

Charity Registration No. 1010244

Company Registration No. 02685658 (England and Wales)

THE AMMERDOWN CENTRE

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

OLD M'LL

THE AMMERDOWN CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S J Burgess S D Meadows W Furness A T P Jolliffe W F Thomson S L Glanville Dr T L Chambers P A Taylor G Powell C Boddington	(Appointed 14 February 2020) (Appointed 1 March 2020)
Secretary	W Furness	
Charity number	1010244	
Company number	02685658	
Registered office	Ammerdown Park Radstock BATH Somerset BA3 5SW	
Independent examiner	Old Mill Accountancy LLP Bishopbrook House Cathedral Avenue WELLS Somerset BA5 1FD	
Solicitors	Stone King LLP 13 Queen Square BATH Somerset BA1 2HJ	
Investment advisors	Old Mill Financial Planning LLP Maltravers House Petters Way YEOVIL Somerset BA20 1SH	

THE AMMERDOWN CENTRE

CONTENTS

	Page
Trustees' report	1 - 6
Independent examiner's report	7
Statement of financial activities	8
Summary income and expenditure account	9
Balance sheet	10 - 11
Statement of cash flows	12
Notes to the financial statements	13 - 30

THE AMMERDOWN CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

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

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 Memorandum and Articles of Association, the Companies Act 2006 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) (effective 1 January 2019).

Objectives and activities

Objectives

The original objects of the Trust as recorded in the Articles of Association in 1973 were "the advancement of the Christian religion and the advancement of education anywhere in the world". Since then the Trust has developed its work in interfaith dialogue (which is recorded in the Articles as one of the ways in which the objects may be achieved) and the promotion of justice, peace and reconciliation.

These objects are reflected in the mission statement which the Trustees revised in 2015, and which now reads: "The Ammerdown Centre was set up in 1973 as a Christian foundation. It exists to promote peace, justice and reconciliation in a safe place of hospitality where people of differing views or faiths can engage in dialogue and can pursue their journeys of prayer, faith or enquiry".

The Ammerdown Centre fulfils its charitable objectives by being a Conference and Retreat Centre which

- runs its own programme of courses, lectures and events, offering a wide range of speakers - including many well known Christian leaders,
- welcomes external groups (both on a residential and non-residential basis) that use the facilities of the Centre to carry out their own educational purposes; and
- welcomes private guests who are seeking a quiet place where they can have time and space on their own, as well as a rest.

This is summarised in the Ammerdown Centre's strapline: *'Ammerdown – Hospitality, Peace and Reconciliation'*.

The Ammerdown Centre has identified its Core Values which are:

Inclusivity - Sustainable solutions can only be built by safely including all stakeholders, whatever their views and whatever their past behavior. Participants' engagement with Ammerdown's Programme is always voluntary, willingly made, and without pressure. Extra efforts often need to be made to include, when appropriate, those who are hard to reach or who are on the margins of a conflict. Ammerdown commits in all its work to achieve a good diverse balance amongst program participants.

Non Violence - Violence is counter-productive to the transformation of conflict, and non-violent alternatives can be developed which are both humane and sustainable.

Respect - Every human being, without exception, deserves to be treated with equal respect, and to have their dignity upheld and their human rights respected.

Independence and Impartiality – Ammerdown does not take sides or promote specific solutions but rather acts as an independent and impartial facilitator who, without judgement, helps to build and transform relationships and aid communities to find sustainable solutions.

Caring – Ammerdown will show kindness and concern for all of its customers and visitors without question.

Dialogue - Dialogue is a kind of slow and thoughtful listening, combined with careful talking. It comes from a genuine attitude of respect and curiosity, combined with a commitment to work on understanding and try to find the thin lines between agreement and disagreement.

THE AMMERDOWN CENTRE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Hospitality – Ammerdown has deep rooted warm, friendly reception and treatment of guests or strangers, the quality of receiving and treating guests and strangers at Ammerdown will be one of excellence.

Spirituality - In modern times the emphasis is on subjective experience of a sacred dimension and the "deepest values and meanings by which people live".

Social Justice - Ammerdown acts as a catalyst in giving a voice to the vulnerable. We help to break down prejudices by providing opportunities for diverse people within the community to meet together and dialogue, and advocate for change: empowering the vulnerable and enriching the community.

Ammerdown's Vision and Mission are:-

- Vision – Ammerdown believes in a shared world; where diversity and different identities are cherished; where all can live free from the fear of violence, abuse and with dignity and respect; and where differences and conflicts are transformed peacefully.
- Mission – Ammerdown's mission is to help deepen reconciliation within and between communities in the UK and internationally. Ammerdown achieves its mission by helping the transformation and building of relationships through facilitated inclusive dialogue and capacity building of stakeholders.

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

Achievements and performance

The Trustees have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning the Charity's future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives they have set. The charity carries out a wide range of activities in pursuance of its charitable aims. The Trustees consider that these activities all deliver public benefit.

The Ammerdown Courses planned for 2020 included spiritual, wellbeing and creative courses. Although many had to be cancelled due to the pandemic, some courses were offered via Zoom and others were blended to be as inclusive as possible.

Some external bookings went ahead with limited capacity, following government guidelines.

The development of the new website and Ammerdown's online presence has helped the charity connect with a new audience and remain connected with people throughout the pandemic.

Grants were successfully applied for from The Methodist Church and the Beeston Community Trust (Nottingham) to further the core interfaith and reconciliation work. In addition, Ammerdown became the multi-faith partner of the Voice and Influence Partnership, funded by Bristol City Council.

THE AMMERDOWN CENTRE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Going concern

In light of the current coronavirus pandemic, the trustees have reviewed the likely future developments and remain of the opinion that there is no reason to believe that the charity will have to cease to operate as a result of inadequate financial resources, or any other foreseeable event, within a period of at least 12 months from the date of the approval of these accounts.

Investment policy and performance

An Investment Sub-Committee has been in place since December 2011, and the investment portfolio of the Ammerdown Centre has been managed since 2012 by the Financial Services department of local accountancy firm Old Mill. Old Mill sends quarterly reports and the members of the sub-committee meet once a year with a representative of Old Mill to review performance and risks.

The reserves that are not held in savings accounts are currently invested in two separate funds managed by Old Mill:

- The Core Funds
- The Bursary Fund

The risk factors agreed with Old Mill for 2019 were:

- Risk Group 5 for the bursary funds
- Risk Group 3 for the core investment funds.

At 31 December 2020, the value of the portfolio was £337,569 (2019:£339,254)

Financial review

Reserves Policy

The Trustees continue to be of the view, as recommended by the Charity Commission, the Ammerdown Centre should maintain an appropriate level of free reserves (i.e. unrestricted funds not tied up in the charitable fixed assets). The Trustees have decided that the free reserves should equate to at least six months' recurring overhead expenditure in order to ensure the continuity of operations in case of unforeseen events.

At 31 December 2020, the level of free reserves was £359,216 (2019:£368,868), equivalent to 6.6 months (2019:5.1 months) of recurring expenditure.

The Trustees are working to restore reserves to six months and continue to review each year the level of free reserves.

THE AMMERDOWN CENTRE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Principal Funding

The Trustees welcome the fact that The Ammerdown Centre ended the year with a surplus of £9,388. The economic environment for conference and retreat centres under normal circumstances is challenging. However, the impact of Covid-19 on the centre and, indeed, the whole country, was unpredictable and led to the centre being closed for several months and significant loss of income. 2020 was the hardest year to date that Ammerdown has faced since its inception almost 50 years ago. After all the careful planning of 2019 and cost cutting, the forecast had been very healthy as 2020 began. Plans had been made to refurbish the bedrooms, create a new website and to install Super Fibre Broadband. Bookings were very strong for 2020. Then Covid-19 arrived. This huge challenge is in the process of being turned into a positive experience for Ammerdown.

The Covid-19 pandemic brought with it a number of national lockdowns which meant that our retreat centre could not operate as usual. The Ammerdown Centre income line was hit hard. Some very difficult decisions had to be made by the Trustees regarding the best way forward. For The Ammerdown Centre, it was about survival.

Towards the end of 2020 with talk of another national lockdown happening and after being closed for a number of months already. The Trustees had to make the hard decision to restructure the charity. This decision was not taken lightly but was made to ensure the survival of the charity during and following the pandemic and to make sure that The Ammerdown Centre remained solvent in the years ahead.

This restructure resulted in a number of staff redundancies, reducing the employed staff numbers by almost 50%, and the decision to outsource catering and housekeeping. The decision was also taken to restructure management to create two new Senior Management posts to lead The Ammerdown Centre forward into 2021 and beyond. This was implemented by the end of 2020.

During the pandemic, the decision to update The Ammerdown Centre website was taken. This was seen as essential if the centre was to increase its public profile and engage with a new audience.

It was also noted that while Ammerdown wasn't able to operate physically, as usual, it was important to keep an online presence so that people could continue to connect with the centre and a little income could be earned. This included establishing The Ammerdown Centre YouTube Channel and offering courses online via Zoom.

The Ammerdown Centre also offered accommodation to a number of homeless people during the first lockdown, in conjunction with Mendip District Council. This reflected the centre's passion for Social Justice and brought in some income. Working creatively, within the context of our vision and mission, has been the challenge.

The Charity would like to make a note of thanks to all the Staff who had worked at Ammerdown and were made redundant in 2020. The Charity would also like to make a note of thanks for the legacies that they received in 2019. This was a lifeline for the Charity during these difficult times.

THE AMMERDOWN CENTRE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Future developments

Throughout 2021, the charity will be outsourcing catering and housekeeping. This will help ease the financial burden of fixed cost in these uncertain times, only having to pay for the services when needed.

A new role: House for Duty Chaplaincy has also been created to bring live-in support and faith support to the centre's work, thus strengthening the staff structure. This will be implemented from January 2021.

The charity will continue to run courses and events online or at the centre, when restrictions are lifted.

External bookings for 2021 remain healthy, particularly as bookings from 2020 have been transferred over to 2021. The outcome at the end of 2021 will depend on when we can re-open and what services we are allowed to provide to our guests, observing the Covid-19 guidelines.

The charity still retains a reasonable level of reserves. These were not touched during the pandemic and, therefore, leave us in a strong financial position to see through 2021.

The charity remains committed to upgrading the bedrooms at the centre. The Trustees felt this was one area which needed attention, particularly in comparison to other retreat centres. With careful financial planning and forecasting, all 35 bedrooms in the centre will be painted and have new carpets and beds, including two new mobility beds for the fully accessible bedrooms. This work is due to start in early 2021.

Structure, governance and management

Registered Address: The Ammerdown Centre, Ammerdown Park, Radstock, BA3 5SW

Governing Document

The Ammerdown Centre Ltd is a company limited by guarantee without a share capital (Company Number: 2685658), governed by its Memorandum and Articles of Association dated 10 February 1992 as amended by resolutions dated 12 May 1997, 26 November 2001 and 25 June 2007. It is a registered charity with the Charity Commission (registration dated 3 April 1992, under the charity number 1010244). The charitable company is limited by guarantee, without share capital, the guarantors being the Trustees to the extent of £1 each. There were 9 members at the balance sheet date.

Recruitment and Appointment of Trustees

The Directors of the company are also charity Trustees for the purpose of charity law and under the company's articles are known as Trustees. Under the requirements of the Memorandum and Articles of Association the Trustees are appointed for a period of three years, after which they must be re-elected at the next Annual General Meeting. The trustees, who are also the directors for the purpose of company law, and who served during the year were:

S J Burgess

S D Meadows

W Furness

A T P Jolliffe

W F Thomson

S L Glanville

A Townshend

(Resigned 1 January 2021)

Dr T L Chambers

P A Taylor

G Powell

(Appointed 14 February 2020)

C Boddington

(Appointed 1 March 2020)

THE AMMERDOWN CENTRE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Each prospective Trustee is invited to attend at least one Trustees' meeting and to meet with the Chair of Trustees prior to any appointment.

Trustees recently appointed by the Board serve or have served as other charities and are therefore already will aware of their legal obligations under charity law.

Within the limits of availability and distance, Trustees are encouraged to help out at the Centre. This provides them with valuable opportunities to work alongside members of staff and volunteers, to gain insights into the day to day operations of the Centre and also to meet and talk to guests.

Organisation

The Board of Trustees administers the charity. The whole Board normally meets five times a year.

The Trustees are in favour of forming sub-committees when particular operational or strategic issues need to be looked at in depth and would benefit from input from a wide range of experience and backgrounds. Typically, these sub-committees are formed on an ad-hoc basis over a short period of time and bring together members of the board, paid staff and, if appropriate, people from outside the organisation. The sub-committees bring the outcome of their reflections to the Board for discussion and, when necessary, final decision.

The only sub-committee that operate on an ongoing basis is the Audit & Risk Sub-Committee.

Statement of trustees' responsibilities

The Trustees (who are also directors of the Ammerdown Centre Limited for the purpose of company law) 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).

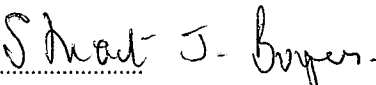
Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its net income and expenditure for the year.

In preparing those 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 UK 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



S J Burgess

Chair

Dated: 31/7/21

THE AMMERDOWN CENTRE
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE AMMERDOWN CENTRE

I report to the trustees on my examination of the financial statements of The Ammerdown Centre (the charity) for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Old Mill Accountancy LLP

Tim Lerwill, FCA
Bishopbrook House
Cathedral Avenue
WELLS
Somerset
BA5 1FD

Dated:

26/8/2021

THE AMMERDOWN CENTRE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Total 2019 £
<u>Income and endowments from:</u>						
Donations and legacies	3	367,447	18,241	-	385,688	29,690
Charitable activities	4	184,198	-	-	184,198	719,587
Other trading activities	5	6,270	-	-	6,270	24,986
Investments	6	28,626	74	-	28,700	34,059
Other income	7	27,341	-	-	27,341	22,365
Total income		613,882	18,315	-	632,197	830,687
<u>Expenditure on:</u>						
Raising funds	8	16,958	963	-	17,921	21,842
Charitable activities	9	635,129	19,855	-	654,984	867,139
Total resources expended		652,087	20,818	-	672,905	888,981
Net gains/(losses) on investments	14	51,053	-	(957)	50,096	41,805
Net movement in funds		12,848	(2,503)	(957)	9,388	(16,489)
Fund balances at 1 January 2020		2,551,957	35,165	83,065	2,670,187	2,686,676
Fund balances at 31 December 2020		2,564,805	32,662	82,108	2,679,575	2,670,187

THE AMMERDOWN CENTRE
SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

	All income funds 2020 £	2019 £
Gross income	632,197	830,687
Gains on investments	50,096	41,805
Total income in the reporting period	<u>682,293</u>	<u>872,492</u>
Total expenditure from income funds	672,905	888,981
Net income/(expenditure) for the year	<u><u>9,388</u></u>	<u><u>(16,489)</u></u>

THE AMMERDOWN CENTRE

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	15		1,502,871		1,528,179
Investment properties	16		702,718		654,910
Investments	17		337,569		339,254
			2,543,158		2,522,343
Current assets					
Stocks	18	5,600		9,602	
Debtors	19	39,734		27,563	
Cash at bank and in hand		260,534		320,225	
			305,868	357,390	
Creditors: amounts falling due within one year	21		(135,341)	(209,546)	
Net current assets			170,527	147,844	
Total assets less current liabilities			2,713,685	2,670,187	
Creditors: amounts falling due after more than one year	22		(34,110)	-	
Net assets			2,679,575	2,670,187	
Capital funds					
Endowment funds - general	25		82,108		83,065
Income funds					
Restricted funds	26		32,662		35,165
Unrestricted funds			2,564,805		2,551,957
			2,679,575	2,670,187	

THE AMMERDOWN CENTRE

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

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 trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustees on29.7.21

.....*SJ Burgess*

S J Burgess

Trustee

Company Registration No. 02685658

THE AMMERDOWN CENTRE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	30		(54,745)		(52,466)
Investing activities					
Purchase of tangible fixed assets		(33,646)		(6,485)	
Interest received		28,700		34,059	
Net cash (used in)/generated from investing activities			(4,946)		27,574
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(59,691)		(24,892)
Cash and cash equivalents at beginning of year			320,225		345,117
Cash and cash equivalents at end of year			260,534		320,225

THE AMMERDOWN CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Ammerdown Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is Ammerdown Park, Radstock, BATH, Somerset, BA3 5SW.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 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)" (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, 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

In light of the current coronavirus pandemic, the trustees have reviewed the likely future developments and remain of the opinion that there is no reason to believe that the charity will have to cease to operate as a result of inadequate financial resources, or any other foreseeable event, within a period of at least 12 months from the date of the approval of these accounts.

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 Incoming resources

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.

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.

Income is only deferred when:

- Fees are received in advance of the event to which they relate;
- The donor specifies that the grant or donation must only be used in future accounting periods; and
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or repayable by the Bank.

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probably that settlement will be required and the amount of the obligation can be measured reliably.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such as grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

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:

Land and buildings	Straight line over 50 years
Plant and machinery	15% reducing balance / 5% straight line / 10% straight line
Fixtures, fittings & equipment	15% reducing balance / 25% 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.

Only items over £500 are capitalised.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 Impairment of fixed assets

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 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.

1.12 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.

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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.

Borrowings consist wholly of a public benefit concessionary loan. Public benefit concessionary loans are loans received between a public benefit entity and another party at below the prevailing market rate of interest and that are not repayable on demand and are for the purposes of furthering the objectives of the public benefit entity.

The accounting treatment for concessionary loans is to initially measure these arrangements at the amount received or paid and recognise them in the statement of financial position. Subsequent years, the carrying amount of concessionary loans in the financial statements shall be adjusted to reflect any accrued interest payable or receivable.

Derecognition of financial liabilities

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

1.13 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. Termination benefits are measured at the best estimate of the expenditure that would be required to settle the obligation at the reporting date.

1.14 Retirement benefits

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

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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 Donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Donations and gifts	13,423	4,171	17,594	8,132
Legacies receivable	203,180	-	203,180	-
Grants received	-	14,070	14,070	21,558
Government grants	150,844	-	150,844	-
	<u>367,447</u>	<u>18,241</u>	<u>385,688</u>	<u>29,690</u>
For the year ended 31 December 2019	<u>6,922</u>	<u>22,768</u>		<u>29,690</u>

4 Charitable activities

	2020 £	2019 £
Incoming resources from charitable activities	167,040	702,924
Cottage rental income	17,158	16,663
	<u>184,198</u>	<u>719,587</u>

5 Other trading activities

	2020 £	2019 £
Activities for generating funds	<u>6,270</u>	<u>24,986</u>

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Investments

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Rental income	27,710	-	27,710	29,622
Income from listed investments	910	-	910	2,903
Income from unlisted investments	-	74	74	1,531
Interest receivable	6	-	6	3
	<u>28,626</u>	<u>74</u>	<u>28,700</u>	<u>34,059</u>
For the year ended 31 December 2019	<u>32,528</u>	<u>1,531</u>		<u>34,059</u>

7 Other income

	2020 £	2019 £
OFGEM Grant	<u>27,341</u>	<u>22,365</u>

8 Raising funds

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<u>Property rental</u>				
Rental expenditure	<u>6,054</u>	<u>-</u>	<u>6,054</u>	<u>4,622</u>
<u>Trading costs</u>				
Other trading activities	<u>7,809</u>	<u>-</u>	<u>7,809</u>	<u>13,102</u>
<u>Investment management</u>	<u>3,095</u>	<u>963</u>	<u>4,058</u>	<u>4,118</u>
	<u>16,958</u>	<u>963</u>	<u>17,921</u>	<u>21,842</u>
For the year ended 31 December 2019				
Property rental	4,622	-		4,622
Trading costs	13,102	-		13,102
Investment management	3,118	1,000		4,118
	<u>20,842</u>	<u>1,000</u>		<u>21,842</u>

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Charitable activities

	2020	2019
	£	£
Staff costs	386,374	461,883
Depreciation and loss on disposal of fixed assets	58,954	56,467
Course expenses	24,668	63,763
Other staff costs	1,581	1,957
Utilities and household expenses	69,884	97,133
Telephone, postage and stationery	20,314	13,084
Travel costs	335	2,341
Advertising and marketing	1,945	10,260
Finance costs	2,306	3,880
Maintenance and repairs	18,461	35,002
Contracts	5,943	5,423
Catering	23,982	85,887
Legal and professional	12,660	2,693
Accountancy	2,300	2,250
General expenses	13,412	3,910
VAT partial exemption adjustments	7,964	14,721
	651,083	860,654
Grant funding of activities (see note 10)	1,187	550
Share of governance costs (see note 11)	2,714	5,935
	654,984	867,139
Analysis by fund		
Unrestricted funds	635,129	
Restricted funds	19,855	
	654,984	
For the year ended 31 December 2019		
Unrestricted funds		851,093
Restricted funds		16,046
		867,139

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Grants payable

	2020	2019
	£	£
The Dairy House	621	-
Grants to individuals	566	550
	1,187	550
	1,187	550

11 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Staff costs	-	-	-	2,176
Independent Examiner's fees	-	1,600	1,600	1,550
Trustees expenses	-	1,054	1,054	2,149
Other costs	-	60	60	60
	-	2,714	2,714	5,935
	-	2,714	2,714	5,935
Analysed between				
Charitable activities	-	2,714	2,714	5,935
	-	2,714	2,714	5,935

Governance costs includes payments of £1,600 for Independent Examination fees (2019:£1,550).

In addition to the Independent Examination fees are fees payable to the independent examiner of £2,300 (2019: £2,250) in respect of accountancy services and advice and £3,095 (2019:£3,118) in respect of financial planning.

12 Trustees

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

Three of the trustees, were reimbursed a total of £920 travelling expenses (2019:£1,665), £14 miscellaneous expenses (2019:£3), and £250 (2019:£403) course expenses.

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	15	30
	<u> </u>	<u> </u>

Employment costs

	2020 £	2019 £
Wages and salaries	360,109	429,066
Social security costs	18,046	25,328
Other pension costs	8,219	9,665
	<u> </u>	<u> </u>
	<u>386,374</u>	<u>464,059</u>

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

Included in wages and salaries are termination benefits totalling £50,149. Consisting of £35,538 statutory redundancy payments and £14,611 PILON.

14 Net gains/(losses) on investments

	Unrestricted funds 2020 £	Endowment funds general 2020 £	Total 2020 £	Total 2019 £
Revaluation of investments	3,245	(957)	2,288	27,072
Gain/(loss) on sale of investments	-	-	-	2,523
Revaluation of investment properties	47,808	-	47,808	12,210
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	51,053	(957)	50,096	41,805
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
For the year ended 31 December 2019	<u>33,251</u>	<u>8,554</u>	<u> </u>	<u>41,805</u>

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2020	1,842,933	246,445	37,758	2,127,136
Additions	12,967	-	20,679	33,646
Disposals	-	(2,331)	-	(2,331)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	1,855,900	244,114	58,437	2,158,451
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation and impairment				
At 1 January 2020	495,125	80,456	23,376	598,957
Depreciation charged in the year	36,918	12,561	7,906	57,385
Eliminated in respect of disposals	-	(762)	-	(762)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	532,043	92,255	31,282	655,580
	<hr/>	<hr/>	<hr/>	<hr/>
Carrying amount				
At 31 December 2020	1,323,857	151,859	27,155	1,502,871
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2019	1,347,808	165,989	14,382	1,528,179
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

16 Investment property

	2020
	£
Fair value	
At 1 January 2020	654,910
Net gains or losses through fair value adjustments	47,808
	<hr/>
At 31 December 2020	702,718
	<hr/> <hr/>

On 02 May 2018, the fair value of the investment property was arrived at on the basis of a valuation carried out by Allen residential rural & country property letting agents, who are not connected with the charity. The valuation was made on an open market value basis by location and reference to market evidence of transaction prices for similar properties. An has been applied by the directors at 31 December 2020 to reflect the increase in property prices in Somerset per the UK House Price Index.

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

17 Fixed asset investments

	Listed investments	Unlisted investments	Total
	£	£	£
Cost or valuation			
At 1 January 2020	327,283	11,971	339,254
Valuation changes	2,289	(3,974)	(1,685)
	<u>329,572</u>	<u>7,997</u>	<u>337,569</u>
Carrying amount			
At 31 December 2020	<u>329,572</u>	<u>7,997</u>	<u>337,569</u>
At 31 December 2019	<u>327,283</u>	<u>11,971</u>	<u>339,254</u>

Material investments

	December 2020 £
Dimensional global short dated bond accumulation	134,782
L&G all stocks index linked gilt index trust I accumulation	25,779
L&G international index trust institutional accumulation	29,540
L&G UK index trust institutional accumulation	24,266
	<u>214,367</u>

18 Stocks

	2020	2019
	£	£
Finished goods and goods for resale	5,600	9,602
	<u>5,600</u>	<u>9,602</u>

19 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	458	10,053
Other debtors	3,235	-
Prepayments and accrued income	36,041	17,510
	<u>39,734</u>	<u>27,563</u>

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Loans and overdrafts	2020	2019
	£	£
Debenture loans	48,500	48,500
	<u>48,500</u>	<u>48,500</u>
Payable within one year	14,390	48,500
Payable after one year	34,110	-
	<u>48,500</u>	<u>48,500</u>

The loans were made by Lord Hylton to Ammerdown on a free-interest basis. Some of these loans have been converted by Lord Hylton into gifts. There is no repayment schedule in connection to the loan.

21 Creditors: amounts falling due within one year	2020	2019
Notes	£	£
Borrowings	14,390	48,500
Other taxation and social security	9,683	18,171
Deferred income	75,242	98,706
Trade creditors	27,975	29,490
Other creditors	1,532	4,757
Accruals and deferred income	6,519	9,922
	<u>135,341</u>	<u>209,546</u>

22 Creditors: amounts falling due after more than one year	2020	2019
	£	£
Borrowings	34,110	-
	<u>34,110</u>	<u>-</u>

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

23 Deferred income

	2020	2019
	£	£
Other deferred income	75,242	98,706
	<u>75,242</u>	<u>98,706</u>
Current liabilities	75,242	98,706
	<u>75,242</u>	<u>98,706</u>
	<u>75,242</u>	<u>98,706</u>
Movement in the year	2020	2019
	£	£
At 1 January 2020	98,706	82,212
Amount released to income earned from charitable activities	(98,706)	(82,212)
Amount deferred in the year	75,242	98,706
	<u>75,242</u>	<u>98,706</u>
At 31 December 2020	75,242	98,706
	<u>75,242</u>	<u>98,706</u>

The deferred income is from deposits that have been made in advance of bookings in future years.

24 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £8,219 (2019:£9,665).

At the year end, the Ammerdown Centre had outstanding commitments of £2,619 in relation to the pension contribution scheme. This included in creditors: amounts falling due within one year under accruals.

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

25 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Movement in funds				Balance at 31 December 2020
	Balance at 1 January 2020	Incoming Resources	Resources Expended	Gains/(Losses) and Transfers	
	£	£	£	£	£
Permanent endowments					
Bursary fund	83,065	-	-	(957)	82,108
	<u>83,065</u>	<u>-</u>	<u>-</u>	<u>(957)</u>	<u>82,108</u>

Prior year

	Movement in funds				Balance at 31 December 2019
	Balance at 1 January 2019	Incoming Resources	Resources Expended	Gains/(Losses) and Transfers	
	£	£	£	£	£
Permanent endowments					
Bursary fund	74,511	-	-	8,554	83,065
	<u>74,511</u>	<u>-</u>	<u>-</u>	<u>8,554</u>	<u>83,065</u>

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

26 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 December 2020
	Balance at 1 January 2020	Incoming Resources	Resources Expended	Transfers	
	£	£	£	£	£
Equipment and refurbishment fund	5,314	3,000	(4,174)	-	4,140
Chapel fund	622	-	-	-	622
Bursaries	1,191	1,245	(1,529)	-	907
Peace Garden	518	-	-	-	518
Interfaith project	27,520	14,070	(15,115)	-	26,475
	<u>35,165</u>	<u>18,315</u>	<u>(20,818)</u>	<u>-</u>	<u>32,662</u>

Prior year	Movement in funds				Balance at 31 December 2019
	Balance at 1 January 2019	Incoming Resources	Resources Expended	Transfers	
	£	£	£	£	£
Equipment and refurbishment fund	5,776	-	(462)	-	5,314
Chapel fund	718	-	(96)	-	622
Bursaries	-	2,741	(1,550)	-	1,191
Peace Garden	1,442	-	(924)	-	518
Interfaith project	19,976	21,558	(14,014)	-	27,520
	<u>27,912</u>	<u>24,299</u>	<u>(17,046)</u>	<u>-</u>	<u>35,165</u>

Equipment and furnishings Fund - Money donated to help the Centre purchase small items of equipment and furnishings to assist with refurbishments.

Chapel Fund - Monies raised to enhance the spiritual experience of Ammerdown guests.

Bursary Fund - The income is used to assist people on low incomes to attend courses run at the Ammerdown Centre.

Peace Garden - Money donated to create a small peace garden.

Interfaith project - The Methodist Conference called the Methodist people to challenge racism and discrimination; to speak and act for healing, reconciliation and mutual respect in their own communities. The Ammerdown Project seeks to do this by engaging with people who have been victims of racial abuse, particularly abuse related to their faith, and with those projects that are engaged in addressing racial injustice and working towards improved community integration, to identify best practice and actively promote its replication.

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

27 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Fund balances at 31 December 2020 are represented by:				
Tangible assets	1,502,871	-	-	1,502,871
Investment properties	702,718	-	-	702,718
Investments	255,461	-	82,108	337,569
Current assets/(liabilities)	137,865	32,662	-	170,527
Long term liabilities	(34,110)	-	-	(34,110)
	<u>2,564,805</u>	<u>32,662</u>	<u>82,108</u>	<u>2,679,575</u>

Prior year

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Fund balances at 31 December 2019 are represented by:				
Tangible assets	1,528,179	-	-	1,528,179
Investment properties	654,910	-	-	654,910
Investments	256,189	-	83,065	339,254
Current assets/(liabilities)	112,679	35,165	-	147,844
	<u>2,551,957</u>	<u>35,165</u>	<u>83,065</u>	<u>2,670,187</u>

THE AMMERDOWN CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

28 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	6,210	1,441
Between two and five years	15,795	11,406
	22,005	12,847
	22,005	12,847

Amounts recognised in the statement of financial activities as a cost during the period in respect of operating lease arrangements amounted to £2,029 (2019:£808).

29 Related party transactions

At the year end £48,500 (2019:£48,500) was due to Lord Hylton who was a Trustee of The Ammerdown Centre Limited. There are no specific terms and conditions attached to this balance. The aging of this balance has been determined with reference to the expectation that this balance will be gifted to The Ammerdown Centre during the year ended 31 December 2021 and hence £14,390 (2019:£48,500) is disclosed within creditors, amounts falling within one year and £34,110 (2019:£nil) is disclosed within creditors, amounts falling due after more than one year.

30 Cash generated from operations

	2020	2019
	£	£
Surplus/(deficit) for the year	9,388	(16,489)
Adjustments for:		
Investment income recognised in statement of financial activities	(28,700)	(34,059)
Fair value gains and losses on investment properties	(47,808)	(12,210)
Fair value gains and losses on investments	1,686	(27,021)
Depreciation and impairment of tangible fixed assets	58,954	56,467
Movements in working capital:		
Decrease in stocks	4,002	3,195
(Increase)/decrease in debtors	(12,171)	4,251
(Decrease) in creditors	(16,632)	(43,094)
(Decrease)/increase in deferred income	(23,464)	16,494
	(54,745)	(52,466)
Cash absorbed by operations	(54,745)	(52,466)

THE AMMERDOWN CENTRE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

31 Analysis of changes in net funds

	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	320,225	(59,691)	260,534
Loans falling due within one year	(48,500)	34,110	(14,390)
Loans falling due after more than one year	-	(34,110)	(34,110)
	<u>271,725</u>	<u>(59,691)</u>	<u>212,034</u>

