

## MAINSTAY DRM LTD

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b>Income from:</b>							
Donations and legacies	3	9,736	-	9,736	311,152	10,000	321,152
Charitable activities	4	242,578	-	242,578	272,077	-	272,077
Other trading activities	5	1,574	-	1,574	4,725	-	4,725
Investments	6	1,534	-	1,534	247	-	247
<b>Total income</b>		<b>255,422</b>	<b>-</b>	<b>255,422</b>	<b>588,201</b>	<b>10,000</b>	<b>598,201</b>
<b>Expenditure on:</b>							
Raising funds	7	2,090	-	2,090	216	-	216
Charitable activities	8	197,463	-	197,463	164,814	8,879	173,693
<b>Total expenditure</b>		<b>199,553</b>	<b>-</b>	<b>199,553</b>	<b>165,030</b>	<b>8,879</b>	<b>173,909</b>
<b>Net incoming resources before transfers</b>		<b>55,869</b>	<b>-</b>	<b>55,869</b>	<b>423,171</b>	<b>1,121</b>	<b>424,292</b>
Gross transfers between funds		200,044	(200,044)	-	-	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>255,913</b>	<b>(200,044)</b>	<b>55,869</b>	<b>423,171</b>	<b>1,121</b>	<b>424,292</b>
Fund balances at 1 April 2022		3,059,865	210,044	3,269,909	2,636,694	208,923	2,845,617
<b>Fund balances at 31 March 2023</b>		<b>3,315,778</b>	<b>10,000</b>	<b>3,325,778</b>	<b>3,059,865</b>	<b>210,044</b>	<b>3,269,909</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

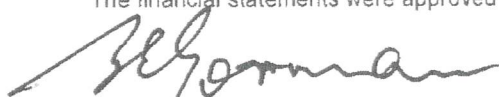
MAINSTAY DRM LTD

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		3,695,602		3,763,753
<b>Current assets</b>					
Debtors	14	9,602		-	
Cash at bank and in hand		368,421		320,609	
			378,023		320,609
<b>Creditors: amounts falling due within one year</b>	15	(80,632)		(77,773)	
Net current assets			297,391		242,836
<b>Total assets less current liabilities</b>			3,992,993		4,006,589
<b>Creditors: amounts falling due after more than one year</b>	16		(667,215)		(736,680)
<b>Net assets</b>			3,325,778		3,269,909
<b>Income funds</b>					
Restricted funds	18		10,000		210,044
<u>Unrestricted funds</u>					
Designated funds	19	18,965		18,965	
General unrestricted funds		3,296,813		3,040,900	
			3,315,778		3,059,865
			3,325,778		3,269,909

The financial statements were approved by the Trustees on 22 November 2023



Mr J E Gorman  
Trustee

Company registration number NI063756

# MAINSTAY DRM LTD

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	24		137,468		192,961
<b>Investing activities</b>					
Purchase of tangible fixed assets		(24,353)		(40,206)	
Proceeds from disposal of tangible fixed assets		-		705	
Investment income received		1,534		247	
<b>Net cash used in investing activities</b>			(22,819)		(39,254)
<b>Financing activities</b>					
Repayment of bank loans		(66,837)		(362,942)	
<b>Net cash used in financing activities</b>			(66,837)		(362,942)
<b>Net increase/(decrease) in cash and cash equivalents</b>			47,812		(209,235)
Cash and cash equivalents at beginning of year			320,609		529,844
<b>Cash and cash equivalents at end of year</b>			<u>368,421</u>		<u>320,609</u>

# MAINSTAY DRM LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

#### Charity information

Mainstay DRM Ltd is a private company limited by guarantee incorporated in Northern Ireland. The registered office is 2 Cumulus Heights, Ballyvange, Downpatrick, Co Down, BT30 6WT.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum of Association the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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. 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 foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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.

#### 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.

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.

Rental income is recognised in the period to which it relates.

# MAINSTAY DRM LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies (Continued)

##### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

##### 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:

Freehold land and buildings	2% per annum straight line
Fixtures and fittings	20% per annum straight line
Motor vehicles	20% per annum straight line
Equipment	20% per annum straight line

Freehold land is not depreciated.

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 the statement of financial activities.

##### 1.7 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).

##### 1.8 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.

##### 1.9 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.

# MAINSTAY DRM LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies (Continued)

##### ***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.

#### 1.10 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.

# MAINSTAY DRM LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 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.

##### Fixed Assets

The annual depreciation charge on fixed assets depends primarily on the estimated lives of each type of asset and estimates of residual values. The trustees regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful lives is included in the accounting policies.

##### Restricted and Unrestricted Funds

Judgements are made in relation to allocation of income and expenditure to restricted and unrestricted funds. The trustees consider it appropriate to allocate these funds based on interpretation of donations and grants received.

#### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2023 £	2022 £	2022 £	2022 £
Donations and gifts	9,736	311,152	10,000	321,152
<b>Donations and gifts</b>				
Mainstay DRP	-	297,863	-	297,863
Sensory garden	-	-	10,000	10,000
Other donations	9,736	13,289	-	13,289
	9,736	311,152	10,000	321,152

# MAINSTAY DRM LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 4 Charitable activities

	2023 £	2022 £
Charitable rental income	227,015	240,493
Other income	15,563	31,584
	<u>242,578</u>	<u>272,077</u>

### 5 Other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising events	<u>1,574</u>	<u>4,725</u>

### 6 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	<u>1,534</u>	<u>247</u>

### 7 Raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Fundraising and publicity</u>		
Other fundraising costs	<u>2,090</u>	<u>216</u>
	<u>2,090</u>	<u>216</u>

# MAINSTAY DRM LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 8 Charitable activities

	Total 2023 £	Total 2022 £
BEAMA Activities	2,433	-
Share of support costs (see note 9)	186,108	169,886
Share of governance costs (see note 9)	8,922	3,807
	<u>197,463</u>	<u>173,693</u>
<b>Analysis by fund</b>		
Unrestricted funds	197,463	164,814
Restricted funds	-	8,879
	<u>197,463</u>	<u>173,693</u>

#### 9 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Depreciation	92,504	-	92,504	91,219	-	91,219
Rates	5,830	-	5,830	5,186	-	5,186
Bank Fees	189	-	189	92	-	92
Repairs and Maintenance	56,515	-	56,515	27,431	-	27,431
Provision for doubtful debts	-	-	-	8,605	-	8,605
Interest payable and similar charges	30,657	-	30,657	37,353	-	37,353
Insurance	413	-	413	-	-	-
Audit fees	-	3,630	3,630	-	3,592	3,592
Legal and professional	-	5,292	5,292	-	215	215
	<u>186,108</u>	<u>8,922</u>	<u>195,030</u>	<u>169,886</u>	<u>3,807</u>	<u>173,693</u>
Analysed between Charitable activities	<u>186,108</u>	<u>8,922</u>	<u>195,030</u>	<u>169,886</u>	<u>3,807</u>	<u>173,693</u>

Governance costs includes payments to the auditors of £3,630 (2022- £3,592) for audit fees.

#### 10 Trustees

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

# MAINSTAY DRM LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

#### 12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### 13 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
<b>Cost</b>					
At 1 April 2022	4,414,951	92,452	33,700	5,245	4,546,348
Additions	-	9,714	14,639	-	24,353
Disposals	-	(38,022)	-	(3,344)	(41,366)
At 31 March 2023	4,414,951	64,144	48,339	1,901	4,529,335
<b>Depreciation and impairment</b>					
At 1 April 2022	671,891	80,088	26,484	4,132	782,595
Depreciation charged in the year	84,804	3,508	3,784	408	92,504
Eliminated in respect of disposals	-	(38,022)	-	(3,344)	(41,366)
At 31 March 2023	756,695	45,574	30,268	1,196	833,733
<b>Carrying amount</b>					
At 31 March 2023	3,658,256	18,570	18,071	705	3,695,602
At 31 March 2022	3,743,060	12,364	7,216	1,113	3,763,753

Freehold land and buildings with a carrying amount of £3,499,122 (2022 - £3,583,926) have been pledged to secure borrowings of the charity.

Land with a carrying amount of £159,134 (2022 - £159,134) is not being depreciated.

**MAINSTAY DRM LTD**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2023**

**14 Debtors**

	<b>2023</b>	<b>2022</b>
<b>Amounts falling due within one year:</b>	<b>£</b>	<b>£</b>
Other debtors	1,382	-
Prepayments and accrued income	8,220	-
	<u>9,602</u>	<u>-</u>

**15 Creditors: amounts falling due within one year**

	<b>Notes</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
Bank loans	17	69,466	66,838
Accruals and deferred income		11,166	10,935
		<u>80,632</u>	<u>77,773</u>

**16 Creditors: amounts falling due after more than one year**

	<b>Notes</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
Bank loans	17	667,215	736,680
		<u>667,215</u>	<u>736,680</u>

**17 Loans and overdrafts**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank loans	736,681	803,518
	<u>736,681</u>	<u>803,518</u>
Payable within one year	69,466	66,838
Payable after one year	667,215	736,680
	<u>667,215</u>	<u>736,680</u>

Amounts included above which fall due after five years:

Payable by instalments	360,142	441,584
	<u>360,142</u>	<u>441,584</u>

Bank loans are secured by a floating charge over assets and undertakings of the charitable company and by way of a legal mortgage over the properties owned by the charitable company.

Bank loans are being repaid by way of monthly instalments until Jan 2032 with an interest rate of LIBOR plus 2.6%.

## MAINSTAY DRM LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

#### 18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds					Balance at 31 March 2023 £
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 1 April 2022 £	Transfers £	
Garfield Weston	45,693	-	(1,328)	44,365	(44,365)	-
Bailey Thomas	26,630	-	(600)	26,030	(26,030)	-
Beatrice Lang	44,383	-	(1,000)	43,383	(43,383)	-
Ulster Bank Staff Charity Fund	2,405	-	(54)	2,351	(2,351)	-
The Wolfson Foundation	28,405	-	(640)	27,765	(27,765)	-
The Clothworkers Foundation	44,383	-	(1,000)	43,383	(43,383)	-
Awards for All Northern Ireland	2,607	-	(652)	1,955	(1,955)	-
Ulster Garden	13,107	-	(3,277)	9,830	(9,830)	-
The Forbes Charitable Foundation	1,310	-	(328)	982	(982)	-
Sensory Garden	-	10,000	-	10,000	-	10,000
	<u>208,923</u>	<u>10,000</u>	<u>(8,879)</u>	<u>210,044</u>	<u>(200,044)</u>	<u>10,000</u>

#### Restricted Funds

The restricted funds as at 31 March 2022 relate to income received from providers towards the construction of Cumulus Heights and the provision of equipment and fixtures for the new facility. Although these funds were spent they continued to be identified as restricted as conditions relating to the capital grants are still applicable. Now the conditions have been satisfied the funds have been transferred in the year to unrestricted.

#### Sensory Garden Restricted Fund

This relates to funds that have been received by Mainstay DRM or fundraised specifically for the construction of a sensory garden.

## MAINSTAY DRM LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

#### 19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds	
	Incoming resources £	Balance at 1 April 2022 £	Incoming resources £	Balance at 31 March 2023 £
Property fund	16,876	16,876	-	16,876
Sensory Garden fund	2,089	2,089	-	2,089
	<u>18,965</u>	<u>18,965</u>	<u>-</u>	<u>18,965</u>

The company has designated £18,965 of its unrestricted funds for the following purposes. £16,876 is for any future capital works which may need to be carried out on its properties. £2,089 has been designated for a sensory garden.

#### 20 Contingent Liabilities

A portion of capital grants received may become repayable if the company fails to comply with the terms of the letters of offer.

#### 21 Capital commitments

2023	2022
£	£

At 31 March 2023 the charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	<u>17,823</u>	<u>50,000</u>
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#### 22 Related party transactions

The company works closely with Mainstay DRP which shares the charity's passion for providing accommodation and care and support to people who have a learning disability and their families. As at 31 March 2023 a balance of £1,382 (2022: £nil) is owed to the charity from Mainstay DRP.

During the year, the company rented a number of properties to Mainstay DRP for £219,966 (2022: £223,617) and received training facilities and consultancy service income of £2,411 (2022: £28,936). During the year, the charity received service charge income of £8,391 from Mainstay DRP (2022: £nil).

In addition, Mainstay DRP provides management, finance and administrative support to the charity for no charge.

# MAINSTAY DRM LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 23 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:						
Tangible assets	3,695,602	-	3,695,602	3,563,709	200,044	3,763,753
Current assets/(liabilities)	287,391	10,000	297,391	232,836	10,000	242,836
Long term liabilities	(667,215)	-	(667,215)	(736,680)	-	(736,680)
	<u>3,315,778</u>	<u>10,000</u>	<u>3,325,778</u>	<u>3,059,865</u>	<u>210,044</u>	<u>3,269,909</u>

#### 24 Cash generated from operations

	2023	2022
	£	£
Surplus for the year	55,869	424,292
Adjustments for:		
Investment income recognised in statement of financial activities	(1,534)	(247)
Depreciation and impairment of tangible fixed assets	92,504	91,219
Movements in working capital:		
(Increase)/decrease in debtors	(9,602)	11,025
Increase/(decrease) in creditors	231	(333,328)
<b>Cash generated from operations</b>	<u>137,468</u>	<u>192,961</u>

#### 25 Analysis of changes in net (debt)/funds

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	320,609	47,812	368,421
Loans falling due within one year	(66,838)	(2,628)	(69,466)
Loans falling due after more than one year	(736,680)	69,465	(667,215)
	<u>(482,909)</u>	<u>114,649</u>	<u>(368,260)</u>