

CHARITY REGISTRATION NUMBER: 303986

The Horstead Centre
Unaudited financial statements
31 December 2022

The Horstead Centre

Financial statements

Year ended 31 December 2022

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The Horstead Centre

Trustees' annual report

Year ended 31 December 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2022.

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)
Rev M Capron
Mr P Dunning
Mrs J K Elliott-Hunter
Mrs C Fleming
Mrs K Hirst
Mrs K Sims
Mr A Yuill
Mrs C Rees
Mr J Richardson
Mr T Sweeting

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 2022

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 general fund deficit for the year to 31 December 2022 of £4,440 as detailed in the accounts. This deficit can be attributed to two predominant factors. The lesser of these was the impact of COVID on the first quarter of the year when three cancellations due to COVID outbreaks resulted in a poorer than predicted start to the year. The prominent factor contributing to this deficit, however, was the increased cost of wages, energy, food, and equipment associated with running the Centre, driven by rapidly escalating inflation. The Trustees took the decision to absorb some of this additional cost inflation and not increase prices by as much, to try to continue to make the Centre as accessible as possible to schools and families in these difficult economic times for many.

Regarding wages, The Horstead Centre's Trustees are committed to paying all staff at least the Real Living Wage (RLW), as set out by the Living Wage Foundation. The RLW has increased significantly because of the rising cost of living, and this therefore has an inflationary effect on all wages at the Horstead Centre. Across the sector, recruitment and retention of qualified staff is a significant challenge. Therefore, affordable investment in the wages and continuing professional development (CPD) of the Horstead Centre's professional and experienced team is, and will remain, a priority.

In response to these inflated costs, the Trustees have approved a series of measures to increase revenue and to reduce costs where possible. These measures include the application of a 10% price increase applied to all 2023 bookings from March onwards. This price increase was carefully calculated to ensure that a visit to the Horstead Centre still represents excellent value for our guests. The Management will also use the Manager's Discretionary Fund (which is restricted for this purpose) in support of those who need it most.

The level of the general reserves at the end of the year, at £361,650, is such that the Trustees are confident that the Centre's operations will continue to be sustainable. Furthermore the £272,634 revenue through Charitable Activities (compared to £139,853 in 2021) shows a stable and continuing recovery of the demand for the Centre's services, post-COVID. This itself is evidenced by the consistently high numbers of booked visitors for 2023.

Despite a slow start to the season, 2022 represented the first full year of delivery since the COVID pandemic interrupted operations in 2020. The number of bookings has recovered to close to pre-COVID levels, but the proportion of activity days compared to residential visits has increased, in part due to the success of holiday provision like the Holiday Activity and Food Program.

The Centre's ability to capitalise on this post-COVID recovery in demand is largely down to the adoption of a policy to retain the full staff team; to utilise the Government Furlough scheme and the Centre's free reserves to protect wages throughout COVID. The fact that the outdoor education industry nationally has experienced significant challenges in recruiting and retaining qualified staff is testament to the efficacy of this policy.

The Horstead Centre

Trustees' annual report *(continued)*

Year ended 31 December 2022

Achievements and performance *(continued)*

Most of the bookings in 2022 were primary school residential groups, but the Centre has also welcomed local charities, youth projects and Church groups. Notably, the Horstead Centre delivered 15 activity days funded by the Holiday Activity and Food programme. This valuable provision of positive activities and healthy food for children from less affluent local families was well attended and will remain a priority after this funding ends in 2024.

In early 2022 the Horstead Centre's Trustees approved the transfer of £13,880 from designated reserves for the completion of important site-improvement and compliance tasks. These included: an arboriculture survey and tree-work, a professional legionella risk assessment, a new mower, repairs to the lift, the construction of two new staithe, and the creation of a new high-ropes activity, "Vertical Challenge." These tasks and purchases were completed throughout the year and within budget.

Early in 2022, the Centre Manager secured permits and permission to rebuild the Horstead Community Staithe and negotiated a land-use agreement with the Horstead Pools' Land Trust for the construction of a second Staithe, (this for the exclusive use of the Horstead Centre) further upstream. During the summer, the Horstead Centre's team replaced the old Community Staithe with a significantly improved platform. Work on the second staithe began in Autumn 2022 and will be completed by March 2023. The £5000 of reserves originally designated to these tasks was bolstered by a £2,000 donation from The Red House Youth Trust. The Horstead Centre also received donated materials from a local aggregate quarry, owned by Longwater Gravel.

In October, the Horstead Centre collaborated with the Broads Authority to deliver a "Big Green Day" in participation with the national "Big Green Week". The day comprised canoeing, habitat creation, conservation, and exploration. It was well attended and feedback was overwhelmingly positive. This new provision complements the Centre's aspirations to create more opportunities for local families to engage more with their local community and with their natural environment.

In November 2022, the Horstead Centre passed its bi-annual Learning Outside the Classroom (LOtC) inspection. The Centre has therefore retained both its LOtC and Adventure Mark accreditations and was particularly complimented in areas of overall safety, quality of delivery and record keeping.

The Horstead Centre continues to celebrate its affiliation with the Church of England Diocese of Norwich. In 2022 the Board of Trustees was further strengthened by the addition of Diocesan Secretary, Tim Sweeting.

The Horstead Centre also records its gratitude for the subsidy received from the Diocese of Norwich Board of Finance, in the form of an annual rent grant. This grant supports the Centre's ability to invest in the continued delivery and development of high-quality provision at an affordable price. This support has also strengthened the Centre's resilience when faced with the recent challenges of COVID-19 and rapid inflation.

Lastly, 2022 represents the final full year that the Horstead Centre's Finance Officer, Elaine Cissell, has managed the accounts. This report is a suitable place to put on permanent record the heartfelt gratitude of the Horstead Centre's team and Trustees for her 40 years of dedicated service to the charity, each one of which has been delivered with the utmost professionalism, the highest standards and with caring, good humour.

The Horstead Centre

Trustees' annual report *(continued)*

Year ended 31 December 2022

Financial review

The general fund produced a deficit of £4,440 (2021: deficit of £44,697) before transfers to and from designated funds as set out in note 20. The net decrease in total funds for the year amounted to £16,793 as shown on page 8 (2021: £45,197).

Reserves Policy

The charity currently holds £393,618 (2021: £422,350) in reserves. Of these reserves, £392,710 (2021: £421,172) is held within unrestricted funds and £908 (2021: £1,178) within restricted funds, these are summarised in note 20.

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 2022 amounting to £129,437 (2021: £127,989).

Designated funds, all of which are held for specific purposes, are summarised in note 20. Free designated funds amounted to £31,060 at 31 December 2022 (2021: £43,143).

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 2022

Plans for future periods

The Horstead Centre still has the capacity to undertake more bookings in the winter months, school holidays and during evenings and weekends. The management will continue efforts to increase bookings from Primary schools through targeted promotions and improved marketing.

The Management will simultaneously explore grants, funds and partnerships which have the potential to broaden the reach of the Centre's Mission for children and young people, whilst also improving the Centre's ability to engage people in a positive and sustainable way with their community and with their local natural environment.

The Horstead Centre will continue its holiday provision through the Holiday Activity and Food (HAF) program. This funding is likely to continue into 2024 but the Management will begin to look at how the Horstead Centre can sustain this valuable work further into the future.

The Trustees have approved a new budget for 2023, 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 2023 are steady all year around, with a fully booked period between March and August. The Horstead Centre is budgeting to make a small surplus in 2023.

By applying a 10% price increase to 2023 bookings, the Horstead Centre has taken a necessary step in counteracting the continuing financial risks imposed by rapid inflation. Further measures in 2023 will include the stricter application of the Centre's existing cancellation policy and clearer communication with our guests regarding their liabilities for any cancellation or reduction in booked numbers. Costs in all areas continue to rise and these will be carefully monitored and considered when setting prices and policies into 2024. These decisions are not made lightly or with enthusiasm but are essential to safeguard the long term sustainability of the Centre.

The Horstead Centre will continue to improve its environmental sustainability and reduce its own carbon footprint over the coming years. The Centre's Environmental Sustainability Plan will be published in 2023. This will set out the Centre's existing environmental sustainability efforts alongside its plans to improve in all areas of our provision and delivery, and how we will aim to reach carbon neutrality. Through the implementation of this plan, the Centre aims to better live up to the expectations of our young guests and play our part in responding to the climate emergency we all face, at the same time as reducing our costs and setting a stronger example within our sector and local community. Specific improvements in 2023 will include the creation of a new Outdoor Classroom, and the creation of an on-site allotment area.

Despite rapidly increasing costs, the management and Trustees intend to prioritise continued investment in the Centre, its fabric, staff, environmental sustainability, and its resources. To achieve this in an increasingly challenging financial environment the management will also look to available grants and funds which may be able to support new ideas and environmentally conscious investments.

The Trustees and Centre 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 2022

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 2022

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 21 July 2023 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 2022

I report to the charity trustees on my examination of the financial statements of the charity for the year ended 31 December 2022 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

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 (ICAEW), which is one of the listed bodies.

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.

The Horstead Centre

Independent examiner's report to the trustees of The Horstead Centre *(continued)*

Year ended 31 December 2022

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

26 July 2023

The Horstead Centre

Statement of financial activities

Year ended 31 December 2022

	Notes	General Fund £	Designated Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from:						
Donations and legacies	4	24,201	4,000	-	28,201	44,641
Charitable activities	5	272,634	-	-	272,634	139,853
Other trading activities	6	4,391	-	-	4,391	2,206
Investments	7	1,700	-	-	1,700	739
Other income	8	-	-	-	-	46,529
Total income		<u>302,926</u>	<u>4,000</u>	<u>-</u>	<u>306,926</u>	<u>233,968</u>
Expenditure on:						
Raising funds	9	(1,906)	-	-	(1,906)	(1,021)
Charitable activities	10	<u>(305,460)</u>	<u>(16,083)</u>	<u>(270)</u>	<u>(321,813)</u>	<u>(278,144)</u>
Total expenditure		<u>(307,366)</u>	<u>(16,083)</u>	<u>(270)</u>	<u>(323,719)</u>	<u>(279,165)</u>
Net expenditure		(4,440)	(12,083)	(270)	(16,793)	(45,197)
Transfers between funds		-	-	-	-	-
Net movement in funds for the period		(4,440)	(12,083)	(270)	(16,793)	(45,197)
Reconciliation of funds:						
Total funds brought forward		366,090	43,143	1,178	410,411	467,547
Prior year adjustment		-	-	-	-	(11,939)
Total funds brought forward as restated		<u>366,090</u>	<u>43,143</u>	<u>1,178</u>	<u>410,411</u>	<u>455,608</u>
Total funds carried forward		<u>361,650</u>	<u>31,060</u>	<u>908</u>	<u>393,618</u>	<u>410,411</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 12 to 22 form part of these financial statements

The Horstead Centre

Balance sheet

Year ended 31 December 2022

	Notes	General Fund £	Designated Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Fixed assets						
Tangible assets	15	232,213	-	-	232,213	250,040
Current assets						
Stock	16	5,223	-	-	5,223	3,080
Debtors	17	11,401	-	-	11,401	12,379
Cash at bank and in hand		156,878	31,060	908	188,846	192,585
		173,502	31,060	908	205,470	208,044
Liabilities						
Creditors: amounts falling due within one year	18	(44,065)	-	-	(44,065)	(35,734)
Net current assets		<u>129,437</u>	<u>31,060</u>	<u>908</u>	<u>161,405</u>	<u>172,310</u>
Total assets less current liabilities		<u>361,650</u>	<u>31,060</u>	<u>908</u>	<u>393,618</u>	<u>422,350</u>
Net assets		<u>361,650</u>	<u>31,060</u>	<u>908</u>	<u>393,618</u>	<u>422,350</u>
The funds of the charity						
Restricted Funds		-	-	908	908	1,178
Unrestricted Funds						
Designated Funds		-	31,060	-	31,060	43,143
General Fund		361,650	-	-	361,650	378,029
Total charity funds	20	<u>361,650</u>	<u>31,060</u>	<u>908</u>	<u>393,618</u>	<u>422,350</u>

These financial statements were approved by the Trustees and authorised for issue on 21 July 2022 and are signed on their behalf by:

Mr C Lawrence
Chairman

The notes on pages 11 to 21 form part of these financial statements

The Horstead Centre

Notes to the financial statements

Year ended 31 December 2022

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 2022

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) 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.
- 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.

(f) 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.

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

(g) 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

(h) 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.

(i) 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.

(j) 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.

(k) 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.

(l) 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 2022	Unrestricted Funds	Total Funds 2021 <i>(restated)</i>
	£	£	£	£
Donations				
Rent of Centre - Gift in kind	18,000	18,000	18,000	18,000
Other donations and grants	10,201	10,201	584	584
Local authority coronavirus support	—	—	26,057	26,057
	<u>28,201</u>	<u>28,201</u>	<u>44,641</u>	<u>44,641</u>

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

5. Charitable activities

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021 <i>(restated)</i>
	£	£	£	£
Residential income	145,215	145,215	61,911	61,911
Self catering and day hire	1,292	1,292	165	165
Activities income	126,127	126,127	77,777	77,777
	<u>272,634</u>	<u>272,634</u>	<u>139,853</u>	<u>139,853</u>

6. Other trading activities

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021 <i>(restated)</i>
	£	£	£	£
Sale of goods	<u>4,391</u>	<u>4,391</u>	<u>2,206</u>	<u>2,206</u>

7. Investment income

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021 <i>(restated)</i>
	£	£	£	£
Bank interest receivable	<u>2,973</u>	<u>2,973</u>	<u>739</u>	<u>739</u>

8. Other income

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021 <i>(restated)</i>
	£	£	£	£
Furlough income	<u>–</u>	<u>–</u>	<u>46,529</u>	<u>46,529</u>

9. Costs of other trading activities

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021 <i>(restated)</i>
	£	£	£	£
Fundraising trading - Costs of goods sold and other costs	<u>1,906</u>	<u>1,906</u>	<u>1,021</u>	<u>1,021</u>

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

10. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Wages and salaries	192,476	–	192,476
Pension costs	10,033	–	10,033
Provisions and consumables	21,273	–	21,273
Motor and travel expenses	1,703	–	1,703
Laundry and cleaning	1,963	–	1,963
Light and heat	7,354	–	7,354
Rent	18,000	–	18,000
Rates	2,188	–	2,188
Insurance	6,623	–	6,623
Printing, postage and stationery	565	–	565
Advertising	1,447	–	1,447
Telephone	1,740	–	1,740
Maintenance	25,974	270	26,244
Staff expenses and training	2,724	–	2,724
Professional fees	4,994	–	4,994
General expenses	2,452	–	2,452
Depreciation	17,827	–	17,827
Governance costs	3,480	–	3,480
	<u>322,816</u>	<u>270</u>	<u>323,086</u>
	Unrestricted Funds	Restricted Funds	Total Funds 2021 <i>(restated)</i>
	£	£	£
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>

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

11. Analysis of governance costs

	Governance costs	Total 2022	Total 2021
	£	£	£
Independent examination fees	<u>3,480</u>	<u>3,480</u>	<u>3,220</u>

12. Net expenditure

Net expenditure is stated after charging/(crediting):

	2022	2021 <i>(restated)</i>
	£	£
Depreciation of tangible fixed assets	<u>17,827</u>	<u>21,883</u>

13. Staff costs

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

	2022	2021 <i>(restated)</i>
	£	£
Wages and salaries	185,491	179,231
Social security costs	6,985	7,226
Employer contributions to pension plans	<u>10,033</u>	<u>6,498</u>
	<u>202,509</u>	<u>192,955</u>

The average head count of employees during the year was 15 (2021: 15). The average number of full-time equivalent employees during the year is analysed as follows:

	2022 No.	2021 No.
Administration - part-time	3	3
Direct - full-time	6	6
Direct - part-time (full-time equivalent)	<u>6</u>	<u>6</u>
	<u>15</u>	<u>15</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

14. 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 2022

15. Tangible fixed assets

	Improve- ments to Leasehold Property £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 January 2022 (as restated) and 31 December 2022	510,336	6,553	189,962	706,851
Depreciation				
At 1 January 2022	266,692	6,553	183,566	456,811
Charge for the year	11,431	–	6,396	17,827
At 31 December 2022	278,123	6,553	189,962	474,638
Carrying amount				
At 31 December 2022	232,213	–	–	232,213
At 31 December 2021	243,644	–	6,396	250,040

16. Stocks

	2022 £	2021 <i>(restated)</i> £
Raw materials and consumables	5,223	3,080
Analysed as:		
	2022 £	2021 £
Provisions	1,736	1,304
Souvenirs and other goods for resale	3,487	1,776
	5,223	3,080

17. Debtors

	2022 £	2021 <i>(restated)</i> £
Trade debtors	5,638	9,787
Prepayments and accrued income	5,738	2,592
Other debtors	25	–
	11,401	12,379

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

18. Creditors: Amounts falling due within one year

	2022	2021 <i>(restated)</i>
	£	£
Accruals and deferred income	18,720	16,877
Social security and other taxes	4,625	5,165
Deposits in advance	14,145	15,650
Other creditors	<u>6,575</u>	<u>9,981</u>
	<u>44,065</u>	<u>47,673</u>

Deferred income

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

	2022	2021
	£	£
Balance as at 1 January	15,650	13,900
Amount released to income	(15,650)	(13,900)
Amount deferred in year	<u>14,145</u>	<u>15,650</u>
Balance at 31 December	<u>14,145</u>	<u>15,650</u>

19. 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 £10,033 (2021: £6,498).

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

20. Analysis of charitable funds

Unrestricted funds

Year ended 31 December 2022

	At 1 January 2022 Restated £	Income £	Expenditure £	Transfers £	At 31 December 2022 £
General funds	366,090	302,926	(307,366)	–	361,650
Equipment Reserve	2,169	–	(2,130)	–	39
Centre Manager's Discretion Fund	8,478	2,000	–	–	10,478
Fabric Fund	29,621	2,000	(13,953)	–	17,668
50th Anniversary Fund	2,875	–	–	–	2,875
	<u>409,233</u>	<u>306,926</u>	<u>(323,449)</u>	<u>–</u>	<u>392,710</u>

Year ended 31 December 2021

	At 1 January 2021 Restated £	Income £	Expenditure £	Transfers £	At 31 December 2021 Restated £
General funds	410,787	233,968	(278,665)	–	366,090
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>454,412</u>	<u>233,968</u>	<u>(279,165)</u>	<u>18</u>	<u>409,233</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 2022

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	At 31 December 2022 £
Equipment Reserve	<u>1,178</u>	<u>–</u>	<u>(270)</u>	<u>–</u>	<u>908</u>

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

Analysis of charitable funds (continued)

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 restricted Equipment Reserve represents external funding towards various projects.

21. Analysis of net assets between funds

Year ended 31 December 2022

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Tangible assets	232,213	–	232,213
Current assets	204,562	908	205,470
Creditors less than 1 year	(44,065)	–	(44,065)
Net assets	<u>392,710</u>	<u>908</u>	<u>393,618</u>

Year ended 31 December 2021

	Unrestricted Funds	Restricted Funds	Total Funds 2021 Restated
	£	£	£
Tangible assets	250,040	–	250,040
Current assets	206,866	1,178	208,044
Creditors less than 1 year	(47,673)	–	(47,673)
Net assets	<u>409,233</u>	<u>1,178</u>	<u>410,411</u>

22. 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).

The Horstead Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

23. Prior period adjustment

During the year an underpayment of employer's pension contributions over a number of years was identified, and this was paid over after the year end. As at 31 December 2022 the total amount accrued was £14,474. However £11,939 of this amount related to pre December 2021, and so a prior period adjustment has been made to reflect this.

The prior year financial statements have been restated to correct the following:

	As previously reported £	Prior year adjustment £	Restated £
Statement of financial position			
General reserve brought forward	421,172	(11,939)	409,233
Creditors less than 1 year	(35,734)	(11,939)	(47,673)