

**Company registration number: SC194329**  
**Charity number SC012298**

**Fife Day Care Services Limited**

**Trustees' report and financial statements**

**31 March 2021**

## **Fife Day Care Services Limited**

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## **Fife Day Care Services Limited**

### **Trustees and other information**

<b>Trustees</b>	J. Paterson M. Morgan C. Friel A. Adam J. Cant Helen Hughes A. Wilson	Chair Treasurer
<b>Company number</b>	SC194329	
<b>Charity number</b>	SC012298	
<b>Registered office</b>	64 Cedar Avenue Lumphinnans Cowdenbeath Fife KY4 9FE	
<b>Business address</b>	64 Cedar Avenue Lumphinnans Cowdenbeath Fife KY4 9FE	
<b>Accountants</b>	John Lynch & Co. Torridon House Torridon Lane Rosyth Fife KY11 2EU	
<b>Bankers</b>	The Royal Bank of Scotland 52-54 East Port DUNFERMLINE Fife KY12 7HB	

## **Fife Day Care Services Limited**

### **Trustees report Year ended 31 March 2021**

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

#### **Objectives, activities and achievements**

This has been a challenging year for Fife Day Care Services, and incredibly detrimental to many of the older service users, who normally attend our Day Care Centre for social interaction and therapeutic support and also to many relatives who are to all intent and purposes unpaid care-givers, and rely on the day care for a few hours respite each week.

However, our main objective throughout the pandemic has been to give as much support as possible, in an alternative, but safe manner whilst complying with Government Guidelines and Public Health advice, and no service user has been without some form of support from the date we closed our doors back in March 2020 to date in 2021.

This support has changed throughout depending on Lockdowns and easing of restrictions. We have provided telephone friendship and signposting, and with external funding from a few donor companies and organizations, also doorstep deliveries of activity packs to help alleviate boredom, reduce anxiety and provide some hours of enjoyment and mental stimulation. The staff team have also carried out 1-2-1 home visits and accompanied service users on walks and provided company and activities/exercises to help maintain or improve strength and balance.

The overall aim is to have service users back in base and reopen the Day Centre to provide the support that we know is beneficial to the older people we support, those who prefer, and also benefit fully from being supported to socialize in peer groups.

When safe to do so, we will remobilize our services from base and resume the Day Centre in smaller numbers initially. This is for two reasons:

1. To start cautiously and allow for some social distancing, assessing as we go, increasing numbers when safe to do so, and in line with Government and Public Health guidelines and advice.
2. Pre-pandemic we supported 71 service users, but for various reasons, and as a consequence of the pandemic, we are currently only supporting 41 (a reduction of 42%). Therefore it will take some time to increase numbers of attendees, but we will remobilize with current numbers and gradually increase capacity.

So, although highly desired and anticipated, remobilization itself will present many challenges, not in the least our income, which will be affected by smaller numbers contributing financially, but with the same pre-pandemic expenses of transport provision, utilities and rent. The management and board will work closely with service users and funders for the remainder of this financial year and will strive to address any operational issues, reconfiguring any part of the service if required, whilst keeping service users' needs and wishes at the forefront of service delivery.

#### **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**

### **Trustees report (continued) Year ended 31 March 2021**

#### **Trustees**

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

J. Paterson	Chair
M. Morgan	Secretary/Treasurer
A. Adam	
J. Cant	
C. Friel	
H. Hughes	
A. Wilson	

#### **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 £65,082 whereas six months resources expended total £87,681 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**

**Trustees report (continued)**  
**Year ended 31 March 2021**

This report was approved by the trustees on 26 July 2021 and signed on their behalf by:-

**M. Morgan**  
**Trustee - Secretary/Treasurer**

## **Fife Day Care Services Limited**

### **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 2021 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: 26 July 2021**

**Fife Day Care Services Limited**

**Combined statement of financial activities and income and expenditure  
for the year ended 31 March 2021**

	Notes	2021 Unrestricted funds £	2021 Total funds £	2020 Total funds £
<b><u>Income and endowments from:</u></b>				
Donations	3	3,645	3,645	3,187
<b><i>Investment income</i></b>				
Interest received	3	22	22	103
		<u>3,667</u>	<u>3,667</u>	<u>3,290</u>
<b><i>Charitable activities</i></b>				
Grants received	10	193,497	193,497	174,534
Day charges and excursions	3	-	-	40,682
		<u>193,497</u>	<u>193,497</u>	<u>215,216</u>
<b>Total</b>		<u>197,164</u>	<u>197,164</u>	<u>218,506</u>
<b><u>Expenditure</u></b>				
Charitable activities	12	171,281	171,281	221,838
Other costs	13	4,004	4,004	4,322
<b>Total</b>		<u>175,285</u>	<u>175,285</u>	<u>226,160</u>
<b>Net movement in funds</b>		21,879	21,879	(7,654)
<b>Funds brought forward</b>		51,280	51,280	58,934
<b>Funds carried forward</b>		<u>73,159</u>	<u>73,159</u>	<u>51,280</u>

The notes on pages 10 to 16 form part of these financial statements.

# Fife Day Care Services Limited

## Balance sheet 31 March 2021

	Note	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	7	8,077		7,383	
			8,077		7,383
<b>Current assets</b>					
Stocks		135		152	
Debtors	8	9,549		9,514	
Cash at bank and in hand		98,968		78,864	
		108,652		88,530	
<b>Creditors: amounts falling due within one year</b>	9	(2,417)		(3,480)	
<b>Net current assets</b>			106,235		85,050
<b>Total assets less current liabilities</b>			114,312		92,433
<b>Provisions for liabilities</b>	10		(41,153)		(41,153)
<b>Net assets</b>			73,159		51,280
<b>Represented by:</b>					
General reserve			73,159		51,280

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees responsibilities:

- The shareholders 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 16 form part of these financial statements.

**Fife Day Care Services Limited**

**Balance sheet (continued)**  
**31 March 2021**

These financial statements were approved by the board of directors and authorised for issue on 26 July 2021, and are signed on behalf of the board by:

M. Morgan  
Trustee

Company registration number: SC194329

**The notes on pages 10 to 16 form part of these financial statements.**

## **Fife Day Care Services Limited**

### **Notes to the financial statements Year ended 31 March 2021**

#### **1. General information**

The company is a private company limited by shares, 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.

##### **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.

## **Fife Day Care Services Limited**

### **Notes to the financial statements (continued)** **Year ended 31 March 2021**

#### **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

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.

#### **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.

## **Fife Day Care Services Limited**

### **Notes to the financial statements (continued)** **Year ended 31 March 2021**

#### **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 6 (2020: 7).

**Fife Day Care Services Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2021**

**6. Profit/loss before taxation**

Profit/loss before taxation is stated after charging/(crediting):

	<b>2021</b>	2020
	<b>£</b>	£
Depreciation of tangible assets	2,019	1,845
	<u>          </u>	<u>          </u>

**7. Tangible assets**

	Fixtures, fittings and equipment £	<b>Total</b>  £
<b>Cost</b>		
At 1 April 2020	34,366	34,366
Additions	2,713	2,713
<b>At 31 March 2021</b>	<u>37,079</u>	<u>37,079</u>
<b>Depreciation</b>		
At 1 April 2020	26,983	26,983
Charge for the year	2,019	2,019
<b>At 31 March 2021</b>	<u>29,002</u>	<u>29,002</u>
<b>Carrying amount</b>		
<b>At 31 March 2021</b>	<u>8,077</u>	<u>8,077</u>
At 31 March 2020	<u>7,383</u>	<u>7,383</u>

**8. Debtors**

	<b>2021</b>	2020
	<b>£</b>	£
Other debtors	9,549	9,514
	<u>          </u>	<u>          </u>

**9. Creditors: amounts falling due within one year**

	<b>2021</b>	2020
	<b>£</b>	£
Trade creditors	137	1,200
Other creditors	2,280	2,280
	<u>2,417</u>	<u>3,480</u>

**Fife Day Care Services Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2021**

**10. Provisions**

	Other provisions	Total
	£	£
<b>At 1 April 2020 and 31 March 2021</b>	<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.

**11. Incoming resources from charitable activities**

	<b>2021</b>	2020
	£	£
<b>Grants received</b>		
<b><i>Unrestricted funds</i></b>		
Fife Council	184,534	174,534
Coalfields Regeneration Trust	992	-
The Corra Foundation	5,471	-
Age Concern	2,500	-
	<u>193,497</u>	<u>174,534</u>

**Fife Day Care Services Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2021**

**12. Direct charitable expenses**

	2021 Unrestricted funds £	2021 Total funds £	2020 Total funds £
<b>Direct costs</b>			
Staff costs	60,361	60,361	73,559
Day care expenses	4,618	4,618	2,233
Bus hires/excursions/entertainment	56	56	39,669
Staff and volunteer expenses	2,374	2,374	2,786
Uniforms	57	57	231
	<u>67,466</u>	<u>67,466</u>	<u>118,478</u>
<b>Support costs</b>			
Staff costs	73,281	73,281	73,171
Rent, rates, heat and light	21,775	21,775	21,757
Insurance	330	330	384
Leasing of office equipment	918	918	918
Cleaning	300	300	-
Repairs, renewals and minor equipment	-	-	195
Postage, stationery and advertising	925	925	1,113
Computing and software costs	2,362	2,362	1,574
Telephone and internet	1,584	1,584	1,457
Sundry expenses	82	82	416
Memberships and subscriptions	115	115	115
Bank charges	124	124	415
Depreciation	2,019	2,019	1,845
	<u>103,815</u>	<u>103,815</u>	<u>103,360</u>
<b>Total costs</b>	<u>171,281</u>	<u>171,281</u>	<u>221,838</u>

**13. Governance costs**

	2021 Total funds £	2020 Total funds £
Legal and professional costs	1,724	2,042
Accountancy	2,280	2,280
	<u>4,004</u>	<u>4,322</u>

**Fife Day Care Services Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2021**

**14. Employees**

**Number of employees**

**2021**

**2020**

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

Direct charitable services	4	5
Management and administration	2	2
	<u>6</u>	<u>7</u>

**Employment costs**

Staff costs during the year were as follows:-

**2021**

**2020**

**£**

**£**

Wages and salaries	121,584	133,843
Social security costs	9,472	10,107
Staff training	-	350
Pension costs	2,586	2,430
	<u>133,642</u>	<u>146,730</u>