

Charity Registration No. 520853

**MURTON RECREATIONAL CHARITY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# MURTON RECREATIONAL CHARITY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mrs H Napier Mr G Maitland Mrs J Maitland Mrs L Riley Mr A Napier Mr G Rennoldson Mr R Adcock-Forster Mr P Penman
<b>Charity number</b>	520853
<b>Business address</b>	Glebe Centre Durham Place Murton Seaham Co Durham SR7 9BX
<b>Auditor</b>	Galley & Tindle Audit Limited Oakmere Belmont Business Park Durham
<b>Bankers</b>	Barclays Bank Plc

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# MURTON RECREATIONAL CHARITY

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# MURTON RECREATIONAL CHARITY

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 MARCH 2021**

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The Trustees present their report and financial statements for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

### **Name, registered office and constitution of the charity**

The full name of the charity is Murton Recreational Charity. The legal registration details are:-

Date of Incorporation: 20 January 1986  
Charity Registration Number: 520853  
Registered Office: The Glebe Centre, Murton, Seaham, Co. Durham SR7 9BX  
Telephone number: +44 (0)191 520 8650

### **Objectives and activities**

The object of the Charity is the provision and maintenance of a community / social centre, sports pavilion and recreation ground for the use of the inhabitants of the Parish of Murton and the neighbourhood thereof without distinction of political, religious or other opinions, including use for meetings, lectures and classes, and for other forms of recreation and leisure-time occupation, with the object of improving the conditions of well being for the said inhabitants.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

To meet the objectives in 2020 - 2021, the following activities have been unable to be held due to Covid 19 restrictions. Following risks assessments and changes to restrictions during the year some outdoor activities have been able to be delivered, this can be seen in the activities below:

Regular weekly / monthly bookings -

- Gymnasium and Cardio-vascular equipment exercises, including GP referrals. (suspended)
- Pilates & Yoga sessions. (suspended)
- Various sports coaching for youngsters (delivered during periods when restrictions allowed)
- Adult football, cricket (delivered during periods when restrictions allowed)
- Carpet bowls (suspended)
- Children's multi-sports sessions. (suspended)
- Weight management sessions. (suspended)
- Cycling Club. (suspended)
- Walking and Running group sessions. (suspended)
- Karate lessons. (suspended)
- Tai Chi. (suspended)
- Woman's Institute sessions. (suspended)
- Children's Dance Class. Children's Gymnastic classes. (suspended)
- Mother & Toddler Crèche sessions (Daily) and a Heritage Society(suspended)
- Community Café (suspended)

The facilities and services that the centre provides have in general all been suspended and the centre closed for these activities due to the Covid 19 restrictions. This has impacted on the residents in the community not being able to engage and enjoy some of the activities that we have on offer.

# MURTON RECREATIONAL CHARITY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **Achievements and performance**

The board of Trustees are satisfied that the charities assets are still adequate to fulfil future obligations. Unfortunately due to Covid restrictions and the period of lockdown we have been unable to maintain our achievements and obligations to the community.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives to enable us to plan our future activities. In particular, the Trustees consider how planned activities will enhance and contribute to the aims and objective they have set.

### **Financial review**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between one and three month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

As required by our Financial Regulations, quarterly financial statements were presented to the General Management Committee and a full copy of the Auditors Report was produced for each trustee.

### **Public Benefit**

The Trustees have had regard to the Charity Commission guidance on their legal duty on public benefit, and are satisfied that the Charity delivers worthwhile public benefit. Due regard is paid to the guidance on public benefit when deciding on what new projects the Charity should undertake.

### **Risk Assessment**

The Trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The General Management Committee adopted a Risk Assessment Policy Submitted by the Secretary in March 2001, and this document has been subjected to an annual review since that date.

The object of the Charity is the provision and maintenance of a community / social centre, sports pavilion and recreation ground for the use of the inhabitants of the Parish of Murton and the neighbourhood thereof without distinction of political, religious or other opinions, including use for meetings, lectures and classes, and for other forms of recreation and leisure-time occupation, with the object of improving the conditions of well being for the said inhabitants.

### **Structure, governance and management**

The Charity's Constitution is contained in a governing document, known as a Scheme, which was sealed on 20th January 1986. The Secretary of the Charity holds a copy of this document on file.

The head of the organisation is the Chairman of the Association. This position is supported by the following: -

- Secretary of the Association - who is the Chief Officer and is responsible for an Administrative unit; a Services Unit. This officer is also the Company Secretary of our subsidiary organisation, Glebe Centre Enterprises Ltd. Which entails responsibility for Conference Rooms, as well as a Bar and Catering Unit
- General Committee - comprising all 13 representative members.
- A total of 3 full-time and 3 part-time staff are jointly employed on the activities of both the Charity and its subsidiary company.

The Charity is not part of a wider network.

# MURTON RECREATIONAL CHARITY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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The Trustees who served during the year were:

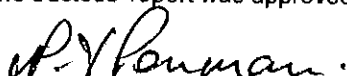
Mr A Bell	(Resigned 30 June 2021)
Mr T Pinkney	(Resigned 30 June 2021)
Mrs H Napier	
Mr G Maitland	
Mrs J Maitland	
Mrs L Riley	
Mr A Napier	
Mr G Rennoldson	
Mrs M Errington	(Resigned 30 June 2021)
Mr R Adcock-Forster	
Mr P Penman	
Mrs M Haswell	(Resigned 30 June 2021)
Mr A Page	(Resigned 30 June 2021)
Mr S Ward	(Resigned 30 June 2021)

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Galley & Tindle Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.



**Mr P Penman**

Trustee

Dated: 20 September 2021

# **MURTON RECREATIONAL CHARITY**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 MARCH 2021**

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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).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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 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 charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

# MURTON RECREATIONAL CHARITY

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF MURTON RECREATIONAL CHARITY

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#### Opinion

We have audited the financial statements of Murton Recreational Charity (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the statement of financial position and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# MURTON RECREATIONAL CHARITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF MURTON RECREATIONAL CHARITY

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Trustees**

As explained more fully in the statement of trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements 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 (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

# MURTON RECREATIONAL CHARITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF MURTON RECREATIONAL CHARITY

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

  
**Chris Tindle BSc FCA (Senior Statutory Auditor)**  
for and on behalf of Galley & Tindle Audit Limited

20 September 2021

**Chartered Accountants**  
**Statutory Auditor**

Oakmere  
Belmont Business Park  
Durham

Galley & Tindle Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# MURTON RECREATIONAL CHARITY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b><u>Income and endowments from:</u></b>							
<b><u>Charitable activities</u></b>							
Voluntary Income	3	141,612	-	141,612	87,675	-	87,675
Activities for generating funds	3	2,090	-	2,090	26,503	-	26,503
Investments	4	63	-	63	277	-	277
Other income	5	5,183	-	5,183	-	-	-
<b>Total income</b>		<b>148,948</b>	<b>-</b>	<b>148,948</b>	<b>114,455</b>	<b>-</b>	<b>114,455</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	6	97,502	63,700	161,202	127,747	64,538	192,285
<b>Net income/(expenditure) for the year/</b>							
<b>Net movement in funds</b>		<b>51,446</b>	<b>(63,700)</b>	<b>(12,254)</b>	<b>(13,292)</b>	<b>(64,538)</b>	<b>(77,830)</b>
Fund balances at 1 April 2020		(44,627)	1,354,738	1,310,111	(31,335)	1,419,276	1,387,941
<b>Fund balances at 31 March 2021</b>		<b>6,819</b>	<b>1,291,038</b>	<b>1,297,857</b>	<b>(44,627)</b>	<b>1,354,738</b>	<b>1,310,111</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# MURTON RECREATIONAL CHARITY

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	10	1,108,386		1,172,086	
Investments	11	40,500		40,500	
		<u>1,148,886</u>		<u>1,212,586</u>	
<b>Current assets</b>					
Debtors	12	36,111		8,981	
Cash at bank and in hand		121,212		98,873	
		<u>157,323</u>		<u>107,854</u>	
<b>Creditors: amounts falling due within one year</b>	13	(8,352)		(10,329)	
Net current assets		<u>148,971</u>		<u>97,525</u>	
<b>Total assets less current liabilities</b>		<u>1,297,857</u>		<u>1,310,111</u>	
<b>Income funds</b>					
Restricted funds	14	1,291,038		1,354,738	
Unrestricted funds		6,819		(44,627)	
		<u>1,297,857</u>		<u>1,310,111</u>	

The financial statements were approved by the Trustees on 20 September 2021



Mr P Penman  
Trustee

# MURTON RECREATIONAL CHARITY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

#### 1.1 Accounting convention

The accounts have been prepared in accordance 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the period to 12 months from approval of the financial statements.

Despite the recent deficits suffered the trustees consider the going concern basis to be appropriate and they have taken measures to improve the position by seeking more funding and holding more charitable events.

The Charity has been effected by the impact of COVID-19 in that the centre was forced to close from 24 March 2020. The centre has reopened in September 2021. During the period of closure the Charity continued to receive full financial support from Murton Parish Council and will continue to do so for the foreseeable future.

When making their assessment the charity has prepared detailed forecasts to 31 March 2022. The financial statements have been prepared on a going concern basis which assumes that the charity will continue to meet its liabilities as they fall due for at least one year from the date of approval of these financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

# MURTON RECREATIONAL CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

#### 1.5 Expenditure

Expenditure is recognised on an accruals 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.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	3% Straight line
Fixtures and fittings	15% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Fixed asset investments

Investments held as fixed assets are the paintings by J McGinn which were donated to the charity by his estate. These are stated at their valued amount and the valuation was carried out by Boldon Auction Galleries Limited in June 2016 (updated September 2021 - no movement in valuation). The shares held by the charity relate to its trading subsidiary Glebe Centre Enterprises Limited and are stated at the historic cost.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# MURTON RECREATIONAL CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

#### 1.10 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# MURTON RECREATIONAL CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Charitable activities

	Voluntary Income	Activities for generating funds	Total 2021	Voluntary Income	Activities for generating funds	Total 2020
	2021	2021		2020	2020	
	£	£	£	£	£	£
Murton Parish Council	72,000	-	72,000	72,000	-	72,000
General Donations	4,168	-	4,168	6,985	-	6,985
Grants Receivable	65,444	-	65,444	8,690	-	8,690
Reception Activities	-	1,940	1,940	-	18,497	18,497
Conference Facilities	-	150	150	-	8,006	8,006
	<u>141,612</u>	<u>2,090</u>	<u>143,702</u>	<u>87,675</u>	<u>26,503</u>	<u>114,178</u>

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	63	277
	<u>63</u>	<u>277</u>

### 5 Other Income

	Unrestricted funds	Total
	2021	2020
	£	£
Other income	5,183	-
	<u>5,183</u>	<u>-</u>

# MURTON RECREATIONAL CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 6 Charitable activities

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Depreciation and impairment	63,700	64,538
Rates & Water	2,938	4,756
Insurance	8,029	7,471
Heat, light & power	21,151	21,619
Repairs & maintenance	4,927	6,680
Postage & stationery	-	208
Telephone	1,598	1,671
Establishment - other	3,162	4,966
Bank charges	136	371
	<u>105,641</u>	<u>112,280</u>
Share of governance costs (see note 7)	55,561	80,005
	<u>161,202</u>	<u>192,285</u>
<b>Analysis by fund</b>		
Unrestricted funds	97,502	127,747
Restricted funds	63,700	64,538
	<u>161,202</u>	<u>192,285</u>
<b>For the year ended 31 March 2020</b>		
Unrestricted funds	127,747	
Restricted funds	64,538	
	<u>192,285</u>	

# MURTON RECREATIONAL CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	-	50,605	50,605	-	74,902	74,902
Audit fees	-	2,780	2,780	-	2,730	2,730
Legal and professional	-	75	75	-	-	-
Accountancy fees	-	2,101	2,101	-	2,006	2,006
General expenses	-	-	-	-	367	367
	-	55,561	55,561	-	80,005	80,005
Analysed between Charitable activities	-	55,561	55,561	-	80,005	80,005

Governance costs includes payments to the auditors of £2780 (2020- £2730) for audit fees.

### 8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2020: None).

### 9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	5	8
<b>Employment costs</b>		
	2021 £	2020 £
Wages and salaries	45,092	63,945
Social security costs	2,303	3,940
Other pension costs	3,210	7,017
	50,605	74,902

The above number of employees includes those staff carrying out work for Glebe Centre Enterprises Ltd.

# MURTON RECREATIONAL CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 10 Tangible fixed assets

	Leasehold land and buildings £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2020	1,956,671	253,773	2,210,444
At 31 March 2021	1,956,671	253,773	2,210,444
<b>Depreciation and impairment</b>			
At 1 April 2020	817,668	220,690	1,038,358
Depreciation charged in the year	58,700	5,000	63,700
At 31 March 2021	876,368	225,690	1,102,058
<b>Carrying amount</b>			
At 31 March 2021	1,080,303	28,083	1,108,386
At 31 March 2020	1,139,003	33,083	1,172,086

### 11 Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 April 2020 & 31 March 2021	40,500
<b>Carrying amount</b>	
At 31 March 2021	40,500
At 31 March 2020	40,500

### 12 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Other debtors	34,411	7,256
Prepayments and accrued income	1,700	1,725
	36,111	8,981

# MURTON RECREATIONAL CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 13 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	485	(854)
Trade creditors	1,163	3,889
Other creditors	118	330
Accruals and deferred income	6,586	6,964
	<u>8,352</u>	<u>10,329</u>

### 14 Restricted funds

#### Purpose of restricted funds

##### Welfare Modernisation Project

The project was to modernise the Welfare building in Murton. The trustees constantly look to maintain and improve the building and its facilities. This fund represents the total externally financed using restricted funds. A transfer is made each year to unrestricted funds which equates to the figure charged for depreciation in the SOFA, on these assets.

##### J McGinn

The estate of J McGinn gifted paintings by the artist to the Murton Welfare Association.

##### Multi Purpose Community Sports Facility

The fund has been established to build a new community sports facility to replace the old cricket pavilion.

##### Youth Shelter

The fund was set up to redevelop the former tennis court pavilion in the park for the young people in the village, giving them a safe place to socialise with friends and participate in positive activities.

##### Regeneration Project

Funding was obtained from Durham County Council Area Action Partnership Scheme and the Government's Jobs for the Future Fund to promote use of the new building and to identify groups and organisations seeking the use of such facilities.

### 15 Analysis of net assets between funds

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	-	1,108,388	1,108,386	-	1,172,086	1,172,086
Investments	1,000	39,500	40,500	1,000	39,500	40,500
Current assets/ (liabilities)	5,819	143,152	148,971	(45,627)	143,152	97,525
	<u>6,819</u>	<u>1,291,038</u>	<u>1,297,857</u>	<u>(44,627)</u>	<u>1,354,738</u>	<u>1,310,111</u>

# MURTON RECREATIONAL CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 16 Unrestricted funds

It is the policy of the Charity to maintain unrestricted funds, which are free reserves of the Charity, at a level which equates to approximately three months of unrestricted expenditure. This provides sufficient funds to cover management and administration support costs.

### 17 Related party transactions

The charity owns all of the issued share capital of the company Glebe Centre Enterprises Limited (the company). All of the activities undertaken by this company take place in the Murton Recreational Charity's (the Charity) premises, The Glebe Centre or the Multi-Purpose Community Sports Facility. Glebe Centre Enterprises Ltd pays various costs towards the repair and upkeep of the establishment and its fixtures, fittings and equipment and also meets part of the wages costs of the Charity via Gift Aid. Your attention is drawn to the inter company loan account included in debtors which reflects the monies advanced to the Company to allow it to trade. The balance owing to the Charity as at 31 March 2021 is £34,411 (2020: £7,256). The loan is repayable on demand and there is no interest charged.