

CHARITY REGISTRATION NUMBER: 303986

The Horstead Centre
Unaudited financial statements
31 December 2021

The Horstead Centre

Financial statements

Year ended 31 December 2021

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The Horstead Centre

Trustees' annual report

Year ended 31 December 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Reference and administrative details

Registered charity name	The Horstead Centre
Charity registration number	303986
Principal office	The Horstead Centre Horstead Norwich NR12 7EP

The trustees

The trustees who served during the year and at the date of approval were as follows:

Mr C Lawrence (Chairman)
Mr R Butler MBE, DL (resigned 16 July 2021)
Mr P Dunning
Mrs J K Elliott-Hunter (appointed 29 January 2021)
Mrs C Fleming
Mrs J Hawksley (resigned 16 July 2021)
Mrs K Hirst
The Rt Revd Jonathan Meyrick, Bishop of Lynn (resigned 29 January 2021)
Mr D Pearson (resigned 16 July 2021)
Mrs K Sims
Mr A Yuill
Mrs C Rees
Rev M Capron (appointed 24 September 2021)
Mr J Richardson (appointed 16 July 2021)

Custodian trustee Norwich Diocesan Board of Finance Limited

Centre manager William Mills

Independent examiner M Proctor FCA DChA
Lovewell Blake LLP
Chartered accountants
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

Bankers Barclays Bank Plc
5-7 Red Lion Street
Norwich
Norfolk
NR1 3QH

The Horstead Centre

Trustees' annual report *(continued)*

Year ended 31 December 2021

Objectives and activities

The objective (Mission Statement) of the Trust is to:

'Provide the opportunity for young people, within or near the Diocese of Norwich, to develop their spiritual, physical, intellectual and social capacities within a caring Christian community'.

We provide a high quality of service, care and experience within a safe residential environment.

Achievements and performance

The Trust reports a deficit for the year to 31 December 2021 of £45,197 as detailed in the accounts. This deficit can be exclusively attributed to the continued impact of the COVID-19 Pandemic on trading. However, the level of the general reserves at the end of the year, at £378,029, are such that the Trustees are confident that the continuing sustainability of the Centre has not been impaired. Furthermore the £139,853 taken through Charitable Activities (compared to £38,313 in 2020) shows a strong recovery of the demand for the Centre's services, and our ability to quickly respond to it. The Trustees have confidence in the Centre's ability to continue this recovery and to meet its obligations as they arise.

Towards the end of 2020 COVID-19 cases were soaring, and the Government imposed a series of local and national restrictions. Despite a full calendar of bookings from January onwards, the Horstead Centre started 2021 under National Lockdown restrictions; effectively closing the Centre for business until April 2021.

During this time The Centre Manager, Chief Instructor and Finance Officer worked to prepare the Centre for safe re-opening when restrictions allowed. This work included detailed budgeting and the development of quality COVID-Secure policies and processes and risk assessments. The Manager also contributed to local and national campaigns, intending to influence government policy regarding our industry. The purpose of these campaigns was to highlight the important contribution that our provision can make to the social, emotional, spiritual, and educational recovery of young people, post COVID; as well as making a case for the preparedness of the Horstead Centre (and the Outdoor Education industry in general) to re-open safely along with other industries in April.

Between January and April, most staff remained on "furlough" with the support of the government's Job Retention Scheme (JRS). They were then moved to a flexible Furlough arrangement within the JRS from April 2021, to allow time to re-acclimatise to the work of the Centre and to its new processes. During the first 8 months of 2021, the JRS made a continuing and critical contribution to the Centre's ability to retain its experienced workforce, and to recover quickly when restrictions allowed. During this time the Horstead Centre and its Trustees continued with the policy of "topping up" staff wages to ensure they received their normal full contracted amount over and above the JRS levels of support.

From April 2021 the Centre was allowed to reopen: first for activity days only and then for residential visits also. Promotional work during lockdown and a flexible bookings policy helped to ensure that the Centre had bookings in place when it was finally allowed to fulfill them. The Trustees and Management were relieved to find that experiences such as those offered at Horstead, remained high on schools' priorities when reintegrating children with their peers and their education.

Whilst school residential bookings recovered well from May, the Manager wrote to several Norfolk charities who work in support of children and young people to increase visitor booking numbers. Subsequent bookings from these invitations helped to bolster groups visiting during holiday periods, bringing in additional income during quieter months.

The Horstead Centre

Trustees' annual report *(continued)*

Year ended 31 December 2021

Achievements and performance *(continued)*

A lean final quarter was, in part, caused by sporadic cancellations due to returning high levels of COVID infections, and continued hesitancy from some regular visitors, especially international groups and youth projects who were still experiencing more limiting restrictions in their own countries.

Despite a truncated season and the ongoing influence of COVID on bookings, the Centre's end-of-year deficit was significantly smaller than the (£60,000) estimated in the January 2021 budget. The early efforts to prepare for safe re-opening and the ongoing diligence of the team paid dividends and the Centre experienced no COVID outbreaks within our staff team or visiting groups. The team ended the year with a few weeks of maintenance, training and with team discussions on the improvement of our Environmental Sustainability, our Mission and Core Values statements and on improving our systems and delivery.

Financial review

The general fund produced a deficit of £44,697 (2020: deficit of £100,422) before transfers to and from designated funds as set out in note 21. The net decrease in total funds for the year amounted to £45,197 as shown on page 8 (2020: £109,724).

Reserves Policy

The charity currently holds £422,350 (2020: £467,547) in reserves. Of these reserves, £421,172 (2020: £466,351) is held within unrestricted funds and £1,178 (2020: £1,196) within restricted funds, these are summarised in note 21.

It is the policy of the Trustees to:

'Retain sufficient free general fund reserves to support the costs of running the Horstead Centre and management and administration costs for a three month period, which amounts to approximately £84,000.'

The charity had free general fund reserves (excluding fixed assets) at 31 December 2021 amounting to £127,989 (2020: £150,803).

Designated funds, all of which are held for specific purposes, are summarised in note 21 on page 19. Free designated funds amounted to £43,143 at 31 December 2021 (2020: £46,325).

The surplus free reserves are being held against opportunities arising at short notice for acquiring and improving land and assets adjacent to the Centre.

Principal Funding Sources

The principal funding source of the charity is from charges made for the provision of indoor and outdoor learning facilities for children and young people within the Diocese through the operation of a residential and activity centre.

Investment Policy

The Trustees consider that there are no funds available for long term investment and, having considered the options available, have decided to place available funds in CBF Church of England Deposit Funds. The Trustees continue to consider higher yielding alternatives where appropriate, and during the prior year the Trustees decided to place part of the sum held at CBF into an alternative account with Cambridge and Counties, securing an improved rate of interest.

The Horstead Centre

Trustees' annual report *(continued)*

Year ended 31 December 2021

Plans for future periods

The Trustees have approved a new budget for 2022, based on the healthy calendar of bookings secured for this year and the predicted income from these bookings. At the point of writing, bookings for 2022 are steady all year around, with a fully booked period between March and Sept. The Horstead Centre is budgeting to make a small surplus in 2022.

Due to myriad national and global factors the cost of running the Horstead Centre is steadily increasing. Increased costs include National Insurance Contributions, insurance, energy bills and supplies. These costs will be carefully monitored over the next 12 months and taken into consideration when planning further key financial decisions.

The Horstead Centre and its Trustees are also aware of the impact that the increasing cost of living is having on our own staff. Recruitment of quality new staff is a challenge nationally within our industry. In recognition of this, in February 2022 the Trustees approved the Manager's proposal for a cost-of-living wage increase of 5% for salaried staff and a re-alignment with the Real Living Wage for those on an hourly rate of pay; this to be actioned from April 2022. The Trustees have also approved 2022 investments in certain essential works and equipment including arboriculture surveys and works, and a new high-ropes activity.

Despite increasing costs, the Management and Trustees intend to prioritise the replenishment of reserves (reduced through COVID) and the continued investment in the Centre, its fabric, staff and resources. To achieve this the Trustees have approved the Manager's proposal of modest price increases, from mid-2022 onwards. These price increases will be, on average, 7% for a typical booking; an increase that still represents good value for money when compared to the wider industry and to our immediate competition.

Other priorities in 2022 include the development of an Environmental Sustainability Action Plan; a series of progressive changes aiming to reduce cost and carbon footprint and to better live up to the expectations of our young guests. The trustees will also work with the Manager to more clearly set out our Core Values Statement and to develop a Vision Statement for the Horstead Centre.

Practical objectives for the Centre include improvements to our river access and staithe, for which the Centre has now received the necessary permissions and permits. We will install a new High Ropes Activity and ensure that we invest more time in the professional development of our staff.

The Trustees and Manager will continue to make decisions which reflect the financial situation of the Centre, the prospects for new business and the best interests of its staff.

Structure, governance and management

Governing document

The Horstead Centre was established under a Trust Deed dated 20 November 1969. The Trust was registered with the Charity Commission (registration number 303986) on 8 May 1970 as a charity whose primary purpose is to provide a residential training centre for young people in or near the vicinity of the Norwich Diocese.

The Horstead Centre

Trustees' annual report *(continued)*

Year ended 31 December 2021

Structure, governance and management *(continued)*

Recruitment and appointment of Trustees

The body of Trustees consists of a maximum of 12 persons being 2 ex-officio Trustees, 4 nominated Trustees and 6 co-opted Trustees.

The ex-officio Trustees are The Director of Education for the Diocese and the Chair of the Youth Task Force for the Diocese. The nominated Trustees are appointed as follows:

- * The Bishop of Norwich appoints a Chairman
- * The Horstead Church Parochial Council appoints one Trustee
- * The Norwich Diocesan Bishop's Council appoints two Trustees

Each appointment shall be made for a term of four years at a meeting convened and held according to the ordinary practice of the appointing body. This person may be, but need not be, a member of the appointing body.

Co-opted Trustees shall be persons who through residence, occupation, employment or otherwise have special knowledge of the area of benefit or who are otherwise able by virtue of their personal or professional qualifications to make a contribution to the pursuit of the objects or management of the charity. They shall be appointed for a term of five years by a resolution of the Trustees, passed at a special meeting of which not less than 21 days notice has been given.

Trustee Induction and Training

All Trustees are provided with copies of:

- * The Trust Deed
- * The latest accounts of the Trust

and are advised to read Charity Commission guidance notes CC3 - "The Essential Trustee: What you need to know, what you need to do" and the Charity Governance Code.

In addition Trustees are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

Risk Management

A sub-committee of the Trustees has identified the major risks to which the charity is exposed and systems have been established to mitigate those risks. These risks are reviewed annually.

Organisational structure

The Trustees are legally responsible for the overall management and control of the Centre and meet four times a year.

The operational management of the Centre is the responsibility of the Centre Manager, who reports to the Trustees.

The Horstead Centre

Trustees' annual report *(continued)*

Year ended 31 December 2021

Structure, governance and management *(continued)*

Public Benefit

The Trustees of The Horstead Centre have had due regard to the Charity Commission's guidance on public benefit.

The Horstead Centre is a residential outdoor education centre working with a wide range of local school and community groups. The active learning we provide, which utilises our local environment including the Norfolk Broads, can be some of the most memorable learning experiences for the children and young people who stay with us. Our guests experience the world beyond the classroom as an essential part of learning and personal development, whatever their age, ability or circumstance. Working in partnership with school teachers and youth group leaders our programme provides a crucial route to the 'Every Child Matters' outcomes, in particular enjoying & achieving, staying safe and being healthy.

Connected Charity

The Horstead Centre has a working relationship with Norwich Diocesan Board of Finance, who are the custodian Trustees and landlords. The Centre Manager holds a position on the Diocesan Board of Education to ensure close links with schools across the Diocese.

True and fair override

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Independent examiner

A resolution to reappoint Mark Proctor of Lovewell Blake LLP as independent examiner for the ensuing year will be proposed at the Annual General Meeting.

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Mr C Lawrence
Chairman

The Horstead Centre

Independent examiner's report to the trustees of The Horstead Centre

Year ended 31 December 2021

I report to the charity trustees on my examination of the financial statements of the charity for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet and the related notes.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 accounts to be reached.

Your attention is drawn to the fact that the Charity has prepared the accounts (financial statements) in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

M Proctor FCA DChA
Independent Examiner

Lovewell Blake LLP
Chartered accountants
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

The Horstead Centre

Statement of financial activities

Year ended 31 December 2021

	Notes	General Fund £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:						
Donations and legacies	4	44,641	-	-	44,641	45,407
Charitable activities	5	139,853	-	-	139,853	38,313
Other trading activities	6	2,206	-	-	2,206	844
Investments	7	739	-	-	739	1,357
Other income	8	46,529	-	-	46,529	82,318
Total income		<u>233,968</u>	<u>-</u>	<u>-</u>	<u>233,968</u>	<u>168,239</u>
Expenditure on:						
Raising funds	9	(1,021)	-	-	(1,021)	(255)
Charitable activities	10	(277,644)	(500)	-	(278,144)	(277,708)
Total expenditure		<u>(278,665)</u>	<u>(500)</u>	<u>-</u>	<u>(279,165)</u>	<u>(277,963)</u>
Net expenditure		(44,697)	(500)	-	(45,197)	(109,724)
Transfers between funds	21	-	18	(18)	-	-
Net movement in funds for the period		(44,697)	(482)	(18)	(45,197)	(109,724)
Reconciliation of funds:						
Total funds brought forward		<u>422,726</u>	<u>43,625</u>	<u>1,196</u>	<u>467,547</u>	<u>577,271</u>
Total funds carried forward		<u>378,029</u>	<u>43,143</u>	<u>1,178</u>	<u>422,350</u>	<u>467,547</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 10 to 21 form part of these financial statements

The Horstead Centre

Balance sheet

31 December 2021

	Notes	General Fund £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Fixed assets						
Tangible assets	16	250,040	-	-	250,040	271,923
Current assets						
Stock	17	3,080	-	-	3,080	3,200
Debtors	18	12,379	-	-	12,379	7,435
Cash at bank and in hand		148,264	43,143	1,178	192,585	208,006
		163,723	43,143	1,178	208,044	218,641
Liabilities						
Creditors: amounts falling due within one year	19	(35,734)	-	-	(35,734)	(23,017)
Net current assets		<u>127,989</u>	<u>43,143</u>	<u>1,178</u>	<u>172,310</u>	<u>195,624</u>
Total assets less current liabilities		<u>378,029</u>	<u>43,143</u>	<u>1,178</u>	<u>422,350</u>	<u>467,547</u>
Net assets		<u>378,029</u>	<u>43,143</u>	<u>1,178</u>	<u>422,350</u>	<u>467,547</u>
The funds of the charity						
Restricted Funds		-	-	1,178	1,178	1,196
Unrestricted Funds						
Designated Funds		-	43,143	-	43,143	43,625
General Fund		378,029	-	-	378,029	422,726
Total charity funds	21	<u>378,029</u>	<u>43,143</u>	<u>1,178</u>	<u>422,350</u>	<u>467,547</u>

These financial statements were approved by the Trustees and authorised for issue onand are signed on their behalf by:

Mr C Lawrence
Chairman

The notes on pages 10 to 21 form part of these financial statements

The Horstead Centre

Notes to the financial statements

Year ended 31 December 2021

1. General information

The charity is a registered charity in England and Wales and is unincorporated. The address of the principal office is The Horstead Centre, Horstead, Norwich, NR12 7EP.

2. Statement of compliance

The charity constitutes a public benefit entity as defined by FRS 102. The 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

3. Accounting policies

(a) Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain items at fair value.

The financial statements are prepared in sterling, which is the functional currency of the entity, and rounded to the nearest £.

(b) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. The trustees have considered the impact of COVID-19 on the charity in making this assessment.

(c) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

(d) Income

All income is included in the Statement of Financial Activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

(e) Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

(f) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Expenditure *(continued)*

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

(g) 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.

(h) Tangible assets

Tangible assets are initially recorded at cost, and 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.

(i) 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:

Improvements to leasehold property	-	Over period of lease (Abseil tower 5% straight line)
Motor vehicles	-	20% straight line
Furniture and equipment	-	20% / 33% straight line

(j) 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 stock to its present location and condition.

(k) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(l) Defined contribution plans

The charity contributes to a Group Personal Pension Plan for certain employees and the contributions are charges to the Statement of Financial Activities in the year of payment.

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2021

(m) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from an impairment are recognised in expenditure.

(n) Cash at bank

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Rent of Centre - Gift in kind	18,000	18,000	18,000	18,000
Other donations and grants	584	584	407	407
Local authority coronavirus support	26,057	26,057	27,000	27,000
	<u>44,641</u>	<u>44,641</u>	<u>45,407</u>	<u>45,407</u>

Included in grant income is £26,057 (2020: £27,000) received from Broadland District Council.

5. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Residential income	61,911	61,911	22,095	22,095
Self catering and day hire	165	165	368	368
Activities income	77,777	77,777	15,850	15,850
	<u>139,853</u>	<u>139,853</u>	<u>38,313</u>	<u>38,313</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Sale of goods	2,206	2,206	844	844

7. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Bank interest receivable	739	—	739
	<u>739</u>	<u>—</u>	<u>739</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Bank interest receivable	1,354	3	1,357
	<u>1,354</u>	<u>3</u>	<u>1,357</u>

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2021

8. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Furlough income	<u>46,529</u>	<u>46,529</u>	<u>82,318</u>	<u>82,318</u>

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Fundraising trading - Costs of goods sold and other costs	<u>1,021</u>	<u>1,021</u>	<u>255</u>	<u>255</u>

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2021

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Wages and salaries	186,457	–	186,457
Pension costs	6,498	–	6,498
Provisions and consumables	8,201	–	8,201
Motor and travel expenses	1,124	–	1,124
Laundry and cleaning	1,029	–	1,029
Light and heat	6,196	–	6,196
Rent	18,000	–	18,000
Rates	1,825	–	1,825
Insurance	4,696	–	4,696
Printing, postage and stationery	376	–	376
Advertising	1,014	–	1,014
Telephone	2,151	–	2,151
Maintenance	5,235	–	5,235
Staff expenses and training	3,161	–	3,161
Professional fees	5,715	–	5,715
General expenses	1,363	–	1,363
Depreciation	21,883	–	21,883
Governance costs	3,220	–	3,220
	<u>278,144</u>	<u>–</u>	<u>278,144</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Wages and salaries	179,492	–	179,492
Pension costs	7,147	–	7,147
Provisions and consumables	4,295	–	4,295
Motor and travel expenses	1,202	–	1,202
Laundry and cleaning	290	–	290
Light and heat	7,055	–	7,055
Rent	18,000	–	18,000
Rates	1,769	–	1,769
Insurance	5,018	–	5,018
Printing, postage and stationery	615	–	615
Advertising	200	–	200
Telephone	1,799	–	1,799
Maintenance	12,871	749	13,620
Staff expenses and training	2,847	–	2,847
Professional fees	4,431	–	4,431
General expenses	4,945	–	4,945
Depreciation	21,883	–	21,883
Governance costs	3,100	–	3,100
	<u>276,959</u>	<u>749</u>	<u>277,708</u>

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2021

11. Analysis of governance costs

	Governance costs	Total 2021	Total 2020
	£	£	£
Independent examination fees	<u>3,220</u>	<u>3,100</u>	<u>3,100</u>

12. Net expenditure

Net expenditure is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<u>21,883</u>	<u>21,883</u>

13. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	3,220	3,100
Other financial services	<u>2,956</u>	<u>2,317</u>
	<u>6,176</u>	<u>5,417</u>

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	179,231	172,569
Social security costs	7,226	6,923
Employer contributions to pension plans	<u>6,498</u>	<u>7,147</u>
	<u>192,955</u>	<u>186,639</u>

The average head count of employees during the year was 15 (2020: 15). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Administration - part-time	2	1
Direct - full-time	6	5
Direct - part-time (full-time equivalent)	<u>3</u>	<u>4</u>
	<u>11</u>	<u>10</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

15. Trustee remuneration and expenses

The Trustees received no remuneration or expenses from the charity during the year.

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2021

16. Tangible fixed assets

	Improve- ments to Leasehold Property £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 January 2021 and 31 December 2021	510,336	6,553	189,962	706,851
Depreciation				
At 1 January 2021	253,479	6,553	174,896	434,928
Charge for the year	13,213	–	8,670	21,883
At 31 December 2021	<u>266,692</u>	<u>6,553</u>	<u>183,566</u>	<u>456,811</u>
Carrying amount				
At 31 December 2021	243,644	–	6,396	250,040
At 31 December 2020	<u>256,857</u>	<u>–</u>	<u>15,066</u>	<u>271,923</u>

17. Stocks

	2021 £	2020 £
Raw materials and consumables	<u>3,080</u>	<u>3,200</u>
Analysed as:		
	2019 £	2018 £
Provisions	1,304	403
Souvenirs and other goods for resale	1,776	2,797
	<u>3,080</u>	<u>3,200</u>

18. Debtors

	2021 £	2020 £
Trade debtors	9,787	1,001
Prepayments and accrued income	2,592	638
Other debtors	–	5,796
	<u>12,379</u>	<u>7,435</u>

19. Creditors: Amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	4,938	4,664
Social security and other taxes	5,165	–
Deposits in advance	15,650	13,900
Other creditors	9,981	4,453
	<u>35,734</u>	<u>23,017</u>

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2021

19. Creditors: Amounts falling due within one year *(continued)*

Deferred income

Deposits in advance income comprises the advance receipt of income in respect of accommodation bookings:

	2020	2019
	£	£
Balance as at 1 January	10,214	12,954
Amount released to income	(10,214)	(12,954)
Amount deferred in year	<u>15,650</u>	<u>13,900</u>
Balance at 31 December	<u><u>15,650</u></u>	<u><u>13,900</u></u>

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £6,498 (2020: £7,147).

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2021

21. Analysis of charitable funds

Unrestricted funds

Year ended 31 December 2021

	At 1 January 2021	Income	Expenditure	Transfers	At 31 December 2021
	£	£	£	£	£
General funds	422,726	233,968	(278,665)	–	378,029
Equipment Reserve	2,169	–	–	–	2,169
Centre Manager's Discretion Fund	8,689	–	(229)	18	8,478
Fabric Fund	29,621	–	–	–	29,621
50th Anniversary Fund	3,146	–	(271)	–	2,875
	<u>466,351</u>	<u>233,968</u>	<u>(279,165)</u>	<u>18</u>	<u>421,172</u>

Year ended 31 December 2020

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
General funds	523,148	168,236	(267,754)	(904)	422,726
Equipment Reserve	5,040	–	(2,871)	–	2,169
Centre Manager's Discretion Fund	7,785	–	–	904	8,689
Fabric Fund	36,034	–	(6,413)	–	29,621
50th Anniversary Fund	3,322	–	(176)	–	3,146
	<u>575,329</u>	<u>168,236</u>	<u>(277,214)</u>	<u>–</u>	<u>466,351</u>

The designated Equipment Reserve exists to provide for equipment purchases.

The Centre Manager's Discretion Fund has been setup from donations and collections received to provide or contribute to the provision of residential training for any young people who, in the opinion of the Trustees, would benefit from attending the Centre but, by reason of financial difficulty, would be unable to provide the full fees thereof.

The Fabric Fund exists as a reserve to provide for repairs to the buildings and premises.

The 50th Anniversary Fund exists as a reserve to provide for costs associated with the upcoming 50th anniversary celebrations.

Restricted funds

Year ended 31 December 2021

	At 1 January 2021	Income	Expenditure	Transfers	At 31 December 2021
	£	£	£	£	£
Development Fund	18	–	–	(18)	–
Equipment Reserve	1,178	–	–	–	1,178
	<u>1,196</u>	<u>–</u>	<u>–</u>	<u>(18)</u>	<u>1,178</u>

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2021

Analysis of charitable funds (continued)

Year ended 31 December 2020

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
Development Fund	764	3	(749)	–	18
Equipment Reserve	1,178	–	–	–	1,178
	<u>1,942</u>	<u>3</u>	<u>(749)</u>	<u>–</u>	<u>1,196</u>

The Development Fund was set up to finance the cost of leasehold property redevelopment, being a major project to enhance the facilities offered by The Horstead Centre. This project has now been completed and the balance of £18 has been transferred to the designated Centre Manager's Discretion Fund.

The restricted Equipment Reserve represents external funding towards various projects.

22. Analysis of net assets between funds

Year ended 31 December 2021

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Tangible assets	250,040	–	250,040
Current assets	206,866	1,178	208,044
Creditors less than 1 year	(35,734)	–	(35,734)
Net assets	<u>421,172</u>	<u>1,178</u>	<u>422,350</u>

Year ended 31 December 2020

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Tangible assets	271,923	–	271,923
Current assets	217,445	1,196	218,641
Creditors less than 1 year	(23,017)	–	(23,017)
Net assets	<u>466,351</u>	<u>1,196</u>	<u>467,547</u>

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2021

23. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Later than 5 years	300	312

The annual rent is subject to review every five years.

24. Related parties

The Norwich Diocesan Board of Finance Limited (NDBF) is the custodian trustee. NDBF also leases the premises to the Centre under a 50 year lease at an annual rent of £12 (market value £18,000).