 102) JANUARY 2019

In order to present a true and fair view of the charity's activities and income, Trustees have deemed it necessary to depart from the recommendations made in SORP (FRS 102) January 2019 in the following respects:

SORP (FRS 102) (paragraphs 4.36 and 4.45) requires that shop income from selling donated and bought-in goods should be classed as income from 'other trading activities' and that the operating costs of such a shop should be classed as 'expenditure on fund-raising'.

Trustees consider that the shop activities shown under Recycling Services are a fundamental part of their charitable activities and have thus been included within the income and expenditure on charitable activities, not as other trading activities or as expenditure on fund-raising.

The shop sells only donated items of used furniture and household items, in support of three charitable objectives:

- **Relief of poverty**
The shop assists low-income families to meet their household needs, at low cost and safely. All upholstered items must bear Fire Safety regulation labels and all electrical goods are PAT tested before sale.
- **Environmental savings**
The area served has a high proportion of self-catering holiday accommodation, which is frequently refurbished to maintain its market appeal. Many discarded household items, still in good condition, would otherwise be sent to landfill. This aspect of the shop operation is recognised by an entry for Landfill tax credits when available.
- **Social inclusion and the creation of training and employment opportunities**
The shop is staffed by volunteers, some whom have issues which prevent them securing paid employment. By acquiring customer service skills and basic stock recording – plus a good attendance record – some shop volunteers are helped to progress to paid employment. Others derive on-going benefit from the dignity, social contact, feeling of self-worth and self-respect gained by being a valued member of the shop's team of volunteers. As shown in the detailed financial statements by activity area (Notes 2 & 3), under the heading Recycling Services, the total cost of running the shop was £19,823. The total income was £18,945, of which £11,334 was Covid-related Business Support grants. Trustees accept that the shop may achieve a surplus or deficit from year to year. However, in accordance with the whole ethos and aims of the charity, the clear intention is to provide a charitable service, not to raise funds for use elsewhere.

Notes to the Financial Statements for the Year Ended 31st December 2020 – continued

Note 7: TANGIBLE FIXED ASSETS (£s)

	<u>Freehold Property*</u>	<u>Plant & Machinery</u>	<u>Fixtures & Fittings</u>	<u>Computer Equipment</u>	<u>TOTAL</u>
<u>COST OR VALUATION</u>					
As at 1 Jan 2020	1,485,324	10,844	101,262	12,112	1,609,542
Restatement	(527,784)	-	-	-	(527,784)
Restated at 1 Jan 2020	957,540	10,844	101,262	12,112	1,081,758
Additions	2,120	6,498	-	-	8,618
At 31 Dec 2020	959,660	17,342	101,262	12,112	1,090,376
<u>DEPRECIATION</u>					
As at 1 Jan 2020	532,531	4,485	94,199	12,112	643,327
Restatement	(527,784)	-	-	-	(527,784)
Restated at 1 Jan 2020	4,747	4,485	94,199	12,112	115,543
Charge for year	1,418	1,734	1,725	-	4,877
At 31 Dec 2020	6,165	6,219	95,924	12,112	120,420
<u>NET BOOK VALUES</u>					
As at 31 Dec 2020	953,495	11,123	5,338	-	969,956
<i>As at 31 Dec 2019</i>	<i>952,793</i>	<i>6,359</i>	<i>7,063</i>	<i>-</i>	<i>966,215</i>

***Freehold property**

The Coliseum building in freehold property is shown at market value of £900,000. As at 2006 the difference between the depreciated value of the building and the then market value resulted in the creation of a revaluation reserve of £290,107. The building has since not been depreciated. The above cost and accumulated depreciation brought forward have been restated to show Coliseum building at market value with no accumulated depreciation.

Note 8: DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (£s)

	<u>2020</u>	<u>2019</u>
Trade debtors	850	2,791
Other debtors	5,423	3,326
Prepayments and accrued income	554	569
	<u>6,827</u>	<u>6,686</u>

Notes to the Financial Statements for the Year Ended 31st December 2020 – continued

Note 9: CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (£s)

	<u>2020</u>	<u>2019</u>
Other loans (see Note 11)	3,000	10,698
Deferred income (see Note 12)	875	1,900
Trade creditors	6,069	7,344
Social security and other taxes	-	2,093
Accruals	3,800	1,852
	<u>13,744</u>	<u>23,887</u>

Note 10: CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (£s)

	<u>2020</u>	<u>2019</u>
Other loans: (see Note 11)		
Quaker Housing Trust	6,000	9,000
	<u>6,000</u>	<u>9,000</u>

Note 11: LOANS (£s) An analysis of the maturity of loans is given below:

	<u>2020</u>	<u>2019</u>
Amounts falling due within one year on demand:		
Quaker Housing Trust	3,000	3,000
	<u>3,000</u>	<u>3,000</u>
Amounts falling due between two and five years:		
Quaker Housing Trust	6,000	9,000
	<u>6,000</u>	<u>9,000</u>

Note 12: Deferred Income

	<u>2020</u>	<u>2019</u>
	£	£
Balance at 1 January	1,900	1,864
Amount released to income	(1,900)	(1,864)
Amount deferred in period	875	1,900
	<u>875</u>	<u>1,900</u>

Deferred income comprises rental payments received on account.

Notes to the Financial Statements for the Year Ended 31st December 2020 – continued

Note 13: OTHER FINANCIAL COMMITMENTS (£s)

At 31 December 2020 the company had total commitments under non-cancellable operating leases as follows:

Operating leases which expire:	2020	<i>2019</i>
	£	£
<u>Rent</u>		
Within 1 year	9,400	<i>9,400</i>
Within two to five years	<u>-</u>	<u><i>9,400</i></u>
	9,400	<i>18,800</i>
<u>Equipment</u>		
Within 1 year	505	<i>505</i>
Within two to five years	<u>505</u>	<u><i>1,010</i></u>
	1,010	<i>1,515</i>

Note 14: SECURED DEBTS (£s)

The loan from Tees Valley Housing Trust was secured on the Coliseum building and was included within creditors, until the loan was repaid in full in June 2020.

	2020	<i>2019</i>
Tees Valley Housing Trust	<u>0</u>	<u><i>7,698</i></u>

Notes to the Financial Statements for the Year Ended 31st December 2020 - continued

Note 15: MOVEMENT IN FUNDS (£s)

Fund Accounting

Unrestricted funds can be used in accordance with the charitable objects (see page 3) at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within some of the objects of the charity, though not all of them. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

----- Movement in funds during the year ended 31 December 2020 -----

Fund Name	Balance brought forward	Income	Expenditure	Transfers	Gains or (losses)	Balance carried forward
<u>Unrestricted Funds:</u>						
General unrestricted funds	713,803	209,519	(149,169)	-	-	774,153
Revaluation reserve	290,107	-	-	-	-	290,107
	1,003,910	209,519	(149,169)	-	-	1,064,260
<u>Restricted Funds:</u>						
<i>No. 3:</i> Auditorium seating Funder: Arts Council	3,450	-	(1,150)	-	-	2,300
<i>No. 63:</i> Projection Equipment Funder: British Film Institute	1,366	-	(195)	-	-	1,171
<i>No. 64:</i> Social Inclusion Events Funder: Whitby Co-op	250	-	-	-	-	250
<i>No. 67:</i> Pilates Classes Funders: participants	270	-	-	-	-	270
<i>No 68:</i> Larpool equip/supplies Funder: Normanby Charitable Trust	-	1,000	-	-	-	1,000
	5,336	1,000	(1,345)	-	-	4,991
<u>Total Charity Funds</u>	1,009,246	210,519	(150,514)	-	-	1,069,251

(see overleaf for Movement in Funds during the year ended 31 December 2019)

Notes to the Financial Statements for the Year Ended 31st December 2020 – continued

----- *Movement in funds during the year ended 31 December 2019* -----

<i>Fund Name</i>	<i>Balance brought forward</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Gains or (losses)</i>	<i>Balance carried forward</i>
<u>Unrestricted Funds:</u>						
General unrestricted funds	684,976	186,329	(157,502)	-	-	713,803
Revaluation reserve	290,107	-	-	-	-	290,107
	975,083	186,329	(157,502)	-	-	1,003,910
<u>Restricted Funds:</u>						
<i>No. 3: Auditorium seating</i> Funder: Arts Council	4,601	-	(1,151)	-	-	3,450
<i>No. 63: Projection Equipment</i> Funder: British Film Institute	1,560	-	(194)	-	-	1,366
<i>No. 64: Social Inclusion Events</i> Funder: Whitby Co-op	250	-	-	-	-	250
<i>No. 67: Pilates Classes</i> Funders: participants	-	270	-	-	-	270
<i>No. 66: Social Activities Elderly</i> Funder: Stronger Communities Fund	-	999	(999)	-	-	-
	6,411	1,269	(2,344)	-	-	5,336
<u>Total Charity Funds</u>	981,494	187,598	(159,846)	-	-	1,009,246

Notes to the Financial Statements for the Year Ended 31st December 2020 – continued

Note 16: ANALYSIS OF ASSETS BETWEEN FUNDS

Fund balances at 31 Dec 2020 as represented by:	Unrestricted funds £	Restricted funds £	Total funds £
Tangible Fixed Assets	966,485	3,471	969,956
Current Assets	117,519	1,520	119,039
Current Liabilities	(13,744)	-	(13,744)
Long-term Liabilities	(6,000)	-	(6,000)
	1,064,260	4,991	1,069,251

Fund balances at 31 Dec 2019 as represented by:	Unrestricted funds £	Restricted funds £	Total funds £
<i>Tangible Fixed Assets</i>	<i>961,399</i>	<i>4,816</i>	<i>966,215</i>
<i>Current Assets</i>	<i>75,398</i>	<i>520</i>	<i>75,918</i>
<i>Current Liabilities</i>	<i>(23,887)</i>		<i>(23,887)</i>
<i>Long-term Liabilities</i>	<i>(9,000)</i>		<i>(9,000)</i>
	1,003,910	5,336	1,009,246

Note 17: RELATED PARTY DISCLOSURES

Related parties are persons or entities that are closely related to the reporting charity or its trustees. Related party transactions are the transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

There were no related party transactions for the year ended 31 December 2020 or for the year ended 31 December 2019.

Note 18: CHARITY ACTING AS AGENT OR CUSTODIAN

On occasion, the charity acts as an agent or custodian for other not-for-profit groups in the local community. It does this primarily by acting as an accountable body for unincorporated groups without a bank account, usually pending an application for charitable status or incorporation. Such funds are held entirely separately from the charity's main account with Unity Trust Bank. Funds are only released from the associated account on receipt of written authorisation from two designated members of the community group.

The charity receives no payment or commission from such arrangements.

Notes to the Financial Statements for the Year Ended 31st December 2020 – continued

Note 19: TRUSTEES & KEY MANAGEMENT PERSONNEL

Trustee Payments: No Trustee or person connected with a Trustee received any payment (i.e. any remuneration, expenses or other benefits) during the year ended 31 December 2020 or during the year ended 31 December 2019.

Senior Management Payments: The total remuneration package of the Chief Executive Officer did not exceed £60,000 per annum including all salary, social security and pension costs or other benefits during the year ended 31 December 2020 or during the year ended 31 December 2019.

Note 20: STAFFING

The average number of staff employed during 2020 was as follows:

Shared Support Services: Full-time: 3 Part-time: 2

Employment costs during the year were	<u>2020</u>	<u>2019</u>
Wage / salary costs	84,311	86,003
Social security costs	1,813	2,880
Pension costs	2,414	2,285
Total	£88,538	£91,168

No employee was paid £60,000 p.a. or higher.

Note 21 : SUBSIDIARY COMPANY

The Coliseum Trading Company Limited (Company number 0733657) is a wholly-owned trading subsidiary, first registered on 16 March 1999. The Company has been dormant since 2003.
