

Company registration number: SC194329
Charity number SC012298

Fife Day Care Services Limited
Company limited by guarantee

Trustees' report and financial statements

31 March 2020

Fife Day Care Services Limited
Company limited by guarantee

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Fife Day Care Services Limited
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Trustees and other information

Trustees	J. Paterson	Chair
	M. Morgan	Treasurer
	C. Friel	
	A. Adam	
	J. Cant	
	J. Jones	(Resigned 16 August 2019)
	Helen Hughes	(Appointed 23 October 2019)
	A. Reid	(Resigned 11 August 2019)
	A. Wilson	(Appointed 23 October 2019)
Company number	SC194329	
Charity number	SC012298	
Registered office	64 Cedar Avenue Lumphinnans Cowdenbeath Fife KY4 9FE	
Business address	64 Cedar Avenue Lumphinnans Cowdenbeath Fife KY4 9FE	
Accountants	John Lynch & Co. Torridon House Torridon Lane Rosyth Fife KY11 2EU	
Bankers	The Royal Bank of Scotland 52-54 East Port DUNFERMLINE Fife KY12 7HB	

Fife Day Care Services Limited
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Trustees report
Year ended 31 March 2020

The trustees present their report and the financial statements for the year ended 31 March 2020.

Objectives, activities and achievements

From 1st April 2019 to 31st March 2020, there were 49 new referrals made to the service. There were 112 service users benefitted directly from attending the Day Centre and 43 relatives/carers benefitted indirectly as a result.

Attending this active ageing day service means that service users (people over 65) are able to look after and improve their own health and well being and so live in good health for longer. The Day Centre provides structured activities, socialisation and entertainment in a safe, comfortable environment with appropriately trained staff on hand to give support and advice whilst encouraging and enabling people to remain as independent as possible.

There were also plans to include new activities to the agenda for 2020 i.e Gardening Group and a Singing/Music Therapy Group, but plans for this were unfortunately halted due to the Covid-19 pandemic and the need to close.

Following Government and Public Health guidance, our last group session within the Centre was on Wednesday 18/3/20 and from week beginning 23/3/20 we closed our doors and all staff members worked based from home, continuing to support service users alternatively.

This was initially by telephone only, with befriending and support calls being made to all service users daily from Monday to Friday, then progressing to the provision of doorstep deliveries of activity packs to provide mental stimulation and alleviate anxiety and boredom. The purchasing of various items including word-searches, puzzles, books, colouring therapy and art/craft materials were courtesy of grants from the Coalfield's Regeneration Trust and the Well-being fund.

Currently in Phase 3 of the easing of lockdown measures, although we are still unable to re-open the Day Centre, we continue to provide alternative support, with the staff team now deployed to home support visits to each service user once a week to initiate activities and provide company and mental stimulation.

Structure, governance and management

The charity is constituted as a company limited by guarantee and is governed by a Memorandum and Articles of Association. The charity's object and principal activity continues to be that of providing day care group facilities for the disabled and elderly in Fife. The charity is organised so that the Board of Trustees meets regularly to manage its affairs. The charity has a number of volunteers who support its work and whose services are gratefully recognised. The directors of the company are also charity trustees for the purposes of charity law and are elected or re-elected annually at the AGM.

Fife Day Care Services Limited
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Trustees report (continued)
Year ended 31 March 2020

Trustees

The trustees who served during the year are as stated below:

J. Paterson	Chair
M. Morgan	Secretary/Treasurer
A. Adam	
J. Cant	
J. Jones	Resigned 16/8/19
C. Friel	
A. Reid	Resigned 11/8/19
H. Hughes	Appointed 23/10/19
A. Wilson	Appointed 23/10/19

Risk management

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of budgeted financial commitments, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and have established systems to enable regular reports to be produced so that active steps can be taken to mitigate these risks as and when they are identified.

Reserves

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets (the free reserves) held by the charity should be at least six months of the resources expended. At this level, the trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding but it would obviously be necessary to consider how the funding would be replaced. At present the free reserves total £43,897 whereas six months resources expended total £113,080 and therefore do not reach this target level. The trustees continue to strive to improve the financial position.

Trustees responsibilities

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with Section 44(1)(c) of the Charities and Trustee Investment Act (Scotland) 2005. 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.

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Fife Day Care Services Limited
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Trustees report (continued)
Year ended 31 March 2020

This report was approved by the trustees on 31 July 2020 and signed on their behalf by:-

Margaret Morgan

M. Morgan

Trustee - Secretary/Treasurer

Fife Day Care Services Limited
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**Independent examiner's report to the trustees on the
unaudited financial statements of Fife Day Care Services Limited**

I report on the accounts of the charity for the year ended 31 March 2020 which are set out on pages 7 to 17.

Respective responsibilities of trustees and examiner

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

Basis of independent examiner's report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the view given by the accounts.

Independent examiners' statement

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

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

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

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached apart from the actions of the trustees in making a provision for redundancy costs as set out in Note 10. This is a breach of Financial Reporting Standard 102 which prohibits the making of any provision in respect of a contingent liability. As a consequence of this breach of FRS 102, the overall reserves of the charity are understated by £41,153.

John Lynch LLB CA
John Lynch CA
Torridon Lane
ROSYTH

Date: 31 July 2020

Fife Day Care Services Limited
Company limited by guarantee

Combined statement of financial activities and income and expenditure
for the year ended 31 March 2020

	Notes	2020 Unrestricted funds £	2020 Total funds £	2019 Total funds £
<u>Income and endowments from:</u>				
Donations	3	3,187	3,187	2,398
<i>Investment income</i>				
Interest received	3	103	103	87
		<u>3,290</u>	<u>3,290</u>	<u>2,485</u>
<i>Charitable activities</i>				
Fife Council grants received	3	174,534	174,534	174,534
Day charges and excursions	3	40,682	40,682	38,685
		<u>215,216</u>	<u>215,216</u>	<u>213,219</u>
Total		<u>218,506</u>	<u>218,506</u>	<u>215,704</u>
<u>Expenditure</u>				
Charitable activities	11	221,838	221,838	225,502
Other costs	12	4,322	4,322	2,893
Total		<u>226,160</u>	<u>226,160</u>	<u>228,395</u>
Net movement in funds		(7,654)	(7,654)	(12,691)
Funds brought forward		58,934	58,934	71,625
Funds carried forward		<u>51,280</u>	<u>51,280</u>	<u>58,934</u>

The notes on pages 10 to 17 form part of these financial statements.

Fife Day Care Services Limited
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Balance sheet
31 March 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	7	7,383		5,748	
			7,383		5,748
Current assets					
Stocks		152		166	
Debtors	8	9,514		10,792	
Cash at bank and in hand		78,864		89,231	
		88,530		100,189	
Creditors: amounts falling due within one year	9	(3,480)		(5,850)	
Net current assets			85,050		94,339
Total assets less current liabilities			92,433		100,087
Provisions for liabilities	10		(41,153)		(41,153)
Net assets			51,280		58,934
Represented by:					
General reserve			51,280		58,934

For the year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees responsibilities:

- The members have not required the company to obtain an audit of its financial statements 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 financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The notes on pages 10 to 17 form part of these financial statements.

Fife Day Care Services Limited
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Balance sheet (continued)
31 March 2020

These financial statements were approved by the board of directors and authorised for issue on 31 July 2020, and are signed on behalf of the board by:

A handwritten signature in blue ink that reads "Margaret Morgan".

M. Morgan
Trustee

Company registration number: SC194329

The notes on pages 10 to 17 form part of these financial statements.

Fife Day Care Services Limited
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Notes to the financial statements
Year ended 31 March 2020

1. General information

The company is a private company limited by guarantee, registered in Scotland. The address of the registered office is 64 Cedar Avenue, Lumphinnans, Cowdenbeath, Fife, KY4 9FE.

2. Statement of compliance

These 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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Income consists of grants, donations, client charges, rental income and income from investments and is credited in the year in which it is receivable except when received in advance, when it is credited in the year in which it falls due. Investment income relates wholly to interest received on bank deposits.

All incoming resources are recognised once the charity has entitlement to the resources, it is probable (more likely than not) that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of VAT which is an irrecoverable cost for the charity.

Expenditure which is directly attributable to specific activities has been included in those cost categories. Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of those resources.

Charitable activities includes expenditure directly relating to the objects of the charity, including such support costs identifiable as an integral part of the carrying out of those charitable activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements compliance.

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Notes to the financial statements (continued)
Year ended 31 March 2020

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fittings fixtures and equipment	- 20%	reducing balance
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If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

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Notes to the financial statements (continued)
Year ended 31 March 2020

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the balance sheet and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

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Notes to the financial statements (continued)
Year ended 31 March 2020

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Limited by guarantee

The members of the company guarantee to contribute £1 each to the assets of the company in the event of it being wound up.

5. Employee numbers

The average number of persons employed by the company during the year amounted to 7 (2019: 7).

Fife Day Care Services Limited
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Notes to the financial statements (continued)
Year ended 31 March 2020

6. Loss before taxation

Loss before taxation is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible assets	1,845	1,437

7. Tangible assets

	Fixtures, fittings and equipment £	Total £
Cost		
At 1 April 2019	30,886	30,886
Additions	3,480	3,480
At 31 March 2020	<u>34,366</u>	<u>34,366</u>
Depreciation		
At 1 April 2019	25,138	25,138
Charge for the year	1,845	1,845
At 31 March 2020	<u>26,983</u>	<u>26,983</u>
Carrying amount		
At 31 March 2020	<u>7,383</u>	<u>7,383</u>
At 31 March 2019	<u>5,748</u>	<u>5,748</u>

8. Debtors

	2020	2019
	£	£
Trade debtors	-	523
Other debtors	9,514	10,269
	<u>9,514</u>	<u>10,792</u>

9. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	1,200	3,570
Other creditors	2,280	2,280
	<u>3,480</u>	<u>5,850</u>

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Notes to the financial statements (continued)
Year ended 31 March 2020

10. Provisions

	Other provisions	Total
	£	£
At 1 April 2019 and 31 March 2020	<u>41,153</u>	<u>41,153</u>

In view of the general uncertainty affecting the funding of charities from one year to the next, a partial provision has been made for the redundancy entitlements of staff, based on prevailing statutory rates, in the event that the charity has to scale back or cease its activities in the future due to a lack of funding.

Fife Day Care Services Limited
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Notes to the financial statements (continued)
Year ended 31 March 2020

11. Direct charitable expenses	2020	2020	2019
	Unrestricted funds	Total funds	Total funds
	£	£	£
Direct costs			
Staff costs	73,559	73,559	70,901
Day care expenses	2,233	2,233	4,751
Bus hires/excursions/entertainment	39,669	39,669	41,810
Staff and volunteer expenses	2,786	2,786	2,383
Uniforms	231	231	128
	<u>118,478</u>	<u>118,478</u>	<u>119,973</u>
Support costs			
Staff costs	73,171	73,171	70,986
Rent, rates, heat and light	21,757	21,757	22,152
Insurance	384	384	439
Leasing of office equipment	918	918	929
Cleaning	-	-	-
Repairs, renewals and minor equipment	195	195	342
Removal costs	-	-	1,553
Postage, stationery and advertising	1,113	1,113	2,069
Computing and software costs	1,574	1,574	1,764
Telephone and internet	1,457	1,457	2,930
Sundry expenses	416	416	328
Memberships and subscriptions	115	115	192
Bank charges	415	415	408
Depreciation	1,845	1,845	1,437
Increase to redundancy provision	-	-	-
	<u>103,360</u>	<u>103,360</u>	<u>105,529</u>
Total costs	<u>221,838</u>	<u>221,838</u>	<u>225,502</u>
12. Governance costs	2020	2019	
	Total funds	Total funds	
	£	£	
Legal and professional costs	2,042	13	
Accountancy	2,280	2,880	
	<u>4,322</u>	<u>2,893</u>	

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Notes to the financial statements (continued)
Year ended 31 March 2020

13. Employees

Number of employees

2020

2019

The average monthly number of employees analysed by function was:-

Direct charitable services	5	5
Management and administration	2	2
	<u>7</u>	<u>7</u>

Employment costs

Staff costs during the year were as follows:-

2020
£

2019
£

Wages and salaries	133,843	132,572
Social security costs	10,107	7,342
Staff training	350	285
Pension costs	2,430	1,688
Increase to redundancy provision	-	-
	<u>146,730</u>	<u>141,887</u>